

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
INDEPENDENT AUDITORS' REPORT
AND AUDITED FINANCIAL STATEMENTS
For The Year Ended June 30, 2009**

**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, 2009**

Steve W. Brockett Mayor

Chris Lujan Mayor – Pro-tem

City Commissioners

Marion L. Ledford, Jr. Commissioner – District 1

Chris Lujan Commissioner – District 2

Vacant..... Commissioner – District 3

Steve W. Brockett Commissioner – District 4

Joe Ferguson Commissioner – District 5

Ed Cole Commissioner – District 6

Ron Griggs..... Commissioner – District 7

City Staff

Mark Roath City Manager

LeeAnn Nichols Finance Director

FINANCIAL SECTION

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, 2009, 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, 2009, 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, 2009, 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, 2009, and the respective changes in the financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project fund, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2009 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

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 supplemental 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 18, 2009

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
STATEMENT OF NET ASSETS
As of June 30, 2009**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Regional Landfill (55,94)
Assets				
Current assets:				
Cash and cash equivalents	\$ 3,796,136	4,294,090	8,090,226	12,099
Investments	26,750,457	7,716,956	34,467,413	3,416,594
Receivables, net	84,525	809,013	893,538	73,336
Taxes and franchise receivables	3,787,434	218,547	4,005,981	3,544
Grants receivable	1,031,044	-	1,031,044	-
Due from other funds	163,283	17,394	180,677	-
Inventory and prepaid expenses	305,643	1,364,507	1,670,150	-
Bond issue costs, net	118,997	29,446	148,443	-
Total current assets	<u>36,037,519</u>	<u>14,449,953</u>	<u>50,487,472</u>	<u>3,505,573</u>
Non-current assets:				
Restricted cash	-	541,521	541,521	-
Capital assets not being depreciated	22,531,130	21,812,673	44,343,803	1,604,559
Capital assets being depreciated, net	23,783,709	38,199,510	61,983,219	735,782
Total non-current assets	<u>46,314,839</u>	<u>60,553,704</u>	<u>106,868,543</u>	<u>2,340,341</u>
Total assets	<u>\$ 82,352,358</u>	<u>75,003,657</u>	<u>157,356,015</u>	<u>5,845,914</u>
Liabilities				
Current liabilities:				
Accounts payable	\$ 473,360	673,154	1,146,514	1,297
Due to other funds	-	180,677	180,677	-
Accrued payroll liabilities	672,350	191,225	863,575	21,290
Accrued interest payable	139,838	43,794	183,632	-
Bonds, notes and leases payable	2,225,025	1,007,883	3,232,908	-
Deposits	14,009	546,718	560,727	-
Compensated absences	932,004	97,265	1,029,269	11,388
Deferred revenue	12,921	170,349	183,270	265
Total current liabilities	<u>4,469,507</u>	<u>2,911,065</u>	<u>7,380,572</u>	<u>34,240</u>
Long-term liabilities:				
Compensated absences - long-term portion	222,895	23,114	246,009	1,265
Bonds, notes and leases payable	23,643,967	17,649,862	41,293,829	-
Landfill post-closure costs	-	-	-	487,053
Total long-term liabilities	<u>23,866,862</u>	<u>17,672,976</u>	<u>41,539,838</u>	<u>488,318</u>
Total liabilities	<u>28,336,369</u>	<u>20,584,041</u>	<u>48,920,410</u>	<u>522,558</u>
Net assets				
Invested in capital assets, net of related debt	20,445,847	41,354,437	61,800,284	2,340,341
Restricted for:				
Other purposes	-	1,687,200	1,687,200	-
Unrestricted	33,570,143	11,377,979	44,948,122	2,983,015
Total net assets	<u>54,015,990</u>	<u>54,419,616</u>	<u>108,435,606</u>	<u>5,323,356</u>
Total liabilities and net assets	<u>\$ 82,352,358</u>	<u>75,003,657</u>	<u>157,356,015</u>	<u>5,845,914</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2009**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Assets			Component
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Unit	
					Governmental Activities	Business-Type Activities	Total	Regional Landfill (55,94)
Primary government:								
Governmental activities:								
General government	\$ 8,598,643	612,568	9,574	39,496	(7,937,005)	-	(7,937,005)	-
Public safety	8,814,207	27,343	1,757,859	168,336	(6,860,669)	-	(6,860,669)	-
Public works	6,001,603	38,772	71,115	549,745	(5,341,971)	-	(5,341,971)	-
Culture and recreation	1,784,208	578,568	832,489	-	(373,151)	-	(373,151)	-
Interest expense	1,197,091	-	-	-	(1,197,091)	-	(1,197,091)	-
Total governmental activities	<u>26,395,752</u>	<u>1,257,251</u>	<u>2,671,037</u>	<u>757,577</u>	<u>(21,709,887)</u>	<u>-</u>	<u>(21,709,887)</u>	<u>-</u>
Business-type activities:								
Water & sewer	7,646,042	7,734,265	86,915	-	-	175,138	175,138	-
Public housing program	1,528,287	340,761	480,062	-	-	(707,464)	(707,464)	-
Solid waste collections	1,670,362	1,733,155	-	-	-	62,793	62,793	-
Bonito lake	447,475	181,367	210,939	-	-	(55,169)	(55,169)	-
Desert Lakes golf course	1,304,094	1,111,510	-	-	-	(192,584)	(192,584)	-
White Sands regional airport	319,920	117,553	-	-	-	(202,367)	(202,367)	-
Total business-type activities	<u>12,916,180</u>	<u>11,218,611</u>	<u>777,916</u>	<u>-</u>	<u>-</u>	<u>(919,653)</u>	<u>(919,653)</u>	<u>-</u>
Total primary government	<u>\$ 39,311,932</u>	<u>12,475,862</u>	<u>3,448,953</u>	<u>757,577</u>	<u>(21,709,887)</u>	<u>(919,653)</u>	<u>(22,629,540)</u>	<u>-</u>
Component unit:								
Regional Landfill	\$ 983,861	1,176,507	-	-				192,646
Taxes								
Property taxes levied for general purposes					3,377,456	-	3,377,456	-
Gross receipt taxes and fees					5,105,910	-	5,105,910	-
State shared taxes and fees					7,735,684	-	7,735,684	-
Other taxes					8,188,735	-	8,188,735	-
Miscellaneous					2,335,041	578,456	2,913,497	31,931
Loss on disposition of capital assets					(341,590)	-	(341,590)	(140,863)
Investment earnings					432,416	119,818	552,234	76,677
Transfers					(1,672,506)	1,736,439	63,933	(2,500)
Total general revenues and transfers					<u>25,161,146</u>	<u>2,434,713</u>	<u>27,595,859</u>	<u>(34,755)</u>
Changes in net assets					<u>3,451,259</u>	<u>1,515,060</u>	<u>4,966,319</u>	<u>157,891</u>
Net assets - beginning					<u>50,478,340</u>	<u>53,536,957</u>	<u>104,015,297</u>	<u>4,848,385</u>
Restatement					<u>86,391</u>	<u>(632,401)</u>	<u>(546,010)</u>	<u>317,080</u>
Net assets - beginning, restated					<u>50,564,731</u>	<u>52,904,556</u>	<u>103,469,287</u>	<u>5,165,465</u>
Net assets - ending					<u>\$ 54,015,990</u>	<u>54,419,616</u>	<u>108,435,606</u>	<u>5,323,356</u>

See accompanying notes to financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
BALANCE SHEET
GOVERNMENTAL FUNDS
As of June 30, 2009**

	Major Funds						Other Non-major Governmental Funds	Total Governmental Funds
	11 & 98	13, 30, 32	44	49	56	109		
	General Fund	Special Revenue Community Services	Transportation	1986 Gross Receipts	Capital Projects 1999 GRT Flood Cntrl	2004 GRT Capital Outlay		
Assets								
Cash and cash equivalents	\$ 1,993,872	350,341	864,004	9,910	10,439	100,000	280,913	3,609,479
Investments	978,836	-	118,184	3,766,451	3,609,346	8,796,684	8,527,615	25,797,116
Receivables, net	49,249	24,444	622	-	-	-	827	75,142
Taxes and franchise receivable	2,101,353	15,650	400,161	239,790	-	239,790	790,690	3,787,434
Grants receivable	-	-	267,521	465,912	-	-	297,611	1,031,044
Due from other funds	381,533	-	-	-	-	-	-	381,533
Prepaid	11,238	-	-	-	-	-	-	11,238
Other assets	-	-	-	-	-	-	-	-
Total assets	\$ <u>5,516,081</u>	<u>390,435</u>	<u>1,650,492</u>	<u>4,482,063</u>	<u>3,619,785</u>	<u>9,136,474</u>	<u>9,897,656</u>	<u>34,692,986</u>
Liabilities								
Accounts payable	17,840	15,260	236,447	3,698	11,879	72,665	79,371	437,160
Due to other funds	-	-	-	-	-	-	218,250	218,250
Accrued payroll liabilities	377,164	111,557	42,724	-	-	-	86,091	617,536
Deposits	-	3,643	-	-	-	-	10,366	14,009
Deferred revenue	188,788	11,501	-	-	-	-	58,073	258,362
Total liabilities	<u>583,792</u>	<u>141,961</u>	<u>279,171</u>	<u>3,698</u>	<u>11,879</u>	<u>72,665</u>	<u>452,151</u>	<u>1,545,317</u>
Fund balances								
Reserved for:								
Capital projects	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other purposes	874,234	-	-	-	-	-	371,358	1,245,592
Unreserved, reported in:								
General fund	4,058,055	-	-	-	-	-	-	4,058,055
Special revenue funds	-	248,474	1,371,321	-	-	-	4,310,517	5,930,312
Capital project funds	-	-	-	4,478,365	3,607,906	9,063,809	3,718,737	20,868,817
Debt service	-	-	-	-	-	-	1,044,893	1,044,893
Total fund balances	<u>4,932,289</u>	<u>248,474</u>	<u>1,371,321</u>	<u>4,478,365</u>	<u>3,607,906</u>	<u>9,063,809</u>	<u>9,445,505</u>	<u>33,147,669</u>
Total liabilities and fund balances	\$ <u>5,516,081</u>	<u>390,435</u>	<u>1,650,492</u>	<u>4,482,063</u>	<u>3,619,785</u>	<u>9,136,474</u>	<u>9,897,656</u>	<u>34,692,986</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
TO STATEMENT OF NET ASSETS
As of June 30, 2009**

Total fund balance - total governmental funds	\$	33,147,669
Amount reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet, net of accumulated depreciation		46,314,839
Other assets (bond issue costs) are not available to pay for current period expenditures and therefore are deferred in the funds		118,997
Internal service funds are used by management to charge the cost of certain activities, such as insurance and fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net assets. Internal Service Fund balances not included in other reconciling items:		
Internal service fund net assets		1,190,002
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		(23,550,528)
Compensated absences (less Internal Service Funds)		(153,564)
Other current liabilities (bonds payable) are not available to pay for current period expenditures and therefore are deferred in the funds.		
Bonds payable		(2,225,025)
Compensated absences (less Internal Service Funds)		(932,084)
Deferred revenue that was recognized as revenue in the government-wide statements		245,521
Accrued interest payable on long-term debt does not require current financial resources. Therefore interest payable is not reported as a liability in governmental funds balance sheet		
		(139,838)
Net assets of governmental activities	\$	54,015,990

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended June 30, 2009**

	Major Funds						Other Governmental Funds	Total Governmental Funds
	11 & 98	32	44	49	56	109		
	General Fund	Special Revenue		1986 Gross Receipts	Capital Projects			
Revenues		Community Services	Transportation		1999 GRT Flood Cntrl			
Taxes and fees	\$ 13,374,251	27,638	1,264,097	1,425,520	-	2,611,250	5,480,305	24,183,061
Fines and forfeitures	415,648	21,099	-	-	-	-	265,197	701,944
Grants and gifts	5,735	111,147	1,224,847	534,074	-	-	1,552,811	3,428,614
Charges for services	469,182	406,951	1,895	-	-	-	255,505	1,133,533
Interest income	39,717	-	11,220	85,233	39,473	73,623	162,864	412,130
Miscellaneous	605,106	58,130	418,822	-	-	-	374,268	1,456,238
Total revenues	<u>14,909,639</u>	<u>624,965</u>	<u>2,920,881</u>	<u>2,044,827</u>	<u>39,473</u>	<u>2,684,873</u>	<u>8,090,950</u>	<u>31,315,520</u>
Expenditures								
Current:								
General government	2,469,965	3,218,441	-	-	-	-	712,243	6,400,649
Public safety	6,672,704	-	-	-	-	-	563,207	7,235,911
Public works	-	-	1,522,967	89,650	77,064	133,327	726,757	2,549,765
Health and welfare	-	-	-	-	-	-	229,007	229,007
Culture and recreation	-	-	-	-	-	-	1,356,856	1,356,856
Non-current								
Debt Service								
Principal payments-debt service	-	-	-	-	-	-	1,983,596	1,983,596
Interest payments-debt service	-	-	-	101,007	-	-	956,246	1,057,253
Capital outlay	448,020	55,808	3,572,520	1,036,644	1,089,755	1,190,761	620,562	8,014,070
Total expenditures	<u>9,590,689</u>	<u>3,274,249</u>	<u>5,095,487</u>	<u>1,227,301</u>	<u>1,166,819</u>	<u>1,324,088</u>	<u>7,148,474</u>	<u>28,827,107</u>
Excess (deficiency) or revenues over expenditures	<u>5,318,950</u>	<u>(2,649,284)</u>	<u>(2,174,606)</u>	<u>817,526</u>	<u>(1,127,346)</u>	<u>1,360,785</u>	<u>942,476</u>	<u>2,488,413</u>
Other financing sources (uses)								
Proceeds of long-term capital-related debt	-	-	-	-	3,620,000	7,350,000	196,910	11,166,910
Transfers in	638,117	3,011,799	2,575,428	-	-	-	3,965,475	10,190,819
Transfers out	(6,654,275)	(454,524)	(389,679)	(1,512,753)	-	(1,138,847)	(3,864,799)	(14,014,877)
Total other financing sources (uses)	<u>(6,016,158)</u>	<u>2,557,275</u>	<u>2,185,749</u>	<u>(1,512,753)</u>	<u>3,620,000</u>	<u>6,211,153</u>	<u>297,586</u>	<u>7,342,852</u>
Net change in fund balances	<u>(697,208)</u>	<u>(92,009)</u>	<u>11,143</u>	<u>(695,227)</u>	<u>2,492,654</u>	<u>7,571,938</u>	<u>1,240,062</u>	<u>9,831,265</u>
Fund balances-beginning of year	5,629,497	340,483	1,360,178	5,173,592	1,115,252	1,491,871	8,205,531	23,316,404
Fund balances-end of the year	<u>\$ 4,932,289</u>	<u>248,474</u>	<u>1,371,321</u>	<u>4,478,365</u>	<u>3,607,906</u>	<u>9,063,809</u>	<u>9,445,593</u>	<u>33,147,669</u>

See accompanying notes to the 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, 2009**

Net change in fund balance - total governmental funds	\$	9,831,265
Amount 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.		8,014,070
Other expenditures for capital assets classified as other than capital outlay		(2,560,587)
Deletions of capital assets		
In the Statement of Activities, a loss is recorded for assets that are removed from service that are not fully depreciated. Thus, the change in net assets differs from the change in fund balance by the amount of loss recorded for deleted capital assets.		(341,590)
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore depreciation expense is not reported as expenditure in governmental funds.		(2,408,308)
Property tax not be collected for 60 days after the City's fiscal year end is not considered "available" revenues in the governmental funds until received. Change in amount deferred on fund statements.		50,601
Amortization of bond issuance expense and interest expense		(27,321)
Increase in compensated absences		(22,585)
Increase in interest payable		(29,001)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management to individual funds. The net change of the internal service funds resulting from transactions not recorded with governmental funds.		128,028
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets.		(11,166,910)
Principal payments on bonds and notes included in governmental funds but not in the statement of activities		1,983,596
Change in net assets of governmental activities	\$	3,451,259

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, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues:				
Taxes and fees	\$ 5,211,290	\$ 5,210,837	\$ 5,275,464	\$ 64,627
Fees and permits	1,067,034	1,033,299	983,208	(50,091)
State shared fees	7,592,075	7,226,469	7,109,319	(117,150)
User fees	511,126	362,932	475,442	112,510
Fines	652,073	577,173	403,486	(173,687)
Miscellaneous revenue	559,219	575,108	605,106	29,998
Grants	-	5,735	5,735	-
Investment Income	92,789	75,000	39,717	(35,283)
Public Safety Fines	13,000	13,000	12,162	(838)
	<u>\$ 15,698,606</u>	<u>\$ 15,079,553</u>	<u>\$ 14,909,639</u>	<u>\$ (169,914)</u>
Total revenues				
Expenditures				
Legislative	\$ 84,368	\$ 88,388	\$ 87,078	\$ 1,310
Judicial	-	-	-	-
City Manager	300,055	290,555	209,525	81,030
Legal	326,048	227,849	197,355	30,494
Operations Analyst	69,301	3,370	2,538	832
City Clerk	225,852	231,492	224,471	7,021
Finance/Accounting	635,541	615,889	521,778	94,111
Accounts Receivable	107,979	107,838	101,437	6,401
Nondepartmental	726,529	643,512	543,779	99,733
Public Safety-Bench Warrant	36,942	36,942	13,313	23,629
Code Enforcement/Public Safety	235,649	207,649	182,939	24,710
Building Codes	-	-	-	-
Planning	128,041	113,356	106,280	7,076
Animal Control	415,174	403,107	356,396	46,711
Public Safety-Dispatch	514,882	486,479	426,158	60,321
Public Safety-Police	5,887,322	5,661,546	5,313,750	347,796
Fire	1,030,057	980,731	878,042	102,689
FEMA	-	-	-	-
A.P.S. Resource Program	358,072	333,661	320,357	13,304
GIS/Land Management	64,617	58,440	53,362	5,078
Land improvements	-	-	-	-
	<u>\$ 11,146,429</u>	<u>\$ 10,490,804</u>	<u>\$ 9,538,557</u>	<u>\$ 952,247</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>4,552,177</u>	<u>4,588,749</u>	<u>5,371,083</u>	<u>(1,122,161)</u>

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Other financing sources (uses):				
Transfers in	270,000	646,355	638,117	(8,238)
Transfers out	(7,634,973)	(7,329,987)	(6,654,275)	675,712
Total other financing sources (uses)	(7,364,973)	(6,683,632)	(6,016,158)	667,474
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,812,796)	(2,094,883)	(645,075)	(454,687)
Budgeted cash carryover	3,181,703	3,181,703		
	\$ 3,181,703	\$ 3,181,703		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$	(645,075)
To adjust applicable revenue accruals and deferrals		17,457
To adjust applicable expenditures and accruals and payments		
Payables and accrued expenses		(69,590)
Change in net assets (GAAP basis)	\$	(697,208)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Taxes and state shared fees	\$ 24,033	\$ 25,129	\$ 27,639	\$ 2,510
Grants and gifts	1,715,144	1,718,591	111,147	(1,607,444)
Charges for services	440,716	435,289	406,950	(28,339)
Interest Income	-	-	-	-
Fines	19,000	19,000	21,099	2,099
Miscellaneous	64,968	65,603	58,130	(7,473)
	<u>2,263,861</u>	<u>2,263,612</u>	<u>624,965</u>	<u>(1,638,647)</u>
Expenditures				
Current:				
General government	1,091,760	1,076,722	987,276	89,446
Culture and recreation	2,428,906	2,396,011	2,125,961	270,050
Non-current:				
Capital outlay	1,931,136	1,926,485	55,808	1,870,677
	<u>5,451,802</u>	<u>5,399,218</u>	<u>3,169,045</u>	<u>2,230,173</u>
Excess (deficiency) of revenues over expenditures	<u>(3,187,941)</u>	<u>(3,135,606)</u>	<u>(2,544,080)</u>	<u>591,526</u>
Other financing sources (uses)				
Transfers in	3,392,130	3,377,130	3,011,799	(365,331)
Transfers out	(504,036)	(512,323)	(454,524)	57,799
Total other financing sources (uses)	<u>2,888,094</u>	<u>2,864,807</u>	<u>2,557,275</u>	<u>(307,532)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (299,847)</u>	<u>\$ (270,799)</u>	<u>\$ 13,195</u>	<u>\$ 283,994</u>
Budgeted cash carryover	<u>230,234</u>	<u>230,234</u>		
	<u>\$ (69,613)</u>	<u>\$ (40,565)</u>		
RECONCILIATION FROM BUDGET/ACTUAL To GAAP				
Change in net assets (Budget Basis)			\$ 13,195	
To adjust applicable revenue accruals and deferrals			15,147	
To adjust applicable expenditures and accruals and payments				
Payables and accrued expenses			(120,351)	
Change in net assets (GAAP basis)			<u>\$ (92,009)</u>	

See accompanying notes to financial statements

**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, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Taxes and fees	\$ 393,304	\$ 367,671	\$ 647,106	\$ 279,435
Grants and gifts	7,571,859	7,831,990	1,224,847	(6,607,143)
State Shared Fees	740,598	610,425	616,991	6,566
Interest Income	17,339	14,368	11,220	(3,148)
Miscellaneous	562,860	572,401	420,716	(151,685)
	<u>9,285,960</u>	<u>9,396,855</u>	<u>2,920,881</u>	<u>(6,475,974)</u>
Expenditures				
Current:				
General government	1,833,308	313,789	298,614	15,175
Public works	1,449,923	2,323,029	1,457,848	865,181
Non-current:				
Capital outlay	9,491,722	10,561,464	3,148,887	7,412,577
	<u>12,774,953</u>	<u>13,198,282</u>	<u>4,905,349</u>	<u>8,292,933</u>
Excess (deficiency) of revenues over expenditures	<u>(3,488,993)</u>	<u>(3,801,427)</u>	<u>(1,984,468)</u>	<u>1,816,959</u>
Other financing sources (uses)				
Transfers in	3,293,288	3,768,185	2,575,428	(1,192,757)
Transfers out	(409,799)	(412,457)	(389,679)	22,778
Total other financing sources (uses)	<u>2,883,489</u>	<u>3,355,728</u>	<u>2,185,750</u>	<u>(1,169,978)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (605,504)</u>	<u>\$ (445,699)</u>	<u>\$ 201,281</u>	<u>\$ 646,980</u>
Budgeted cash carryover	<u>732,293</u>	<u>732,293</u>		
	<u>\$ 126,789</u>	<u>\$ 286,594</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 201,281
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(190,138)
Change in net assets (GAAP basis)	\$ 11,143

See accompanying notes to financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
STATEMENT OF NET ASSETS
PROPRIETARY AND INTERNAL SERVICE FUNDS
As of June 30, 2009**

	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	901,902, 903,904 Public Housing	Total	12, 96, 107 Internal Service
Assets								
Current assets:								
Cash and cash equivalents	\$ 3,420,984	63,216	54,034	174,990	75,336	505,530	4,294,090	186,657
Investments	6,386,268	6,895	357,635	43,144	213,874	709,140	7,716,956	953,341
Receivables, net	557,739	109,737	66,434	-	4,014	71,089	809,013	9,383
Other receivables	217,165	70	-	-	-	1,312	218,547	-
Due from other funds	-	-	-	-	-	17,394	17,394	-
Inventories and prepaid expenses	410,949	-	-	-	-	953,558	1,364,507	294,405
Other assets	29,446	-	-	-	-	-	29,446	-
Total current assets	<u>11,022,551</u>	<u>179,918</u>	<u>478,103</u>	<u>218,134</u>	<u>293,224</u>	<u>2,258,023</u>	<u>14,449,953</u>	<u>1,443,786</u>
Non-current assets:								
Restricted cash and cash equivalents	439,628	-	-	-	7,662	94,231	541,521	-
Restricted cash held in investments	-	-	-	-	-	-	-	-
Capital assets, net	46,869,153	239,455	1,784,448	5,363,427	2,057,240	3,698,460	60,012,183	-
Total non-current assets	<u>47,308,781</u>	<u>239,455</u>	<u>1,784,448</u>	<u>5,363,427</u>	<u>2,064,902</u>	<u>3,792,691</u>	<u>60,553,704</u>	<u>-</u>
Total assets	<u>\$ 58,331,332</u>	<u>419,373</u>	<u>2,262,551</u>	<u>5,581,561</u>	<u>2,358,126</u>	<u>6,050,714</u>	<u>75,003,657</u>	<u>1,443,786</u>
Liabilities								
Current liabilities:								
Accounts payable	\$ 516,564	122,583	6,201	8,149	873	18,784	673,154	36,200
Due to other funds	-	-	163,283	-	-	17,394	180,677	-
Bonds, notes, and leases payable	1,007,883	-	-	-	-	-	1,007,883	93,439
Accrued interest payable	42,942	852	-	-	-	-	43,794	-
Accrued payroll liabilities	99,298	6,666	9,878	15,307	4,794	55,282	191,225	54,814
Compensated absences	67,944	5,126	3,176	16,172	6,606	21,355	120,379	69,331
Deposits	439,628	-	5,197	-	7,662	94,231	546,718	-
Deferred revenues	169,776	-	-	-	-	573	170,349	-
Total current liabilities	<u>2,344,035</u>	<u>135,227</u>	<u>187,735</u>	<u>39,628</u>	<u>19,935</u>	<u>207,619</u>	<u>2,934,179</u>	<u>253,784</u>
Long-term liabilities:								
Bonds, notes, and leases payable	17,649,862	-	-	-	-	-	17,649,862	-
Total long-term liabilities	<u>17,649,862</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,649,862</u>	<u>-</u>
Total liabilities	<u>19,993,897</u>	<u>135,227</u>	<u>187,735</u>	<u>39,628</u>	<u>19,935</u>	<u>207,619</u>	<u>20,584,041</u>	<u>253,784</u>
Net assets								
Invested in capital assets, net of related debt	28,211,408	239,455	1,784,448	5,363,427	2,057,240	3,698,460	41,354,438	-
Restricted for:								
Customer Deposits	-	-	-	-	-	-	-	-
Other purposes	1,592,969	-	-	-	-	94,231	1,687,200	-
Unrestricted	8,533,058	44,691	290,368	178,506	280,951	2,050,404	11,377,978	1,190,002
Total net assets	<u>38,337,435</u>	<u>284,146</u>	<u>2,074,816</u>	<u>5,541,933</u>	<u>2,338,191</u>	<u>5,843,095</u>	<u>54,419,616</u>	<u>1,190,002</u>
Total liabilities and net assets	<u>\$ 58,331,332</u>	<u>419,373</u>	<u>2,262,551</u>	<u>5,581,561</u>	<u>2,358,126</u>	<u>6,050,714</u>	<u>75,003,657</u>	<u>1,443,786</u>

See accompanying notes to the 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, 2009**

	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	901,902, 903,904 Public Housing Total		12, 96, 107 Internal Service
Operating revenues:								
Charges for services	\$ 7,732,709	1,733,155	181,367	1,111,510	117,553	340,761	11,217,055	-
Grants	86,915	-	210,939	-	-	480,062	777,916	-
Fees and permits	1,556	-	-	-	-	-	1,556	117,446
Miscellaneous income	126,605	5,812	6,089	211	22,804	416,935	578,456	176,775
Total operating revenues	<u>7,947,785</u>	<u>1,738,967</u>	<u>398,395</u>	<u>1,111,721</u>	<u>140,357</u>	<u>1,237,758</u>	<u>12,574,983</u>	<u>294,221</u>
Operating expenses:								
Personnel services	1,482,305	139,474	127,961	280,064	105,965	309,931	2,445,700	1,254,777
Repairs and maintenance	359,834	7,148	17,406	76,149	14,106	218,475	693,118	319,245
Supplies	892,739	19,621	22,447	54,177	7,697	57,612	1,054,293	174,345
Other services and insurance	3,359,317	1,474,141	274,000	734,329	32,976	697,427	6,572,190	653,647
Depreciation	1,195,640	29,978	5,661	159,375	159,176	244,842	1,794,672	-
Total operating expenses	<u>7,289,835</u>	<u>1,670,362</u>	<u>447,475</u>	<u>1,304,094</u>	<u>319,920</u>	<u>1,528,287</u>	<u>12,559,973</u>	<u>2,402,014</u>
Operating income (loss)	<u>657,950</u>	<u>68,605</u>	<u>(49,080)</u>	<u>(192,373)</u>	<u>(179,563)</u>	<u>(290,529)</u>	<u>15,010</u>	<u>(2,107,793)</u>
Non-operating revenues (expenses):								
Interest and investment revenue	88,678	2,122	8,693	1,654	5,234	13,437	119,818	20,290
Interest payments	(356,207)	-	-	-	-	-	(356,207)	-
Gain/ Loss on sale of assets	-	-	-	-	-	-	-	-
Total nonoperating revenue (expenses)	<u>(267,529)</u>	<u>2,122</u>	<u>8,693</u>	<u>1,654</u>	<u>5,234</u>	<u>13,437</u>	<u>(236,389)</u>	<u>20,290</u>
Income (loss) before contributions and transfers	390,421	70,727	(40,387)	(190,719)	(174,329)	(277,092)	(221,379)	(2,087,503)
Transfers in	9,277,455	55,212	64,162	159,815	52,504	301,209	9,910,357	2,527,906
Transfers out	<u>(7,638,014)</u>	<u>(104,096)</u>	<u>(13,769)</u>	<u>(69,805)</u>	<u>(47,025)</u>	<u>(301,209)</u>	<u>(8,173,918)</u>	<u>(376,355)</u>
Change in net assets	<u>2,029,862</u>	<u>21,843</u>	<u>10,006</u>	<u>(100,709)</u>	<u>(168,850)</u>	<u>(277,092)</u>	<u>1,515,060</u>	<u>64,048</u>
Beginning net assets	36,993,911	262,303	2,064,810	5,642,642	2,453,104	6,120,187	53,536,957	1,039,562
Restatement	<u>(686,338)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,937</u>	<u>-</u>	<u>(632,401)</u>	<u>86,391</u>
Beginning net assets-as restated	<u>36,307,573</u>	<u>262,303</u>	<u>2,064,810</u>	<u>5,642,642</u>	<u>2,507,041</u>	<u>6,120,187</u>	<u>52,904,556</u>	<u>1,125,954</u>
Net assets-end of the year	<u>\$ 38,337,435</u>	<u>284,146</u>	<u>2,074,816</u>	<u>5,541,933</u>	<u>2,338,191</u>	<u>5,843,095</u>	<u>54,419,616</u>	<u>1,190,002</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
STATEMENT OF CASH FLOWS
PROPRIETARY AND INTERNAL SERVICE FUNDS
For The Year Ended June 30, 2009**

	Business-Type Activities							12, 96, 107
	Enterprise funds							
	46,81,82, 104,110 Water & Sewer	86 Solid Waste	88 Bonito Lake	90 Golf Course	91 Air- port	901,902, 903,904 Public Housing	Total	
Cash flows from operating activities:								
Receipts from customers	\$ 7,646,781	1,705,078	162,946	1,112,910	128,628	310,745	11,067,088	108,069
Payment to suppliers	(4,251,617)	(1,477,249)	(331,652)	(862,438)	(53,741)	(884,602)	(7,861,299)	(1,102,583)
Payment to employees	(1,500,422)	(141,674)	(125,465)	(278,056)	(104,427)	(298,556)	(2,448,600)	(1,265,248)
Other receipts (payments)	213,520	5,812	217,028	211	22,804	896,997	1,356,372	176,775
Net cash provided (used) by operating activities	<u>2,108,262</u>	<u>91,967</u>	<u>(77,143)</u>	<u>(27,373)</u>	<u>(6,736)</u>	<u>24,584</u>	<u>2,113,561</u>	<u>(2,082,987)</u>
Cash flows from non-capital financing activities:								
Transfers from other funds	9,301,455	55,212	64,162	159,815	52,504	301,209	9,934,357	2,527,906
Operating subsidies and transfers to other funds	<u>(7,638,014)</u>	<u>(104,096)</u>	<u>(13,769)</u>	<u>(69,805)</u>	<u>(47,025)</u>	<u>(301,209)</u>	<u>(8,173,918)</u>	<u>(376,355)</u>
Total cash provided (used) by non-capital financing activities	<u>1,663,441</u>	<u>(48,884)</u>	<u>50,393</u>	<u>90,010</u>	<u>5,479</u>	<u>-</u>	<u>1,760,439</u>	<u>2,151,551</u>
Cash flows from capital and related financing activities:								
Capital contributions	-	-	-	-	-	-	-	-
(Purchase)/disposal of capital assets	(2,459,533)	(109,267)	-	-	-	(32,186)	(2,600,986)	-
Principal payments	(551,837)	-	-	-	-	-	(551,837)	(89,845)
Interest payments	(356,207)	-	-	-	-	-	(356,207)	-
Proceeds from issuance of debt	<u>5,452,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,452,019</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>2,084,442</u>	<u>(109,267)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,186)</u>	<u>1,942,989</u>	<u>(89,845)</u>
Cash flows from investing activities:								
Proceeds from sales and maturities of investments	-	119,132	66,068	105,186	71,853	244,000	606,239	10,919
Purchase of investments	(2,844,158)	-	-	-	-	-	(2,844,158)	-
Interest and dividends	<u>88,678</u>	<u>2,122</u>	<u>8,693</u>	<u>1,654</u>	<u>5,234</u>	<u>13,437</u>	<u>119,818</u>	<u>20,291</u>
Net cash provided (used) by investing activities	<u>(2,755,480)</u>	<u>121,254</u>	<u>74,761</u>	<u>106,840</u>	<u>77,087</u>	<u>257,437</u>	<u>(2,118,101)</u>	<u>31,210</u>
Net increase (decrease) in cash and cash equivalents	3,100,665	55,070	48,011	169,477	75,830	249,835	3,698,888	9,929
Balances-beginning of year	<u>759,947</u>	<u>8,146</u>	<u>6,023</u>	<u>5,514</u>	<u>7,168</u>	<u>349,926</u>	<u>1,136,724</u>	<u>176,730</u>
Balances-end of year	<u>\$ 3,860,612</u>	<u>63,216</u>	<u>54,034</u>	<u>174,990</u>	<u>82,998</u>	<u>599,761</u>	<u>4,835,611</u>	<u>186,657</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
STATEMENT OF CASH FLOWS
PROPRIETARY AND INTERNAL SERVICE FUNDS
For The Year Ended June 30, 2009**

	Business-Type Activities Enterprise funds						Governmental Activities	
	46,81,82, 104,110 Water & Sewer	86 Solid Waste	88 Bonito Lake	90 Golf Course	91 Air- port	901,902, 903,904 Public Housing	12,96,107 Internal Service	
						Total		
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ 657,950	68,605	(49,080)	(192,373)	(179,563)	(290,529)	15,010	(2,107,793)
Adjustments:								
Depreciation expense	1,195,640	29,978	5,661	159,375	159,176	244,842	1,794,672	-
Bad debt expense	47,548	1,569	-	-	-	-	49,117	-
Prior period adjustment	-	-	-	-	-	-	-	-
Change in assets and liabilities:								
Receivables, net	(133,051)	(28,064)	(57,987)	1,400	11,075	(22,332)	(228,959)	(9,383)
Other receivables	(95,784)	(14)	39,566	-	-	(19)	(56,251)	6
Due from other funds	24,000	-	-	-	-	(11,401)	12,599	-
Inventories and prepaid expenses	21,509	-	-	-	-	185,327	206,836	42,220
Other assets	1,963	-	-	-	-	-	1,963	-
Accounts payable	252,357	22,092	6,201	2,217	678	(47,963)	235,582	2,434
Accrued expenses	(21,206)	(129)	4,805	958	395	14,464	(713)	2,331
Compensated absences	3,089	(2,071)	(2,309)	1,050	1,143	(3,089)	(2,187)	(12,802)
Due to other funds	-	-	(24,000)	-	-	11,401	(12,599)	-
Deposits	12,896	-	-	-	360	(48,452)	(35,196)	-
Deferred revenue	141,351	1	-	-	-	(7,665)	133,687	-
Net cash provided (used) by operating activities	<u>\$ 2,108,262</u>	<u>91,967</u>	<u>(77,143)</u>	<u>(27,373)</u>	<u>(6,736)</u>	<u>24,584</u>	<u>2,113,561</u>	<u>(2,082,987)</u>

See accompanying notes to the financial statements

STATE OF NEW MEXICO
CITY OF ALAMOGORDO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
Fiduciary Funds
As of June 30, 2009

		Agency Funds <u>17, 39, 41, 92, 115</u>
Assets		
Cash	\$	527,574
Receivables		64,868
Allowance for uncollectible accounts		<u>(64,868)</u>
 Total assets	 \$	 <u><u>527,574</u></u>
Liabilities		
Accounts payable	\$	21,145
Accrued payroll liabilities		37,827
Deposits held in custody for others		<u>468,602</u>
 Total liabilities	 \$	 <u><u>527,574</u></u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

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 the foregoing 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:

Otero County

City of Alamogordo
County of Otero
Village of Cloudcroft
Village of Tularosa
Village of Corona

Lincoln County

County of Lincoln
Town of Carrizozo
Village of Capitan
Village of Ruidoso
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, 2009**

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, 2009.

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 regards 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.

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

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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.

The City reports the following major governmental funds:

The *General Fund: (F11 & 98)* – 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.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

Community Services (F13, 30, 32) – to account for services and admission fees received by the Recreation Department for the maintenance and improvement of facilities and administering

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

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.

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

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.

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.

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

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.

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
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

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:

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

The Public Housing Authority provides depreciation on its capital assets, in accordance with generally accepted accounting principles.

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 their capital assets.

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
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

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.

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.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
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FOR THE YEAR ENDED JUNE 30, 2009**

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.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

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.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

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. Encumbrances are reported as a reservation of fund balance on the balance sheet. Encumbrances do not lapse at the close of the fiscal year, but are carried forward as reserved fund balance until liquidated. As of year end there were no encumbrances outstanding.

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 all computer generated.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

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 – Is 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 – Include all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The City’s policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

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

Q. 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.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 2 – CASH AND INVESTMENTS

Cash

Cash includes cash in banks with various financial institutions. As of June 30, 2009, 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:

	1st National Bank	Wells Fargo Bank	1st National Ruidoso	NMFA	Bank of Albuquerque	Pioneer Bank	Bank'34
Total amount of deposits in bank	\$ 9,293,136	3,744,042	24,636	4,611	532,473	500,000	505,040
Less: FDIC coverage	(250,000)	(1,130,108)	(24,636)	N/A	(250,000)	(250,000)	(250,000)
Total uninsured public funds	<u>9,043,136</u>	<u>2,613,934</u>	<u>-</u>	<u>-</u>	<u>282,473</u>	<u>250,000</u>	<u>255,040</u>
State Collateral Requirement - 50%	4,521,568	1,306,967	-	-	141,236	125,000	127,520
Pledged security	<u>4,642,355</u>	<u>1,495,334</u>	<u>-</u>	<u>-</u>	<u>532,922</u>	<u>672,524</u>	<u>134,437</u>
Over/(under) collateralized	<u>\$ 120,787</u>	<u>188,367</u>	<u>-</u>	<u>-</u>	<u>391,686</u>	<u>547,524</u>	<u>6,917</u>

<u>Cash by fund type</u>	<u>Book Balance Amount</u>
Governmental funds	\$ 3,609,479
Business-type funds	4,835,611
Fiduciary funds	527,574
Internal service funds	186,657
Component unit	12,099
Cash per financial statements	<u>\$ 9,171,420</u>

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

Investments

Investments consisted of the following as of June 30, 2009:

<u>Investment Type</u>	<u>Fair Value</u>
State Treasurer's Investment Pool	\$ 26,119,485
CDs and other	5,092,643
Federal Home Loan Notes	6,671,878
Total	<u>\$ 37,884,006</u>

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

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pool does not necessarily reflect realized gains or losses but rather the fair value of those investments as of June 30, 2009.

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 \$26,119,485 as of June 30, 2009 within the short-term investment fund pool. The yield at June 30, 2009 was 2.41%. 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.

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 25-day WAM 7 day yield 3.10%.

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, 2009, 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 67.35%, 19.00%, and 13.65%, 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

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\$100,000 to \$250,000 per depositor through December 31, 2009; 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.

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, 2009, the City's bank and investment balances of \$47,055,427, which includes the component units, were exposed to custodial credit risk as follows:

Uninsured and uncollateralized		\$ 5,639,984
Uninsured and collateral held by pledging bank's trust department, not in the City's name.		6,809,639
	Total	<u>\$ 12,449,623</u>

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, 2009, 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	218,250	-
Special revenue funds - Non-major gov funds to General fund	various	-	218,250
PHA - Operating Fund	901	17,394	-
PHA - Capital Projects Fund	904	-	10,315
Homeownership Fund	903	-	7,079
		<u>\$ 398,927</u>	<u>398,927</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. Interfund balances due to PHA Fund 901 from PHA Funds 903 and 904 are also 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.

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	Transfers In													Total
	11,98	13,30,32	44	46,81,82,104,110	86	88	90	91	901, 902 903, 904 PHA	Non Major Govern- mental	300 17,39,41,92 Fidu- ciary	12,96,107 Internal Service	55,94 Component Unit	
	General	Comm- unity	Trans- portation	Water & Sewer	Solid Waste	Bonito Lake	Golf Course	Airport						
General	\$ -	3,011,799	1,020,372	-	-	-	159,815	52,504	-	1,208,308	-	1,201,477	-	6,654,275
Community	-	-	-	-	-	-	-	-	-	-	-	454,524	-	454,524
Transportation	-	-	-	-	-	-	-	-	-	176,733	-	212,946	-	389,679
1986 GRT	-	-	-	1,504,026	-	-	-	-	-	8,727	-	-	-	1,512,753
2004 GRT	-	-	752,897	-	-	-	-	-	-	385,950	-	-	-	1,138,847
Water & Sewer	-	-	-	7,209,343	-	64,162	-	-	-	112,019	-	240,490	-	7,626,014
Solid Waste	-	-	-	80,907	-	-	-	-	-	-	-	23,189	-	104,096
Bonito Lake	-	-	-	-	-	-	-	-	-	-	-	25,769	-	25,769
Golf Course	-	-	-	-	-	-	-	-	-	5,000	-	64,805	-	69,805
Airport	-	-	-	4,674	-	-	-	-	-	-	-	42,351	-	47,025
PHA	-	-	-	-	-	-	-	-	230,409	-	-	-	-	230,409
Non-Major Governmental	261,762	-	802,159	478,505	55,212	-	-	-	-	1,999,376	7,930	259,854	-	3,864,798
Fiduciary	-	-	-	-	-	-	-	-	-	69,362	-	-	-	69,362
Internal Service	376,355	-	-	-	-	-	-	-	-	-	-	-	-	376,355
Component Unit	-	-	-	-	-	-	-	-	-	-	-	2,500	351,033	353,533
Total	\$ 638,117	3,011,799	2,575,428	9,277,455	55,212	64,162	159,815	52,504	230,409	3,965,475	7,930	2,527,906	351,033	22,917,244
	For acquis- ition of services for City services.	Transfer of operating subsidy	For payment of improve- ments to City's street system.	For payment of improve- ments to the City's water and sewer system.	For payment of improve- ments to Solid Waste system.	For payment of improve- ments to the Bonito Lake recreation area.	To pay for improve- ments to the City's golf course.	To pay for general improve- ments to the City's airport.	To transfer capital assets to operating fund upon completion.	Pay other governmental funds to supplement other fund sources.	To account for funds held in custody for other entities.	To pay for internal services for the City's various departments.	To pay for improvements to the landfill.	

The schedule above details the interfund transfers made by the City during the year ended June 30, 2009

**STATE OF NEW MEXICO
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NOTE 5 – RECEIVABLES

Governmental Funds							
Type	(011) General	(032) Community Services	(044) Trans	(049) 1986 Gross Receipts	(109) 2004 GRT Capital Outlay	Other Gov Funds	Total Governmental
Taxes	\$ 2,101,353	15,650	400,161	239,790	239,790	790,690	3,787,434
Grants	-	-	267,521	465,912	-	297,611	1,031,044
Accounts	707,086	128,663	2,133	-	-	130,797	968,679
Allowance for doubtful accts	(657,836)	(104,219)	(1,511)	-	-	(129,972)	(893,538)
Total	<u>\$ 2,150,602</u>	<u>40,094</u>	<u>668,304</u>	<u>705,702</u>	<u>239,790</u>	<u>1,089,126</u>	<u>4,893,619</u>
Enterprise Funds							
Type	(046,081,082) (104,110) Water and Sewer	Public Housing Authority	(086) Solid Waste	(088) Bonito Lake	(091) Airport	Total Enterprise	
Other	\$ 217,165	1,312	70	-	-	218,547	
Accounts	651,195	94,905	118,633	66,434	16,286	947,453	
Allowance for doubtful accts	(93,456)	(23,816)	(8,896)	-	(12,272)	(138,440)	
Total	<u>\$ 774,904</u>	<u>72,401</u>	<u>109,807</u>	<u>66,434</u>	<u>4,014</u>	<u>1,027,560</u>	
Type	(055, 094) Comp Unit Landfill	(012) Internal Service	Fiduciary				
Taxes	\$ 3,544	-	-				
Accounts	79,927	9,383	64,869				
Allowance for doubtful accts	(6,591)	-	(64,869)				
Total	<u>\$ 76,880</u>	<u>9,383</u>	<u>-</u>				

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. These receivables are primarily from governmental agencies and an allowance for doubtful accounts is maintained for those receivables deemed to be uncollectible.

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**STATE OF NEW MEXICO
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FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 6 – CAPITAL ASSETS

Capital asset activities for the year ended June 30, 2009 as follows:

GOVERNMENTAL ACTIVITIES						
Asset Description	2008	Additions	Deletions	Reclass	Adjustments	2009
Capital assets not being depreciated:						
Land	\$ 7,273,910	73,709	(183,046)	75,336	-	7,239,909
Construction in progress	11,372,074	4,654,358	(136,544)	(598,666)	-	15,291,221
Total capital assets not being depreciated	<u>18,645,984</u>	<u>4,728,067</u>	<u>(319,590)</u>	<u>(523,330)</u>	<u>-</u>	22,531,129
Capital assets being depreciated:						
Buildings and improvements	21,205,257	6,090	-	90,561	-	21,301,908
Mechanized equipment	8,413,025	536,897	(358,843)	(103,730)	-	8,487,349
Unscheduled property	3,425,672	141,601	(134,160)	(22,095)	-	3,411,018
Infrastructure	147,007,163	40,828	-	432,769	-	147,480,760
Total capital assets being depreciated	<u>180,051,117</u>	<u>725,416</u>	<u>(493,003)</u>	<u>397,505</u>	<u>-</u>	180,681,035
Less accumulated depreciation for:						
Buildings and improvements	(10,799,383)	(615,426)	-	-	-	(11,414,809)
Mechanized equipment	(6,207,686)	(381,687)	358,843	104,697	-	(6,125,833)
Unscheduled property	(2,442,994)	(354,332)	112,160	21,128	-	(2,664,038)
Infrastructure	(135,635,783)	(1,056,864)	-	-	-	(136,692,647)
Total accumulated depreciation	<u>(155,085,846)</u>	<u>(2,408,308)</u>	<u>471,003</u>	<u>125,825</u>	<u>-</u>	(156,897,326)
Governmental activities Capital assets, net	<u>\$ 43,611,255</u>	<u>3,045,175</u>	<u>(341,590)</u>	<u>-</u>	<u>-</u>	46,314,839

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**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 6 – CAPITAL ASSETS-Continued

BUSINESS -TYPE ACTIVITIES						
Asset Description	2008	Additions	Deletions	Reclass	Adjustments	2009
Capital assets not being depreciated:						
Land	\$ 6,986,211	-	-	-	(56,000)	6,930,211
Construction in progress	15,608,001	949,225	-	(1,099,327)	(575,438)	14,882,461
Total capital assets not being depreciated	<u>22,594,212</u>	<u>949,225</u>	<u>-</u>	<u>(1,099,327)</u>	<u>(631,438)</u>	<u>21,812,672</u>
Capital assets being depreciated:						
Buildings and improvements	20,094,047	5,779	-	6,756	-	20,106,582
Mechanized equipment	6,594,841	211,194	(175,958)	105,030	-	6,735,107
Unscheduled property	752,205	-	(5,850)	21,128	-	767,483
Infrastructure	40,536,601	1,434,787	-	1,092,571	-	43,063,959
Total capital assets being depreciated	67,977,694	1,651,761	(181,808)	1,225,485	-	70,673,132
Less accumulated depreciation for:						
Buildings and improvements	(12,108,251)	(579,115)	633	-	(11,819)	(12,698,552)
Mechanized equipment	(5,825,074)	(161,415)	175,325	(105,997)	4,806	(5,912,355)
Unscheduled property	(179,354)	(53,807)	5,850	(20,161)	6,050	(241,422)
Infrastructure	(12,620,955)	(1,000,337)	-	-	-	(13,621,292)
Total accumulated depreciation	<u>(30,733,634)</u>	<u>(1,794,672)</u>	<u>181,808</u>	<u>(126,158)</u>	<u>(963)</u>	<u>(32,473,621)</u>
Business-type activities capital assets, net	\$ <u>59,838,272</u>	<u>806,313</u>	<u>-</u>	<u>-</u>	<u>(632,401)</u>	<u>60,012,183</u>

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**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 6 – CAPITAL ASSETS-Continued

Asset Description	COMPONENT UNIT					
	2008	Additions	Deletions	Reclass	Adjustments	2009
Capital assets not being depreciated:						
Land	\$ 1,526,005	-	-	-	-	1,526,005
Construction in progress	20,791	-	-	-	57,764	78,555
Total capital assets not being depreciated	<u>1,546,796</u>	-	-	-	57,764	<u>1,604,559</u>
Capital assets being depreciated:						
Buildings and improvements	158,737	-	-	-	-	158,737
Mechanized equipment	1,232,850	326,250	(271,505)	-	113,866	1,401,461
Unscheduled property	79,412	-	(2,910)	-	-	76,502
Infrastructure	571,734	63,000	-	-	144,150	778,884
Total capital assets being depreciated	<u>2,042,733</u>	<u>389,250</u>	<u>(274,415)</u>	-	258,016	<u>2,415,584</u>
Less: accumulated depreciation for:						
Buildings and improvements	(151,638)	(7,100)	-	-	-	(158,738)
Mechanized equipment	(1,008,071)	(144,372)	130,642	-	1,300	(1,020,501)
Unscheduled property	(77,697)	(831)	2,910	-	-	(75,618)
Infrastructure	(401,245)	(23,700)	-	-	-	(424,945)
Total accumulated depreciation	<u>(1,638,651)</u>	<u>(176,003)</u>	<u>133,552</u>	-	1,300	<u>(1,679,802)</u>
Component unit capital assets, net	<u>\$ 1,950,878</u>	<u>213,247</u>	<u>(140,863)</u>	-	317,080	<u>2,340,341</u>

The adjustments made to capital assets were primarily brought about by the City's review of construction in progress projects and removing those items that were erroneously left in from prior years or those capitalized expenditures from prior years that are no longer considered valid.

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

Governmental activities		Business-type activities	
General government	\$ 314,098	Water/sewer	\$ 1,195,640
Public safety	849,227	Solid waste	29,978
Public works	1,055,219	Bonito Lake	5,661
Culture and recreation	184,271	Golf course	159,375
Health and welfare	5,494	Airport	159,176
Total	<u>\$ 2,408,308</u>	Public housing authority	244,842
		Total	<u>\$ 1,794,670</u>
Component unit			
Landfill	<u>\$ 176,003</u>		

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
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FOR THE YEAR ENDED JUNE 30, 2009**

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. Additional detailed information is available on the following pages.

	<u>2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustment</u>	<u>2009</u>	<u>Amount due within one year</u>
Governmental funds debt						
General obligation bonds	\$ 2,760,000	-	(680,000)	-	2,080,000	705,000
Revenue bonds	13,095,000	-	(955,000)	-	12,140,000	985,000
New Mexico Finance Authority	737,239	11,166,910	(348,596)	-	11,555,553	441,586
Compensated absences	1,145,116	1,178,810	(1,169,027)	-	1,154,899	932,004
Total	\$ 17,737,355	12,345,720	(3,152,623)	-	26,930,452	3,063,590
Internal service funds debt						
Capital lease	\$ 269,675	-	(89,845)	(86,391)	93,438	93,439
Total	\$ 269,675	-	(89,845)	(86,391)	93,438	93,439
Business-type funds debt						
Revenue bonds	\$ 8,805,000	-	(525,000)	-	8,280,000	540,000
New Mexico Finance Authority	4,952,563	5,452,019	(26,837)	-	10,377,745	467,883
Compensated absences	122,564	119,206	(121,392)	-	120,378	97,265
Total	\$ 13,880,127	5,571,225	(673,229)	-	18,778,123	1,105,148
Component unit debt						
Otero/Lincoln Cnty Regional Landfill	\$ 350,000	-	(350,000)	-	350,000	-
Compensated absences	9,795	26,490	(23,632)	-	12,653	11,388
Total	\$ 359,795	26,490	(373,632)	-	386,285	11,388

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, 2009 are as follows:

Year Ended June 30	Governmental Activities				
	General Obligation Bonds		Revenue Bonds		Total P & I
	Principal	Interest	Principal	Interest	
2010	705,000	92,239	985,000	512,651	2,294,890
2011	90,000	72,520	1,015,000	476,966	1,654,486
2012	95,000	67,686	1,060,000	440,058	1,662,744
2013	105,000	62,436	1,100,000	398,848	1,666,284
2014	110,000	56,765	1,140,000	355,244	1,662,009
2015-2019	655,000	184,195	6,160,000	1,021,368	8,020,563
2020-2024	320,000	18,200	680,000	57,680	1,075,880
Total \$	2,080,000	554,041	12,140,000	3,262,815	18,036,856

**STATE OF NEW MEXICO
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 7 – LONG-TERM DEBT-Continued

Governmental Activities- continued					
Year Ended June 30	NM Finance Authority		Internal Service Capital Leases		Total P & I
	Principal	Interest	Principal	Interest	
2010	\$ 441,586	546,099	93,439	3,738	1,084,862
2011	453,253	527,786	-	-	981,039
2012	470,138	511,266	-	-	981,404
2013	492,216	493,678	-	-	985,894
2014	509,485	474,816	-	-	984,301
2015-2019	2,700,048	2,023,401	-	-	4,723,449
2020-2024	3,458,827	1,305,303	-	-	4,764,130
2025-2029	3,030,000	394,248	-	-	3,424,248
Total \$	<u>11,555,553</u>	<u>6,276,597</u>	<u>93,439</u>	<u>3,738</u>	<u>14,505,079</u>

Business-type Activities					
Year Ended June 30	Revenue Bonds		NM Finance Authority		Total P & I
	Principal	Interest	Principal	Interest	
2010	\$ 540,000	363,405	467,883	363,084	1,734,372
2011	565,000	340,180	489,330	361,980	1,756,490
2012	590,000	315,710	500,935	357,274	1,763,919
2013	620,000	262,740	512,719	342,980	1,738,439
2014	645,000	846,460	529,687	328,557	2,349,704
2015-2019	3,190,000	312,930	2,909,735	1,382,792	7,795,457
2020-2024	1,735,000	17,182	3,088,247	858,676	5,699,105
2025-2028	395,000	-	1,879,208	245,506	2,519,714
Total \$	<u>8,280,000</u>	<u>2,458,607</u>	<u>10,377,745</u>	<u>4,240,849</u>	<u>25,357,200</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. Revenue bonds and promissory notes issued for business-type activities or by component units are repaid from those activities or component units.

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. The City did not issue any new general obligation bonds during the year ended June 30, 2009.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

General obligation bonds issued in prior years and reported as liabilities of the City's governmental activities are:

<u>Series</u>	<u>Issue Amount</u>	<u>Maturity Date</u>	<u>Average Coupon Rate</u>	<u>Year-end Balance</u>
1996	\$ 5,700,000	2009	4.65%	\$ 620,000
2000	2,000,000	2020	5.86%	1,460,000
Total				<u>2,080,000</u>
Amount due within one year				<u>\$ 705,000</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:

<u>Purpose</u>	<u>Series</u>	<u>Issue Amount</u>	<u>Maturity Date</u>	<u>Average Coupon Rate</u>	<u>Year-end Balances</u>
Flood control project	2000	\$ 4,550,000	2021	4.99%	\$ 3,185,000
Public works improvements	2002	7,990,000	2017	3.21%	4,775,000
Public works improvements	2004	5,405,000	2019	3.51%	4,180,000
Total					<u>12,140,000</u>
Amount due within one year					<u>\$ 985,000</u>

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

<u>Purpose</u>	<u>Series</u>	<u>Issue Amount</u>	<u>Maturity Date</u>	<u>Average Coupon Rate</u>	<u>Year-end Balances</u>
Improve water/sewer system	1998	\$ 6,390,000	2018	4.32%	\$ 3,545,000
Improve water/sewer system	2005	5,530,000	2025	4.00%	4,735,000
Total					<u>8,280,000</u>
Amount due within one year					<u>\$ 540,000</u>

Promissory Notes

The City has outstanding loans with the NM Finance Authority 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.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

Promissory notes issued in prior years and reported as liabilities of the City's governmental activities are:

<u>Purpose</u>	<u>Date of Issuance</u>	<u>Amount</u>	<u>Maturity Date</u>	<u>Average Coupon Rate</u>	<u>Year-end Balances</u>
Construction of fire station	2000	\$ 572,223	2020	5.49%	\$ 391,470
Purchase of ladder truck	2004	455,000	2016	3.21%	282,173
Purchase of fire pumper	2009	196,910	2017	3.34%	196,910
Infrastructure - flood control	2009	3,620,000	2028	3.74%	3,555,000
Infrastructure - street projects	2009	7,350,000	2028	4.50%	7,130,000
		Total			<u>11,555,553</u>
		Amount due within one year			<u>\$ 441,586</u>

The City has outstanding loans with the NM Finance Authority 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 in prior years and reported as liabilities of the City's business-type activities are:

<u>Purpose</u>	<u>Date of Issuance</u>	<u>Amount</u>	<u>Maturity Date</u>	<u>Average Coupon Rate</u>	<u>Year-end Balances</u>
Infrastructure improvements	2006	\$ 730,453	2026	4.24%	\$ 661,461
Infrastructure improvements	2007	6,565,000	2029	2.00%	4,376,283
Infrastructure improvements	2009	5,340,000	2029	3.75%	5,340,000
		Total			<u>10,377,744</u>
		Amount due within one year			<u>\$ 467,883</u>

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

<u>Fund Type</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Governmental funds	\$ 25,775,553	10,093,453	35,869,006
Business-type funds	18,657,745	6,699,456	25,357,201
Capital leases	93,438	3,738	97,176
	<u>\$ 44,526,736</u>	<u>16,796,647</u>	<u>61,323,383</u>

The City is not obligated for the repayment of special assessment debt. The City acts as an agent for the property owners in collecting the assessments, forwarding the collections to bond holders, and initiating foreclosure proceedings.

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.

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".

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
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NOTE 8 – SURETY BONDS

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

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

NOTE 9 – 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.

Capital Projects Fund – Flood Control

The 2000 Flood Control GRT Bond requires a reserve of \$371,358. This reserve is restricted in Fund 106.

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 \$94,231 are restricted.

NOTE 10 – 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.

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

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

The City of Alamogordo's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$141,366, \$138,969, and \$130,979, respectively, which equal the required contributions for each year.

NOTE 11 – 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.

Funding Policy. Plan members are required to contribute from 9.15% to 16.30% 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, 2009, 2008 and 2007 were \$2,087,873, \$2,035,837 and \$1,917,464, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 12 – 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.

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The accrued landfill closure and post closure costs, as of June 30, 2009 are \$487,053 and the estimated total current cost of closure and post closure remaining to be recognized is \$94,947.

The landfill currently holds a 92-acre permit. The permit is defined as land that may be disturbed. To date 50% 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 four years of use for every ten acres of land. The remaining 47 acres should give approximately 19 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 currently sets aside \$33,970 annually in investments. To date the City has restricted \$487,053 in investments for this purpose.

The estimated closure and post closure care costs were determined in 1998 when the landfill applied for the operating permit. The closure and post closure costs were revised in September 2009, taking into consideration the current fill-rate and projected filled disposal area at the end of the landfill's permit life.

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.

NOTE 13 – DEFICIT FUND BALANCE

The following funds had deficit fund balances at June 30, 2009.

<u>Fund Type</u>	<u>Fund</u>	<u>Amount</u>
Special Revenue	15	\$ (19,632)
Special Revenue	63	(174,068)
Special Revenue	65	(32,659)

Management anticipates future resources in excess of anticipated expenditures in amounts sufficient to eliminate these negative balances.

NOTE 14 – 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, 2009, 2008, and 2007 are \$698,539, \$669,459, and \$634,955 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 \$52,510 from July 1, 2008 to June 30, 2009.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

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 15 – SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT

The City has no liability for payment of the bonds should the assessments be insufficient to cover bond principal and interest; however, due to the City's oversight relationship with the Special Assessment Districts, they are included in the City's reporting entity as Special Assessment Debt with Governmental Commitment. This is recorded as a Debt Service.

NOTE 16 – LEASE COMMITMENTS

Capital leases

The City has entered into a lease agreement for financing the acquisition of computer equipment. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception. The capitalized value of the asset is \$388,709. The imputed interest rate associated with the lease is 4.00% per annum. The present value of future minimum lease payments and the associated imputed interest are:

Year Ended June 30	Principal	Interest	Total P & I
2010	\$ 93,439	3,738	97,177
Totals	\$ 93,439	3,738	97,177

Operating leases

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
2010	\$ 249,113
2011	153,544
2012	108,238
2013	12,451
2014	-
Thereafter	-
Total	\$ 523,346

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

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, 2009 the City is involved in several lawsuits over water rights issues and contract compliance. The determined affects are unknown or these legal proceedings are not likely to have a material adverse impact on the affected funds of the City.

NOTE 19 – RESTATEMENT

The following restatements were made for the fiscal year ended June 30, 2009.

<u>Description</u>	<u>Fund</u>	<u>Reason</u>	<u>Amount</u>
Water & Sewer	81	To correct errors in construction-in-progress from prior year	\$ (686,338)
Airport	91	To correct errors in construction-in-progress from prior year	53,937
Internal Service	12	To correct prior year error in recording capital lease	<u>86,391</u>
Total Enterprise funds and Business-type funds			<u>\$ (546,010)</u>
Landfill	55	To correct errors in construction-in-progress from prior year	<u>\$ 317,080</u>
Total Component Unit funds			<u>\$ 317,080</u>

See note 6 for explanation for capital asset prior period adjustments.

NOTE 20 – COMMITMENTS

Commitments for engineering and construction projects relating to construction or major repairs in progress aggregated approximately \$20,184,584 as of June 30, 2009. The estimated total cost of the projects is \$46,097,281 and as of the year ended June 30, 2009, the percentage of completion of the existing projects varies. 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

COMBINING STATEMENTS

SUPPLEMENTAL INFORMATION

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
As of June 30, 2009**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Assets				
Cash and cash equivalents	\$ 205,326	61,756	13,831	280,913
Investments	3,677,053	3,834,494	1,016,068	8,527,615
Accounts receivable	221	606	-	827
Taxes receivable	539,527	179,842	71,321	790,690
Grants receivable	270,815	26,796	-	297,611
Other assets	-	-	-	-
Total assets	<u>4,692,942</u>	<u>4,103,494</u>	<u>1,101,220</u>	<u>9,897,656</u>
Liabilities				
Accounts payable	76,338	3,033	-	79,371
Due to other funds	218,250	-	-	218,250
Accrued liabilities	86,091	-	-	86,091
Deposits	-	10,366	-	10,366
Deferred revenue	1,746	-	56,327	58,073
Total liabilities	<u>382,425</u>	<u>13,399</u>	<u>56,327</u>	<u>452,151</u>
Fund balances				
Restricted for:				
Other purposes	-	371,358	-	371,358
Unrestricted, reported in:				
Special revenue funds	4,310,518	-	-	4,310,518
Capital projects funds	-	3,718,737	-	3,718,737
Debt service funds	-	-	1,044,893	1,044,893
Total fund balances	<u>4,310,518</u>	<u>4,090,095</u>	<u>1,044,893</u>	<u>9,445,506</u>
Total liabilities and fund balances	<u>\$ 4,692,943</u>	<u>4,103,494</u>	<u>1,101,220</u>	<u>9,897,657</u>

See accompanying notes to the 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, 2009**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Revenues				
Taxes and fees	\$ 3,679,157	1,069,140	732,008	5,480,305
Fines and forfeitures	265,158	39	-	265,197
Grants and gifts	1,328,828	223,983	-	1,552,811
Charges for services	242,299	13,206	-	255,505
Interest income	88,078	62,585	12,201	162,864
Miscellaneous	312,417	61,851	-	374,268
Total revenues	<u>5,915,937</u>	<u>1,430,804</u>	<u>744,209</u>	<u>8,090,950</u>
Expenditures				
Current:				
General government	707,487	4,356	400	712,243
Public Safety	563,207	-	-	563,207
Public works	610,214	116,543	-	726,757
Culture and recreation	1,265,793	91,063	-	1,356,856
Non-current				
Principal payments	63,596	-	1,920,000	1,983,596
Interest payments	31,871	-	924,375	956,246
Capital outlay	455,193	104,731	60,638	620,562
Total expenditures	<u>3,926,368</u>	<u>316,693</u>	<u>2,905,413</u>	<u>7,148,474</u>
Excess (deficiency) or revenues over expenditures	<u>1,989,569</u>	<u>1,114,111</u>	<u>(2,161,204)</u>	<u>942,476</u>
Other financing sources (uses)				
Proceeds from long-term capital-related debt	196,910	-	-	196,910
Transfers in	1,741,588	186,310	2,037,577	3,965,475
Transfers out	<u>(3,131,795)</u>	<u>(733,004)</u>	<u>-</u>	<u>(3,864,799)</u>
Total other financing sources (uses)	<u>(1,193,297)</u>	<u>(546,694)</u>	<u>2,037,577</u>	<u>297,586</u>
Net change in net assets	<u>796,272</u>	<u>567,417</u>	<u>(123,627)</u>	<u>1,240,062</u>
Fund balances-beginning of year	3,514,243	3,522,678	1,168,520	8,205,441
Fund balances-end of the year	<u>\$ 4,310,517</u>	<u>4,090,095</u>	<u>1,044,893</u>	<u>9,445,506</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
As of June 30, 2009**

	15	16	19	20	21	22
	Corrections	Tourism & Promotions	Court Automation	Lodgers' Tax City Share	D.A.R.E. Donations	Designated Gifts
Assets						
Cash and cash equivalents	\$ 4,845	11,833	18,930	8,455	4,946	7,992
Investments	-	88,482	58,741	245,912	17,549	27,777
Receivables	-	-	-	61	-	-
Taxes receivable	-	-	-	-	-	-
Grants receivable	-	5,871	608	3,839	-	-
Other assets	-	-	-	-	-	-
Total assets	<u>\$ 4,845</u>	<u>106,186</u>	<u>78,279</u>	<u>258,267</u>	<u>22,495</u>	<u>35,769</u>
Liabilities						
Accounts payable	\$ 24,477	7,262	354	619	-	-
Accrued liabilities	-	434	-	8,349	-	-
Accrued compensated absences	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>24,477</u>	<u>7,696</u>	<u>354</u>	<u>8,968</u>	<u>-</u>	<u>-</u>
Fund balances						
Restricted for:						
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted, reported in:						
Special revenue funds	(19,632)	98,490	77,925	249,299	22,495	35,769
Capital projects funds	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-
Total fund balances	<u>(19,632)</u>	<u>98,490</u>	<u>77,925</u>	<u>249,299</u>	<u>22,495</u>	<u>35,769</u>
Total liabilities and fund balances	<u>\$ 4,845</u>	<u>106,186</u>	<u>78,279</u>	<u>258,267</u>	<u>22,495</u>	<u>35,769</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
As of June 30, 2009**

	24	27	28	31	33	36
	Grant Capital	Municipal Court	Police Contingency	Cemetery Perpetual	Fire Protection	Law Enforcement Protection
Assets						
Cash and cash equivalents	\$ 3,996	33,745	1,470	-	4,247	1,825
Investments	-	-	87,330	648,706	284,153	-
Receivables	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-
Grants receivable	19,824	-	-	-	-	17,246
Other assets	-	-	-	-	-	-
Total assets	<u>\$ 23,820</u>	<u>33,745</u>	<u>88,800</u>	<u>648,706</u>	<u>288,400</u>	<u>19,071</u>
Liabilities						
Accounts payable	\$ 1,856	562	32,832	-	5,518	396
Due to other funds	-	-	-	-	-	-
Accrued liabilities	-	16,866	-	-	-	4,696
Accrued compensated absences	-	-	-	-	-	-
Deferred revenue	-	1,746	-	-	-	-
Total liabilities	<u>1,856</u>	<u>19,174</u>	<u>32,832</u>	<u>-</u>	<u>5,518</u>	<u>5,092</u>
Fund balances						
Restricted for:						
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted, reported in:						
Special revenue funds	21,964	14,571	55,968	648,706	282,882	13,979
Capital projects funds	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-
Total fund balances	<u>21,964</u>	<u>14,571</u>	<u>55,968</u>	<u>648,706</u>	<u>282,882</u>	<u>13,979</u>
Total liabilities and fund balances	<u>\$ 23,820</u>	<u>33,745</u>	<u>88,800</u>	<u>648,706</u>	<u>288,401</u>	<u>19,071</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
As of June 30, 2009**

	37 State Highway Cleanup	38 Traffic Safety	42 1984 Gross receipts Tax	63 Community Development	65 Building Codes	69 1994 Gross Receipts Tax	71 Senior Center III
Assets							
Cash and cash equivalents	\$ 3,803	12,932	2,500	-	-	1,000	73,622
Investments	15,763	61,756	1,218,819	-	-	456,681	-
Receivables	-	-	-	-	-	-	160
Taxes receivable	-	-	239,790	-	-	239,790	-
Grants receivable	21,497	-	-	-	-	-	71,433
Other assets	-	-	-	-	-	-	-
Total assets	<u>41,063</u>	<u>74,688</u>	<u>1,461,109</u>	<u>-</u>	<u>-</u>	<u>697,471</u>	<u>145,215</u>
Liabilities							
Accounts payable	\$ -	500	-	126	123	-	1,494
Due to other funds	-	-	-	158,238	31,758	-	-
Accrued liabilities	4,388	-	-	15,704	779	-	30,240
Accrued compensated absences	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	<u>4,388</u>	<u>500</u>	<u>-</u>	<u>174,068</u>	<u>32,660</u>	<u>-</u>	<u>31,734</u>
Fund balances							
Restricted for:							
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted, reported in:							
Special revenue funds	36,675	74,188	1,461,109	(174,068)	(32,659)	697,471	113,481
Capital projects funds	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-
Total fund balances	<u>36,675</u>	<u>74,188</u>	<u>1,461,109</u>	<u>(174,068)</u>	<u>(32,659)</u>	<u>697,471</u>	<u>113,481</u>
Total liabilities and fund balances	<u>\$ 41,063</u>	<u>74,688</u>	<u>1,461,109</u>	<u>-</u>	<u>-</u>	<u>697,471</u>	<u>145,215</u>

See accompanying notes to financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
As of June 30, 2009**

	74 Senior Center Gift Fund	75 Senior Center RSVP	89 ESGRT .0625% Convenience Center	Total Special Revenue Funds
Assets				
Cash and cash equivalents	\$ 8,135	50	1,000	205,326
Investments	29,535	-	435,849	3,677,053
Receivables	-	-	-	221
Taxes receivable	-	-	59,947	539,527
Grants receivable	-	33,254	97,243	270,815
Other assets	-	-	-	-
Total assets	<u>\$ 37,670</u>	<u>33,304</u>	<u>594,039</u>	<u>4,692,942</u>
Liabilities				
Accounts payable	\$ -	219	-	76,338
Due to other funds	-	28,254	-	218,250
Accrued liabilities	-	4,635	-	86,091
Accrued compensated absences	-	-	-	-
Deferred revenue	-	-	-	1,746
Total liabilities	<u>-</u>	<u>33,108</u>	<u>-</u>	<u>382,425</u>
Fund balances				
Restricted for:				
Capital projects	-	-	-	-
Debt service	-	-	-	-
Other purposes	-	-	-	-
Unrestricted, reported in:				
Special revenue funds	37,670	196	594,039	4,310,517
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Total fund balances	<u>37,670</u>	<u>196</u>	<u>594,039</u>	<u>4,310,517</u>
Total liabilities and fund balances	<u>\$ 37,670</u>	<u>33,304</u>	<u>594,039</u>	<u>4,692,942</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS
As of June 30, 2009**

	53	59	108	Total
	General Obligation	GRT P&I	2002 GRT Bond Acquisition	Debt Service Funds
Assets				
Cash and cash equivalents	\$ -	7,696	6,135	13,831
Investments	809,845	-	206,223	1,016,068
Receivables	-	-	-	-
Taxes receivable	71,321	-	-	71,321
Grants receivable	-	-	-	-
Interest receivable	-	-	-	-
Due from other governments	-	-	-	-
Prepaid	-	-	-	-
Other assets	-	-	-	-
Total assets	<u>\$ 881,166</u>	<u>7,696</u>	<u>212,358</u>	<u>1,101,220</u>
Liabilities				
Due to other funds	\$ -	-	-	-
Accounts payable	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Deposits	-	-	-	-
Deferred revenue	56,327	-	-	56,327
Total liabilities	<u>56,327</u>	<u>-</u>	<u>-</u>	<u>56,327</u>
Fund balances				
Restricted for:				
Debt service	-	-	-	-
Unrestricted, reported in:				
Debt service funds	824,839	7,696	212,358	1,044,893
Total fund balances	<u>824,839</u>	<u>7,696</u>	<u>212,358</u>	<u>1,044,893</u>
Total liabilities and fund balances	<u>\$ 881,166</u>	<u>7,696</u>	<u>212,358</u>	<u>1,101,220</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
As of June 30, 2009**

	40	48	50	54	61	105
	Airport Improvements	Community Development Block Grant	Property Acquisition	Reverse Osmosis	1991 GRT Infrastructure	Economic Development
Assets						
Cash and cash equivalents	\$ 33,777	11,127	1,194	3,133	2,000	-
Investments	17,343	-	376,981	500,702	843,007	1,632,875
Receivables	-	-	606	-	-	-
Taxes receivable	-	-	-	-	59,947	119,895
Grants receivable	9,793	-	-	17,003	-	-
Other assets	-	-	-	-	-	-
Total assets	<u>\$ 60,913</u>	<u>11,127</u>	<u>378,781</u>	<u>520,838</u>	<u>904,954</u>	<u>1,752,770</u>
Liabilities						
Accounts payable	\$ -	374	2,011	648	-	-
Due to other funds	-	-	-	-	-	-
Deposits	-	-	10,366	-	-	-
Total liabilities	<u>-</u>	<u>374</u>	<u>12,377</u>	<u>648</u>	<u>-</u>	<u>-</u>
Fund balances						
Restricted for:						
Capital projects	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted, reported in:						
Capital projects funds	<u>60,913</u>	<u>10,753</u>	<u>366,404</u>	<u>520,190</u>	<u>904,954</u>	<u>1,752,770</u>
Total fund balances	<u>60,913</u>	<u>10,753</u>	<u>366,404</u>	<u>520,190</u>	<u>904,954</u>	<u>1,752,770</u>
Total liabilities and fund balances	<u>\$ 60,913</u>	<u>11,127</u>	<u>378,781</u>	<u>520,838</u>	<u>904,954</u>	<u>1,752,770</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
As of June 30, 2009**

	106 Flood Control PRJ RSV	111 GRT Bond Acquisition	Total Capital Projects
Assets			
Cash and cash equivalents	\$ -	10,525	61,756
Investments	373,192	90,394	3,834,494
Receivables	-	-	606
Taxes receivable	-	-	179,842
Grants receivable	-	-	26,796
Other assets	-	-	-
Total assets	<u>\$ 373,192</u>	<u>100,919</u>	<u>4,103,494</u>
Liabilities			
Accounts payable	\$ -	-	3,033
Due to other funds	-	-	-
Deposits	-	-	10,366
Total liabilities	<u>-</u>	<u>-</u>	<u>13,399</u>
Fund balances			
Restricted for:			
Capital projects	-	-	-
Other purposes	371,358	-	371,358
Unrestricted, reported in:			
Capital projects funds	1,834	100,919	3,718,737
Total fund balances	<u>373,192</u>	<u>100,919</u>	<u>4,090,095</u>
Total liabilities and fund balances	<u>\$ 373,192</u>	<u>100,919</u>	<u>4,103,494</u>

See accompanying notes to the 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, 2009**

	15	16	19	20	21	22
	Corrections	Tourism & Promotions	Court Automation	Lodgers' Tax City Share	D.A.R.E. Donations	Designated Gifts
Revenues						
Taxes and fees	5,850	178,767	-	268,150	-	-
Fines and forfeitures	169,626	-	42,491	531	-	-
Grants and gifts	-	28,000	46,913	3,839	-	-
Charges for services	-	-	-	19,668	13,767	16,434
Interest income	775	1,966	1,107	5,893	372	559
Miscellaneous	-	1,005	-	3,855	-	-
Total revenues	<u>176,251</u>	<u>209,738</u>	<u>90,511</u>	<u>301,936</u>	<u>14,139</u>	<u>16,993</u>
Expenditures						
Current:						
General government	-	211,708	47,814	-	-	13,034
Public safety	232,274	-	-	-	10,400	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	283,943	-	-
Non-current:						
Capital outlay	-	-	13,060	15,029	-	-
Total expenditures	<u>232,274</u>	<u>211,708</u>	<u>60,874</u>	<u>298,972</u>	<u>10,400</u>	<u>13,034</u>
Excess (deficiency) of revenues over expenditures	<u>(56,023)</u>	<u>(1,970)</u>	<u>29,637</u>	<u>2,964</u>	<u>3,739</u>	<u>3,959</u>
Other financing sources (uses)						
Transfers in	-	5,000	-	-	-	2,021
Transfers out	<u>(14,116)</u>	<u>(4,007)</u>	<u>(20,342)</u>	<u>(26,099)</u>	<u>-</u>	<u>-</u>
Total other financing source (uses)	<u>(14,116)</u>	<u>993</u>	<u>(20,342)</u>	<u>(26,099)</u>	<u>-</u>	<u>2,021</u>
Net change in fund balance	<u>(70,139)</u>	<u>(977)</u>	<u>9,295</u>	<u>(23,135)</u>	<u>3,739</u>	<u>5,980</u>
Fund balances-beginning of year	<u>50,507</u>	<u>99,467</u>	<u>68,630</u>	<u>272,434</u>	<u>18,756</u>	<u>29,789</u>
Fund balances-end of year	<u>\$ (19,632)</u>	<u>98,490</u>	<u>77,925</u>	<u>249,299</u>	<u>22,495</u>	<u>35,769</u>

See accompanying notes to the 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, 2009**

	24	27	28	31	33	36
	Grant Capital	Municipal Court	Police Contingency	Cemetery Operations	Fire Protection	Law Enforcement Protection
Revenues						
Taxes and fees	\$ -	-	-	-	-	-
Fines and forfeitures	-	9,822	-	-	-	-
Grants and gifts	39,496	-	-	-	346,648	116,478
Charges for services	-	-	-	-	(4,753)	-
Interest income	-	-	1,717	12,764	14,382	259
Miscellaneous	-	225	20,509	16,188	-	(247)
Total revenues	<u>39,496</u>	<u>10,047</u>	<u>22,226</u>	<u>28,952</u>	<u>356,277</u>	<u>116,490</u>
Expenditures						
Current:						
General government	35,071	399,860	-	-	-	-
Public safety	-	-	34,057	-	165,821	109,185
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Non-current:						
Principal payments-debt service	-	-	-	-	63,596	-
Interest payments-debt service	-	-	-	-	31,871	-
Capital outlay	1,194	-	18,355	-	307,265	23,533
Total expenditures	<u>36,265</u>	<u>399,860</u>	<u>52,412</u>	<u>-</u>	<u>568,553</u>	<u>132,718</u>
Excess (deficiency) of revenues over expenditures	<u>3,231</u>	<u>(389,813)</u>	<u>(30,186)</u>	<u>28,952</u>	<u>(212,276)</u>	<u>(16,228)</u>
Other financing sources (uses)						
Proceeds of long-term capital-related debt	-	-	-	-	196,910	-
Transfers in	26,928	423,272	-	-	-	-
Transfers out	-	(6,441)	-	-	-	-
Total other financing source (uses)	<u>26,928</u>	<u>416,831</u>	<u>-</u>	<u>-</u>	<u>196,910</u>	<u>-</u>
Net change in fund balance	30,159	27,018	(30,186)	28,952	(15,366)	(16,228)
Fund balances-beginning of year	(8,195)	(12,447)	86,154	619,754	298,247	30,207
Fund balances-end of year	<u>\$ 21,964</u>	<u>14,571</u>	<u>55,968</u>	<u>648,706</u>	<u>282,882</u>	<u>13,979</u>

See accompanying notes to the 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, 2009**

	37 State Highway Clean-up	38 Traffic Safety	42 1984 Gross Receipts Tax	63 Community Development	65 Building Codes	69 1994 Gross receipts Tax	71 Senior Center III
Revenues							
Taxes and fees	\$ 18,970	-	1,425,520	-	-	1,425,520	-
Fines and forfeitures	-	42,688	-	-	-	-	-
Grants and gifts	54,112	-	-	-	-	-	527,373
Charges for services	2,010	-	-	10,114	13,442	-	147,582
Interest income	419	1,101	21,637	-	-	16,601	-
Miscellaneous	-	-	-	257,992	-	-	7,850
Total revenues	<u>75,511</u>	<u>43,789</u>	<u>1,447,157</u>	<u>268,106</u>	<u>13,442</u>	<u>1,442,121</u>	<u>682,805</u>
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	11,470	-	-	-	-	-
Public works	65,041	-	-	362,996	182,041	136	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	971,919
Non-current:							
Principal payments-debt service	-	-	-	-	-	-	-
Interest payments-debt service	-	-	-	-	-	-	-
Capital outlay	6,090	16,319	-	51,336	-	-	990
Total expenditures	<u>71,131</u>	<u>27,789</u>	<u>-</u>	<u>414,332</u>	<u>182,041</u>	<u>136</u>	<u>972,909</u>
Excess (deficiency) of revenues over expenditures	<u>4,380</u>	<u>16,000</u>	<u>1,447,157</u>	<u>(146,226)</u>	<u>(168,599)</u>	<u>1,441,985</u>	<u>(290,104)</u>
Other financing sources (uses)							
Transfers in	-	-	-	495,533	179,572	-	497,646
Transfers out	(2,832)	-	(951,246)	(35,618)	(43,632)	(1,603,881)	(101,404)
Total other financing source (uses)	<u>(2,832)</u>	<u>-</u>	<u>(951,246)</u>	<u>459,915</u>	<u>135,940</u>	<u>(1,603,881)</u>	<u>396,242</u>
Net change in fund balance	<u>1,548</u>	<u>16,000</u>	<u>495,911</u>	<u>313,689</u>	<u>(32,659)</u>	<u>(161,896)</u>	<u>106,138</u>
Fund balances-beginning of year	<u>35,127</u>	<u>58,188</u>	<u>965,198</u>	<u>(487,757)</u>	<u>-</u>	<u>859,367</u>	<u>7,343</u>
Fund balances-end of year	<u>\$ 36,675</u>	<u>74,188</u>	<u>1,461,109</u>	<u>(174,068)</u>	<u>(32,659)</u>	<u>697,471</u>	<u>113,481</u>

See accompanying notes to the 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, 2009

	74	75	89	Total
	Senior Center Gift Fund	Senior Center RSVP	ESGRT .0625% Convenience Center	Special Revenue Funds
Revenues				
Taxes and fees	\$ -	-	356,380	3,679,157
Fines and forfeitures	-	-	-	265,158
Grants and gifts	-	199,260	(33,291)	1,328,828
Charges for services	24,035	-	-	242,299
Interest income	474	-	8,052	88,078
Miscellaneous	-	5,042	-	312,417
Total revenues	<u>24,509</u>	<u>204,302</u>	<u>331,141</u>	<u>5,915,937</u>
Expenditures				
Current:				
General government	-	-	-	707,487
Public safety	-	-	-	563,207
Public works	-	-	-	610,214
Health and welfare	-	229,007	-	229,007
Culture and recreation	9,931	-	-	1,265,793
Non-current:				
Principal payments-debt service	-	-	-	63,596
Interest payments-debt service	-	-	-	31,871
Capital outlay	537	800	685	455,193
Total expenditures	<u>10,468</u>	<u>229,807</u>	<u>685</u>	<u>3,926,368</u>
Excess (deficiency) of revenues over expenditures	<u>14,041</u>	<u>(25,505)</u>	<u>330,456</u>	<u>1,989,569</u>
Other financing sources (uses)				
Proceeds of long-term capital-related debt	-	-	-	196,910
Transfers in	-	42,254	69,362	1,741,588
Transfers out	(546)	(14,769)	(306,862)	(3,131,795)
Total other financing source (uses)	<u>(546)</u>	<u>27,485</u>	<u>(237,500)</u>	<u>(1,193,297)</u>
Net change in fund balance	13,495	1,980	92,956	796,272
Fund balances-beginning of year	<u>24,175</u>	<u>(1,784)</u>	<u>501,083</u>	<u>3,514,243</u>
Fund balances-end of year	<u>\$ 37,670</u>	<u>196</u>	<u>594,039</u>	<u>4,310,517</u>

See accompanying notes to the 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, 2009**

	53	59	108	
	General Obligation	GRT P&I	2002 GRT Bond Acquisition	Total Debt Service Funds
Revenues				
Taxes and fees	\$ 732,008	-	-	732,008
Fines and forfeitures	-	-	-	-
Grants and gifts	-	-	-	-
Charges for services	-	-	-	-
Interest income	6,972	-	5,229	12,201
Miscellaneous	-	-	-	-
Total revenues	<u>738,980</u>	<u>-</u>	<u>5,229</u>	<u>744,209</u>
Expenditures				
Current:				
General government	400	-	-	400
Non-current:				
Principal payments	680,000	1,240,000	-	1,920,000
Interest payments	126,798	797,577	-	924,375
Capital outlay	-	-	60,638	60,638
Total expenditures	<u>807,198</u>	<u>2,037,577</u>	<u>60,638</u>	<u>2,905,413</u>
Excess (deficiency) of revenues over expenditures	<u>(68,218)</u>	<u>(2,037,577)</u>	<u>(55,409)</u>	<u>(2,161,204)</u>
Other financing sources (uses)				
Transfers in	-	2,037,577	-	2,037,577
Transfers out	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>2,037,577</u>	<u>-</u>	<u>2,037,577</u>
Net change in fund balance	(68,218)	-	(55,409)	(123,627)
Fund balances-beginning of year	<u>893,057</u>	<u>7,696</u>	<u>267,767</u>	<u>1,168,520</u>
Fund balances-end of year	<u>\$ 824,839</u>	<u>7,696</u>	<u>212,358</u>	<u>1,044,893</u>

See accompanying notes to the 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, 2009**

	40	48	50	54	61	105
	Airport Improvements	Community Development Block Grant	Property Acquisition	Reverse Osmosis	1991 GRT Infrastructure	Economic Development
Revenues						
Taxes and fees	\$ -	-	-	-	356,380	712,760
Fines and forfeitures	-	-	39	-	-	-
Grants and gifts	168,336	22,973	-	17,003	15,671	-
Charges for services	-	-	13,206	-	-	-
Interest income	717	-	6,421	10,861	8,430	24,904
Miscellaneous	-	-	61,851	-	-	-
Total revenues	<u>169,053</u>	<u>22,973</u>	<u>81,517</u>	<u>27,864</u>	<u>380,481</u>	<u>737,664</u>
Expenditures						
Current:						
General government	-	-	4,356	-	-	-
Public safety	-	-	-	-	-	-
Public works	100,000	374	-	16,169	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	91,063
Non-current:						
Principal payments	-	-	-	-	-	-
Interest payments	-	-	-	-	-	-
Capital outlay	71,264	40,805	14,527	(59,588)	-	-
Total expenditures	<u>171,264</u>	<u>41,179</u>	<u>18,883</u>	<u>(43,419)</u>	<u>-</u>	<u>91,063</u>
Excess (deficiency) of revenues over expenditures	<u>(2,211)</u>	<u>(18,206)</u>	<u>62,634</u>	<u>71,283</u>	<u>380,481</u>	<u>646,601</u>
Other financing sources (uses)						
Transfers in	-	-	65,564	120,746	-	-
Transfers out	-	-	-	(226,855)	(439,221)	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>65,564</u>	<u>(106,109)</u>	<u>(439,221)</u>	<u>-</u>
Net change in fund balance	<u>(2,211)</u>	<u>(18,206)</u>	<u>128,198</u>	<u>(34,826)</u>	<u>(58,740)</u>	<u>646,601</u>
Fund balances-beginning of year	63,124	28,959	238,206	555,016	963,694	1,106,169
Fund balances-end of year	<u>\$ 60,913</u>	<u>10,753</u>	<u>366,404</u>	<u>520,190</u>	<u>904,954</u>	<u>1,752,770</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO**
OMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR CAPITAL PROJECTS FUNDS
For The Year Ended June 30, 2009

	106 Flood Control PRJ RSV	111 GRT Bond Acquisition	Total Capital Projects Funds
Revenues			
Taxes and fees	\$ -	-	1,069,140
Fines and forfeitures	-	-	39
Grants and gifts	-	-	223,983
Charges for services	-	-	13,206
Interest income	8,576	2,676	62,585
Miscellaneous	-	-	61,851
Total revenues	<u>8,576</u>	<u>2,676</u>	<u>1,430,804</u>
Expenditures			
Current:			
General government	-	-	4,356
Public safety	-	-	-
Public works	-	-	116,543
Health and welfare	-	-	-
Culture and recreation	-	-	91,063
Non-current:			
Principal payments	-	-	-
Interest payments	-	-	-
Capital outlay	-	37,723	104,731
Total expenditures	<u>-</u>	<u>37,723</u>	<u>316,693</u>
Excess (deficiency) of revenues over expenditures	<u>8,576</u>	<u>(35,047)</u>	<u>1,114,111</u>
Other financing sources (uses)			
Transfers in	-	-	186,310
Transfers out	(54,941)	(11,987)	(733,004)
Total other financing source (uses)	<u>(54,941)</u>	<u>(11,987)</u>	<u>(546,694)</u>
Net change in fund balance	(46,365)	(47,034)	567,417
Fund balances-beginning of year	419,557	147,953	3,522,678
Fund balances-end of year	<u>\$ 373,192</u>	<u>100,919</u>	<u>4,090,095</u>

See accompanying notes to the 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, 2009**

	Fund	Balance June 30, 2008	Additions	Deletions	Balance June 30, 2009
Police Court Bonds	17				
Assets					
Cash	\$	2,913	-	(2,575)	338
Total assets		<u>2,913</u>	<u>-</u>	<u>(2,575)</u>	<u>338</u>
Liabilities					
Deposits held in custody for others		2,913	-	(2,575)	338
Total liabilities	\$	<u>2,913</u>	<u>-</u>	<u>(2,575)</u>	<u>338</u>
State Judicial	39				
Assets					
Cash	\$	-	100,584	(93,507)	7,077
Accounts receivable		72,725	-	(7,857)	64,868
Allowance for uncollectible accounts		(72,725)	-	7,857	(64,868)
Total assets		<u>-</u>	<u>100,584</u>	<u>(93,507)</u>	<u>7,077</u>
Liabilities					
Accounts payable		1,841	5,341	-	7,182
Deposits held in custody for others		(1,841)	(105)	1,841	(105)
Total liabilities	\$	<u>(1,841)</u>	<u>(105)</u>	<u>1,841</u>	<u>7,077</u>
ESGRT Income	41				
Assets					
Cash	\$	118,585	84,226	(202,811)	-
Accounts receivable		84,226	-	(84,226)	-
Total assets		<u>202,811</u>	<u>84,226</u>	<u>(287,037)</u>	<u>-</u>
Liabilities					
Deposits held in custody for others		202,811	-	(202,811)	-
Total liabilities	\$	<u>202,811</u>	<u>-</u>	<u>(202,811)</u>	<u>-</u>
Public Housing Authority	92				
Assets					
Cash	\$	-	578,658	(578,658)	-
Accounts receivable		-	-	-	-
Total assets		<u>-</u>	<u>578,658</u>	<u>(578,658)</u>	<u>-</u>
Liabilities					
Accounts payable		27,915	(13,952)	-	13,963
Accrued liabilities		41,506	-	(3,679)	37,827
Deposits held in custody for others		(69,422)	648,080	(630,449)	(51,791)
Total liabilities	\$	<u>-</u>	<u>634,128</u>	<u>(634,128)</u>	<u>-</u>
Total					
US Army Corps of Engineers	115				
Assets					
Cash	\$	-	520,159	-	520,159
Total assets		<u>-</u>	<u>520,159</u>	<u>-</u>	<u>520,159</u>
Liabilities					
Deposits held in custody for others		-	520,159	-	520,159
Total liabilities	\$	<u>-</u>	<u>520,159</u>	<u>-</u>	<u>520,159</u>
Total					
Assets					
Cash	\$	121,498	1,283,627	(877,551)	527,574
Accounts receivable		156,951	-	(92,083)	64,868
Allowance for uncollectible accounts		(72,725)	-	7,857	(64,868)
Total assets		<u>205,724</u>	<u>1,283,627</u>	<u>(961,777)</u>	<u>527,574</u>
Liabilities					
Accounts payable		29,756	(8,611)	-	21,145
Accrued liabilities		41,506	-	(3,679)	37,827
Deposits held in custody for others		134,462	1,168,134	(833,994)	468,602
Total liabilities	\$	<u>205,724</u>	<u>1,159,523</u>	<u>(837,673)</u>	<u>527,574</u>

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
BALANCE SHEET
COMPONENT UNIT - LANDFILL
As of June 30, 2009**

	55,94 Component Unit Landfill
Assets	
Cash and cash equivalents	\$ 12,099
Investments	3,416,594
Receivables, net	73,336
Taxes receivable	3,544
Total current assets	3,505,573
Non-current assets	
Restricted cash	-
Restricted cash held in investments	-
Capital assets, net	2,340,341
Total assets	\$ 5,845,914
Liabilities	
Current liabilities	
Accounts payable	\$ 1,297
Accrued liabilities	21,290
Accrued interest payable	-
Compensated absences	12,653
Deferred revenue	265
Bonds, notes and leases payable	-
Total current liabilities	35,505
Long-term liabilities	
Landfill post-closure	487,053
Total long-term liabilities	487,053
Total liabilities	522,558
Net Assets	
Investment in capital assets, net of related debt	2,340,341
Restricted for:	
Other purposes	-
Unreserved	2,983,015
Total net assets	5,323,356
Total liabilities and net assets	\$ 5,845,914

See accompanying notes to the 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, 2009**

		55,94 Component Unit Landfill
Operating revenues		
Charges for services	\$	1,176,507
Miscellaneous		31,931
Total revenues		1,208,438
Operating expenses:		
Personnel services		316,411
Repairs and maintenance		139,658
Supplies		115,744
Other services and insurance		217,145
Depreciation		176,003
Total operating expenses		964,961
Excess (deficiency) of revenues over expenditures		243,477
Non-operating revenues (expenses):		
Interest and investment revenue		76,677
Interest payments		(18,900)
Gain/ Loss on sale of assets		(140,863)
Capital contributions		-
Transfers in		351,033
Transfers out		(353,533)
Total non-operating revenues (expenses)		(85,586)
Change in net assets		157,891
Net assets-beginning of year		4,848,385
Restatement		317,080
Net assets-beginning of year - restated		5,165,465
Net assets-end of the year	\$	5,323,356

See accompanying notes to the financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
FUND DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2009**

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.

Grant Capital 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.

Community Development (F63) – This fund serves to account for the operational cost of maintaining and developing plans, specifications and records of public works projects within the City.

Building Codes (F65) – This fund serves to account for the operational cost of service functions overseen through the construction permit and occupancy certification processes, within the City's jurisdiction, that meet minimum construction and land use requirement.

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, 2009**

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.

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

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.

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.

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 (FI05) – to account for projects that are not funded from specific revenue dedications.

Alamogordo Flood Control (FI06) – This fund is created to account for the bond proceeds for the purpose of providing flood protection to the city.

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.

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
FUND DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2009**

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.

ESGRT Income (Otero/Lincoln County Landfill JPA) (F41) – This fund is established to account for the Environmental Services Gross Receipts Tax distributions from Otero and Lincoln County Solid Waste Authority members.

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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Taxes & Fees	\$ 4,950	\$ 4,950	\$ 5,850	\$ 900
Fines and forfeitures	255,324	154,000	169,626	15,626
Interest income	-	1,018	775	(243)
	260,274	159,968	176,251	16,283
Expenditures				
Current:				
Public Safety	324,244	227,100	213,154	13,946
Non-current:				
Capital outlay	-	-	-	-
	324,244	227,100	213,154	13,946
Excess (deficiency) of revenues over expenditures	(63,970)	(67,132)	(36,903)	30,229
Other financing sources (uses)				
Transfers in	37,000	26,500	-	(26,500)
Transfers out	(14,908)	(14,399)	(14,116)	283
Total other financing sources (uses)	22,092	12,101	(14,116)	(26,217)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (41,878)	\$ (55,031)	\$ (51,019)	\$ 4,012
Budgeted cash carryover	3,478	3,478		
	\$ (38,400)	\$ (51,553)		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (51,019)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(19,120)
Change in net assets (GAAP basis)	\$ (70,139)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Taxes & Fees	\$ 160,902	\$ 179,997	\$ 178,767	\$ (1,230)
Grants and gifts	25,000	28,000	22,129	(5,871)
Miscellaneous	(10)	(10)	1,003	1,013
Interest income	5,038	2,098	1,966	(132)
Total revenues	190,930	210,085	203,866	(6,219)
Expenditures				
Current:				
General government	216,123	209,060	206,667	2,393
Non-current:				
Capital outlay	-	-	-	-
Total expenditures	216,123	209,060	206,667	2,393
Excess (deficiency) of revenues over expenditures	(25,193)	1,025	(2,801)	(3,826)
Other financing sources (uses)				
Transfers in	-	5,000	5,000	-
Transfers out	(5,456)	(4,284)	(4,007)	277
Total other financing sources (uses)	(5,456)	716	993	277
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (30,649)	\$ 1,741	\$ (1,808)	\$ (3,549)
Budgeted cash carryover	99,946	99,946		
	\$ 69,297	\$ 101,687		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (1,808)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	831
Change in net assets (GAAP basis)	\$ (977)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 20,000	\$ 45,000	\$ 42,491	\$ (2,509)
Grants and gifts	32,778	46,262	46,913	651
Interest income	2,288	1,083	1,107	24
Total revenues	55,066	92,345	90,511	(1,834)
Expenditures				
Current:				
General government	38,455	87,369	47,460	39,909
Non-current:				
Capital outlay	29,501	19,071	13,060	6,011
Total expenditures	67,956	106,440	60,520	45,920
Excess (deficiency) of revenues over expenditures	(12,890)	(14,095)	29,991	44,086
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(19,511)	(20,695)	(20,342)	353
Total other financing sources (uses)	(19,511)	(20,695)	(20,342)	353
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (32,401)	\$ (34,790)	\$ 9,650	\$ 44,440
Budgeted cash carryover	64,765	64,765		
	\$ 32,364	\$ 29,975		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 9,650
To adjust applicable revenue accruals and deferrals	(355)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ 9,295

See accompanying notes to 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, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
Revenues				
Taxes and fees	\$ 243,826	\$ 270,004	\$ 268,150	\$ (1,854)
Fines and forfeitures	1,300	700	531	(169)
Grants	45,000	45,000	3,839	(41,161)
Charges for services	26,000	27,500	19,668	(7,832)
Interest income	16,355	5,936	5,893	(43)
Miscellaneous	<u>5,990</u>	<u>3,808</u>	<u>3,855</u>	<u>47</u>
 Total revenues	 <u>338,471</u>	 <u>352,948</u>	 <u>301,936</u>	 <u>(51,012)</u>
Expenditures				
Current:				
Culture and recreation	325,331	323,607	284,193	39,414
Non-current:				
Capital outlay	<u>157,640</u>	<u>157,640</u>	<u>18,938</u>	<u>138,702</u>
 Total expenditures	 <u>482,971</u>	 <u>481,247</u>	 <u>303,131</u>	 <u>178,116</u>
 Excess (deficiency) of revenues over expenditures	 <u>(144,500)</u>	 <u>(128,299)</u>	 <u>(1,195)</u>	 <u>127,104</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	<u>(28,293)</u>	<u>(29,530)</u>	<u>(26,099)</u>	<u>3,431</u>
Total other financing sources (uses)	<u>(28,293)</u>	<u>(29,530)</u>	<u>(26,099)</u>	<u>3,431</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>\$ (172,793)</u>	 <u>\$ (157,829)</u>	 <u>\$ (27,294)</u>	 <u>\$ 130,535</u>
 Budgeted cash carryover	 <u>326,140</u>	 <u>326,140</u>		
	<u>\$ 153,347</u>	<u>\$ 168,311</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (27,294)
To adjust applicable revenue accruals and deferrals	4,159
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (23,135)</u>

See accompanying notes to 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, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Grants and gifts	\$ -	\$ -	\$ -	\$ -
Charges for services	5,000	16,000	13,767	(2,233)
Interest income	759	383	372	(11)
Total revenues	5,759	16,383	14,139	(2,244)
Expenditures				
Current:				
Public safety	9,164	18,164	10,400	7,764
Non-current:				
Capital outlay	-	-	-	-
Total expenditures	9,164	18,164	10,400	7,764
Excess (deficiency) of revenues over expenditures	(3,405)	(1,781)	3,739	5,520
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (3,405)	\$ (1,781)	\$ 3,739	\$ 5,520
Budgeted cash carryover	24,298	24,298		
	\$ 20,893	\$ 22,517		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 3,739
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ 3,739

**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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Grants and gifts	\$ -	\$ -	\$ -	\$ -
User Fees	500	13,445	16,433	2,988
Interest income	1,357	566	560	(6)
Total revenues	1,857	14,011	16,993	2,982
Expenditures				
Current:				
General government	30,485	41,953	13,244	28,709
Non-current:				
Capital outlay	-	-	-	-
Total expenditures	30,485	41,953	13,244	28,709
Excess (deficiency) of revenues over expenditures	(28,628)	(27,942)	3,749	31,691
Other financing sources (uses)				
Transfers in	-	2,021	2,021	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	2,021	2,021	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (28,628)	\$ (25,921)	\$ 5,770	\$ 31,691
Budgeted cash carryover	29,629	29,629		
	\$ 1,001	\$ 3,708		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 5,770
To adjust applicable revenue accruals and deferrals	210
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ 5,980

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Grants and gifts	\$ 47,490	\$ 502,578	\$ 43,363	\$ (459,215)
User Fees	-	-	-	-
Interest income	-	-	-	-
Total revenues	47,490	502,578	43,363	(459,215)
Expenditures				
Current:				
General government	33,564	245,167	41,410	203,757
Non-current:				
Capital outlay	14,204	260,648	1,194	259,454
Total expenditures	47,768	505,815	42,604	463,211
Excess (deficiency) of revenues over expenditures	(278)	(3,237)	759	3,996
Other financing sources (uses)				
Transfers in	24,093	26,928	26,928	-
Transfers out	-	-	-	-
Total other financing sources (uses)	24,093	26,928	26,928	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 23,815	\$ 23,691	\$ 27,687	\$ 3,996
Budgeted cash carryover	29,629	29,629		
	\$ 53,444	\$ 53,320		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$	27,687
To adjust applicable revenue accruals and deferrals		3,230
To adjust applicable expenditures and accruals and payments		
Payables and accrued expenses		(758)
Change in net assets (GAAP basis)	\$	30,159

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 13,000	\$ 13,000	\$ 9,822	\$ (3,178)
Miscellaneous	<u>(1,400)</u>	<u>(1,400)</u>	<u>225</u>	<u>1,625</u>
Total revenues	<u>11,600</u>	<u>11,600</u>	<u>10,047</u>	<u>(1,553)</u>
Expenditures				
Current:				
General government	438,096	408,590	397,634	10,956
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>438,096</u>	<u>408,590</u>	<u>397,634</u>	<u>10,956</u>
Excess (deficiency) of revenues over expenditures	<u>(426,496)</u>	<u>(396,990)</u>	<u>(387,587)</u>	<u>9,403</u>
Other financing sources (uses)				
Transfers in	439,694	439,694	423,272	(16,422)
Transfers out	<u>(9,837)</u>	<u>(9,347)</u>	<u>(6,441)</u>	<u>2,906</u>
Total other financing sources (uses)	<u>429,857</u>	<u>430,347</u>	<u>416,831</u>	<u>(13,516)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 3,361</u>	<u>\$ 33,357</u>	<u>\$ 29,244</u>	<u>\$ (4,113)</u>
Budgeted cash carryover	<u>1,951</u>	<u>1,951</u>		
	<u>\$ 5,312</u>	<u>\$ 35,308</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$	29,244
To adjust applicable revenue accruals and deferrals		-
To adjust applicable expenditures and accruals and payments		
Payables and accrued expenses		<u>(2,226)</u>
Change in net assets (GAAP basis)	<u>\$</u>	<u>27,018</u>

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Interest income	\$ 4,760	\$ 1,794	\$ 1,717	\$ (77)
Miscellaneous	47,000	27,000	24,311	(2,689)
Total revenues	51,760	28,794	26,028	(2,766)
Expenditures				
Current:				
Public safety	51,119	40,634	32,451	8,183
Non-current:				
Capital outlay	50,000	50,000	18,355	31,645
Total expenditures	101,119	90,634	50,805	39,829
Excess (deficiency) of revenues over expenditures	(49,359)	(61,840)	(24,777)	37,063
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (49,359)	\$ (61,840)	\$ (24,777)	\$ 37,063
Budgeted cash carryover	201,876	201,876		
	\$ 152,517	\$ 140,036		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (24,777)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(5,409)
Change in net assets (GAAP basis)	\$ (30,186)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Interest income	\$ 29,096	\$ 12,822	\$ 12,764	\$ (58)
Miscellaneous - Land Sales	15,271	13,882	16,188	2,306
Total revenues	44,367	26,704	28,952	2,248
Expenditures				
Current:				
General government	-	-	-	-
Non-current:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	44,367	26,704	28,952	2,248
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 44,367	\$ 26,704	\$ 28,952	\$ 2,248
Budgeted cash carryover	577,141	577,141		
	\$ 621,508	\$ 603,845		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$	28,952
To adjust applicable revenue accruals and deferrals		-
To adjust applicable expenditures and accruals and payments		
Payables and accrued expenses		-
Change in net assets (GAAP basis)	\$	28,952

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		(Unfavorable)
Revenues				
Grants and gifts	\$ 354,746	\$ 346,648	\$ 346,648	\$ -
Loan and Bond Proceeds	-	196,410	196,910	500
Miscellaneous	-	-	-	-
Interest income	21,747	14,217	14,382	165
 Total revenues	 376,493	 557,275	 557,940	 665
Expenditures				
Current:				
Public safety	370,261	644,171	533,081	111,090
Non-current:				
Capital outlay	75,000	76,850	35,048	41,802
 Total expenditures	 445,261	 721,021	 568,129	 152,892
 Excess (deficiency) of revenues over expenditures	 (68,768)	 (163,746)	 (10,190)	 153,556
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 \$ (68,768)	 \$ (163,746)	 \$ (10,190)	 \$ 153,556
 Budgeted cash carryover	 235,717	 235,717		
	\$ 166,949	\$ 71,971		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (10,190)
To adjust applicable revenue accruals and deferrals	(5,175)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ (15,365)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ -	\$ (246)	\$ (246)
Grants and gifts	230,244	230,993	171,856	(59,137)
Interest income	<u>1,710</u>	<u>281</u>	<u>259</u>	<u>(22)</u>
Total revenues	<u>231,954</u>	<u>231,274</u>	<u>171,868</u>	<u>(59,406)</u>
Expenditures				
Current:				
Public safety	130,947	123,514	105,295	18,219
Non-current:				
Capital outlay	<u>23,600</u>	<u>23,532</u>	<u>23,533</u>	<u>(1)</u>
Total expenditures	<u>154,547</u>	<u>147,046</u>	<u>128,828</u>	<u>18,218</u>
Excess (deficiency) of revenues over expenditures	<u>77,407</u>	<u>84,228</u>	<u>43,040</u>	<u>(41,188)</u>
Other financing sources (uses)				
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>\$ 77,407</u>	<u>\$ 84,228</u>	<u>\$ 43,040</u>	<u>\$ (41,188)</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
	<u>\$ 77,407</u>	<u>\$ 84,228</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 43,040
To adjust applicable revenue accruals and deferrals	(59,268)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (16,228)</u>

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Taxes and fees	\$ 16,000	\$ 19,000	\$ 18,970	\$ (30)
Grants and gifts	94,697	94,697	55,809	(38,888)
Charges for services	1,000	996	2,010	1,014
Investment Income	-	396	418	22
Total revenues	<u>111,697</u>	<u>115,089</u>	<u>77,207</u>	<u>(37,882)</u>
Expenditures				
Current:				
Public works	107,539	101,434	62,457	38,977
Non-current:				
Capital outlay	-	6,090	6,090	-
Total expenditures	<u>107,539</u>	<u>107,524</u>	<u>68,547</u>	<u>38,977</u>
Excess (deficiency) of revenues over expenditures	<u>4,158</u>	<u>7,565</u>	<u>8,660</u>	<u>1,095</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(3,725)	(3,814)	(2,832)	982
Total other financing sources (uses)	<u>(3,725)</u>	<u>(3,814)</u>	<u>(2,832)</u>	<u>982</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 433</u>	<u>\$ 3,751</u>	<u>\$ 5,828</u>	<u>\$ 2,077</u>

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 5,828
To adjust applicable revenue accruals and deferrals	(21,497)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	<u>17,217</u>
Change in net assets (GAAP basis)	<u>\$ 1,548</u>

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Fines and forfeitures	\$ 25,000	\$ 35,000	\$ 42,688	\$ 7,688
Interest income	1,849	1,079	1,101	22
Total revenues	26,849	36,079	43,789	7,710
Expenditures				
Current:				
Public safety	8,500	11,500	10,969	531
Non-current:				
Capital outlay	22,000	44,000	16,319	27,681
Total expenditures	30,500	55,500	27,289	28,211
Excess (deficiency) of revenues over expenditures	(3,651)	(19,421)	16,500	35,921
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (3,651)	\$ (19,421)	\$ 16,500	\$ 35,921
Budgeted cash carryover	39,676	39,676		
	\$ 36,025	\$ 20,255		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 16,500
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(500)
Change in net assets (GAAP basis)	\$ 16,000

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Taxes and fees	\$ 1,539,216	\$ 1,464,685	\$ 1,440,320	\$ (24,365)
Interest income	2,846	19,327	21,636	2,309
Total revenues	1,542,062	1,484,012	1,461,956	(22,056)
Expenditures				
Current:				
	-	-	-	-
Non-current:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	1,542,062	1,484,012	1,461,956	(22,056)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,244,068)	(1,244,068)	(951,246)	292,822
Total other financing sources (uses)	(1,244,068)	(1,244,068)	(951,246)	292,822
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 297,994	\$ 239,944	\$ 510,710	\$ 270,766
Budgeted cash carryover	1,329,149	1,329,149		
	\$ 1,627,143	\$ 1,569,093		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)		\$ 510,710
To adjust applicable revenue accruals and deferrals		(14,799)
To adjust applicable expenditures and accruals and payments		
Payables and accrued expenses		-
Change in net assets (GAAP basis)		\$ 495,911

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Fees and Permits	\$ 17,795	\$ 17,095	\$ 9,859	\$ (7,236)
Charges for services	310	200	256	56
Miscellaneous	561,305	445,839	257,992	(187,847)
Total revenues	579,410	463,134	268,107	(187,791)
Expenditures				
Current:				
General government	516,169	378,245	359,533	18,712
Non-current:				
Capital outlay	45,136	66,525	51,336	15,189
Total expenditures	561,305	444,770	410,870	33,900
Excess (deficiency) of revenues over expenditures	18,105	18,364	(142,763)	(153,891)
Other financing sources (uses)				
Transfers in	495,533	495,533	495,533	-
Transfers out	(38,248)	(38,507)	(35,618)	2,889
Total other financing sources (uses)	457,285	457,026	459,915	2,889
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 475,390	\$ 475,390	\$ 317,152	\$ (151,002)

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 317,152
To adjust applicable revenue accruals and deferrals	(3,463)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ 313,689

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Fees and Permits	\$ 51,203	\$ 10,924	\$ 13,442	\$ 2,518
Charges for services	-	-	-	-
Miscellaneous	1,250	5,000	-	(5,000)
 Total revenues	 52,453	 15,924	 13,442	 (5,000)
Expenditures				
Current:				
General government	18,792	191,033	181,139	9,894
Non-current:				
Capital outlay	5,492	-	-	-
 Total expenditures	 24,284	 191,033	 181,139	 9,894
 Excess (deficiency) of revenues over expenditures	 28,169	 (175,109)	 (167,697)	 4,894
Other financing sources (uses)				
Transfers in	37,990	227,121	179,572	(47,549)
Transfers out	(11,777)	(47,108)	(43,632)	3,476
Total other financing sources (uses)	26,213	180,013	135,940	(44,073)
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 \$ 54,382	 \$ 4,904	 \$ (31,757)	 \$ (39,179)

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (31,757)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(902)
Change in net assets (GAAP basis)	\$ (32,659)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Taxes and fees	\$ 1,539,216	\$ 1,464,685	\$ 1,440,320	\$ (24,365)
Interest income	<u>22,112</u>	<u>16,997</u>	<u>16,600</u>	<u>(397)</u>
Total revenues	<u>1,561,328</u>	<u>1,481,682</u>	<u>1,456,920</u>	<u>(24,762)</u>
Expenditures				
Current:				
Public works	-	5,000	136	4,864
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>5,000</u>	<u>136</u>	<u>4,864</u>
Excess (deficiency) of revenues over expenditures	<u>1,561,328</u>	<u>1,476,682</u>	<u>1,456,784</u>	<u>(19,898)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	<u>(1,988,925)</u>	<u>(1,988,925)</u>	<u>(1,603,881)</u>	<u>385,044</u>
Total other financing sources (uses)	<u>(1,988,925)</u>	<u>(1,988,925)</u>	<u>(1,603,881)</u>	<u>385,044</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (427,597)</u>	<u>\$ (512,243)</u>	<u>\$ (147,097)</u>	<u>\$ 365,146</u>
Budgeted cash carryover	<u>401,524</u>	<u>401,524</u>		
	<u>\$ (26,073)</u>	<u>\$ (110,719)</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (147,097)
To adjust applicable revenue accruals and deferrals	(14,799)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (161,896)</u>

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Grants and gifts	\$ 495,040	\$ 590,071	\$ 518,608	\$ (71,463)
Charges for services	116,878	131,470	147,582	16,112
Miscellaneous	8,100	9,900	7,850	(2,050)
Total revenues	620,018	731,441	674,040	(57,401)
Expenditures				
Current:				
Health and welfare	1,005,368	1,107,948	975,687	132,261
Non-current:				
Capital outlay	30,477	31,327	990	30,337
Total expenditures	1,035,845	1,139,275	976,677	162,598
Excess (deficiency) of revenues over expenditures	(415,827)	(407,834)	(302,638)	105,196
Other financing sources (uses)				
Transfers in	565,096	565,096	497,646	(67,450)
Transfers out	(110,942)	(114,618)	(101,404)	13,214
Total other financing sources (uses)	454,154	450,478	396,241	(54,237)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 38,327	\$ 42,644	\$ 93,604	\$ 50,960
Budgeted cash carryover	149,027	149,027		
	\$ 187,354	\$ 191,671		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)		\$ 93,604
To adjust applicable revenue accruals and deferrals		12,534
To adjust applicable expenditures and accruals and payments		
Payables and accrued expenses		-
Change in net assets (GAAP basis)		\$ 106,138

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Charges for services	\$ 2,000	\$ 18,100	\$ 24,035	\$ 5,935
Grants and gifts	-	-	-	-
Interest income	832	438	473	35
Total revenues	2,832	18,538	24,508	35
Expenditures				
Current:				
General government	22,935	36,713	9,931	26,782
Non-current:				
Capital outlay	-	600	537	63
Total expenditures	22,935	37,313	10,468	26,845
Excess (deficiency) of revenues over expenditures	(20,103)	(18,775)	14,041	26,881
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(670)	(571)	(546)	25
Total other financing sources (uses)	(670)	(571)	(546)	25
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (20,773)	\$ (19,346)	\$ 13,495	\$ 26,906
Budgeted cash carryover	23,995	23,995		
	\$ 3,222	\$ 4,649		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$	13,495
To adjust applicable revenue accruals and deferrals		-
To adjust applicable expenditures and accruals and payments		
Payables and accrued expenses		-
Change in net assets (GAAP basis)	\$	13,495

See accompanying notes to financial statements

**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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Grants and gifts	\$ 234,355	\$ 230,227	\$ 195,191	\$ (35,036)
Miscellaneous	5,889	5,710	5,040	(670)
Charges for services	200	200	-	(200)
Total revenues	240,444	236,137	200,231	(35,906)
Expenditures				
Current:				
Health and welfare	221,202	234,199	228,451	5,748
Non-current:				
Capital outlay	-	800	800	0
Total expenditures	221,202	234,999	229,251	5,748
Excess (deficiency) of revenues over expenditures	19,242	1,138	(29,020)	(30,158)
Other financing sources (uses)				
Transfers in	36,779	42,254	42,254	0
Transfers out	(14,203)	(16,175)	(14,769)	1,406
Total other financing sources (uses)	22,576	26,079	27,485	1,406
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 41,818	\$ 27,217	\$ (1,534)	\$ (28,751)
Budgeted cash carryover	-	-		
	\$ 41,818	\$ 27,217		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (1,534)
To adjust applicable revenue accruals and deferrals	4,071
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(556)
Change in net assets (GAAP basis)	\$ 1,980

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Taxes and fees	\$ 384,804	\$ 366,171	\$ 360,080	\$ (6,091)
Grants and gifts	232,283	232,283	-	(232,283)
Interest income	20,297	8,119	8,052	(67)
	<u>637,384</u>	<u>606,573</u>	<u>368,132</u>	<u>(238,441)</u>
Expenditures				
Current:				
General government	9,632	9,632	685	8,947
Non-current:				
Capital outlay	6,526	6,526	-	6,526
	<u>16,158</u>	<u>16,158</u>	<u>685</u>	<u>15,473</u>
Excess (deficiency) of revenues over expenditures	<u>621,226</u>	<u>590,415</u>	<u>367,447</u>	<u>(222,968)</u>
Other financing sources (uses)				
Transfers in	69,362	69,362	69,362	-
Transfers out	(806,629)	(806,629)	(306,862)	499,767
Total other financing sources (uses)	<u>(737,267)</u>	<u>(737,267)</u>	<u>(237,500)</u>	<u>499,767</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (116,041)</u>	<u>\$ (146,852)</u>	<u>\$ 129,947</u>	<u>\$ 276,799</u>
Budgeted cash carryover	<u>528,288</u>	<u>528,288</u>		
	<u>\$ 412,247</u>	<u>\$ 381,436</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 129,947
To adjust applicable revenue accruals and deferrals	(36,991)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ 92,956

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Taxes and fees	\$ 802,197	\$ 817,736	\$ 727,231	\$ (90,505)
Interest income	11,599	5,271	6,971	1,700
Total revenues	813,796	823,007	734,203	(88,804)
 Expenditures				
Current:				
General government	900	900	400	500
Non-current:				
Principal payments	680,000	680,000	680,000	-
Interest payments	126,798	126,798	126,798	-
Total expenditures	807,698	807,698	807,198	500
Excess (deficiency) of revenues over expenditures	6,098	15,309	(72,995)	(88,304)
 Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 6,098	\$ 15,309	\$ (72,995)	\$ (88,304)
Budgeted cash carryover	791,722	791,722		
	\$ 797,820	\$ 807,031		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (72,995)
To adjust applicable revenue accruals and deferrals	4,777
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ (68,218)

See accompanying notes to financial statements

**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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Interest income	\$ -	\$ -	\$ -	\$ -
 Total revenues	-	-	-	-
 Expenditures				
Current:				
General government	14,000	14,000	-	14,000
Non-current:				
Principal payments	1,060,000	1,240,000	1,240,000	-
Interest payments	707,346	797,578	797,577	-
 Total expenditures	1,781,346	2,051,578	2,037,577	14,000
 Excess (deficiency) of revenues over expenditures	(1,781,346)	(2,051,578)	(2,037,577)	14,000
 Other financing sources (uses)				
Transfers in	1,781,346	2,167,295	2,037,577	(129,718)
Transfers out	-	-	-	-
Total other financing sources (uses)	1,781,346	2,167,295	2,037,577	(129,718)
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ 115,717	\$ -	\$ (115,718)
 Budgeted cash carryover	6,049	6,049		
	\$ 6,049	\$ 121,766		

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	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ -

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Interest income	\$ -	\$ 5,422	\$ 5,229	\$ (193)
Total revenues	-	5,422	5,229	(193)
Expenditures				
Current:				
Other services	-	13,193	8,975	4,218
Non-current:				
Capital outlay	244,304	234,391	51,664	182,727
Total expenditures	244,304	247,584	60,638	186,946
Excess (deficiency) of revenues over expenditures	(244,304)	(242,162)	(55,409)	186,753
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(11,537)	-	11,537
Total other financing sources (uses)	-	(11,537)	-	11,537
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (244,304)	\$ (253,699)	\$ (55,409)	\$ 198,290
Budgeted cash carryover	275,615	275,615		
	\$ 31,311	\$ 21,916		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (55,409)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ (55,409)

**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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Grants and gifts	\$ 431,500	\$ 431,500	\$ 158,543	\$ (272,957)
Interest income	-	806	717	(89)
Total revenues	431,500	432,306	159,260	(273,046)
Expenditures				
Current:	-	100,000	100,000	-
Non-current:				
Capital outlay	440,000	340,000	71,264	509,545
Total expenditures	440,000	440,000	171,264	509,545
Excess (deficiency) of revenues over expenditures	(8,500)	(7,694)	(12,004)	236,499
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (8,500)	\$ (7,694)	\$ (12,004)	\$ 236,499
Budgeted cash carryover	45,212	45,212		
	\$ 36,712	\$ 37,518		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (12,004)
To adjust applicable revenue accruals and deferrals	9,793
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ (2,211)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Grants and gifts	\$ 346,190	\$ 658,303	\$ 22,973	\$ (635,330)
Miscellaneous	-	50,000	-	(50,000)
Interest income	248	248	-	(248)
Total revenues	346,438	708,551	22,973	(685,578)
Expenditures				
Current:				
	55,000	55,619	-	55,619
Non-current:				
Capital outlay	228,692	590,805	40,805	550,000
Total expenditures	283,692	646,424	40,805	605,619
Excess (deficiency) of revenues over expenditures	62,746	62,127	(17,832)	(79,959)
Other financing sources (uses)				
Transfers in	5,000	5,000	-	(5,000)
Transfers out	-	-	-	-
Total other financing sources (uses)	5,000	5,000	-	(5,000)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 67,746	\$ 67,127	\$ (17,832)	\$ (84,959)
Budgeted cash carryover	10,701	10,701		
	\$ 78,447	\$ 77,828		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (17,832)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(374)
Change in net assets (GAAP basis)	\$ (18,206)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Taxes and fees	\$ 1,539,216	\$ 1,464,685	\$ 1,425,520	\$ (39,165)
Grants and gifts	423,833	976,487	534,074	(442,413)
Interest income	142,201	88,708	85,233	(3,475)
Total revenues	2,105,250	2,529,880	2,044,827	(485,053)
Expenditures				
Current:				
General government	1,271,136	1,313,747	190,657	1,123,090
Non-current:				
Capital outlay	3,113,647	4,114,238	1,036,644	3,077,594
Total expenditures	4,384,783	5,427,985	1,227,301	4,200,684
Excess (deficiency) of revenues over expenditures	(2,279,533)	(2,898,105)	817,526	3,715,631
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(416,159)	(575,903)	(1,512,753)	(936,850)
Total other financing sources (uses)	(416,159)	(575,903)	(1,512,753)	(936,850)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (2,695,692)	\$ (3,474,008)	\$ (695,227)	\$ 2,778,781
Budgeted cash carryover	3,176,016	3,176,016		
	\$ 480,324	\$ (297,992)		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (695,227)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ (695,227)

See accompanying notes to 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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
Revenues				
Taxes and fees	\$ -	\$ 6,000	\$ 5,015	\$ (985)
Fines	-	-	39	39
Charges for services	12,000	12,000	8,496	(3,505)
Interest income	13,419	6,042	6,421	379
Miscellaneous	-	9,000	61,851	52,851
	<u>25,419</u>	<u>33,042</u>	<u>81,821</u>	<u>48,779</u>
Expenditures				
Current:				
General government	6,088	5,983	4,356	1,627
Non-current:				
Capital outlay	<u>444,545</u>	<u>450,545</u>	<u>12,516</u>	<u>438,029</u>
	<u>450,633</u>	<u>456,528</u>	<u>16,872</u>	<u>439,656</u>
Excess (deficiency) of revenues over expenditures	<u>(425,214)</u>	<u>(423,486)</u>	<u>64,949</u>	<u>488,435</u>
Other financing sources (uses)				
Transfers in	191,191	191,191	65,564	(125,627)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>191,191</u>	<u>191,191</u>	<u>65,564</u>	<u>(125,627)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (234,023)</u>	<u>\$ (232,295)</u>	<u>\$ 130,513</u>	<u>\$ 362,808</u>
Budgeted cash carryover	<u>388,694</u>	<u>388,694</u>		
	<u>\$ 154,671</u>	<u>\$ 156,399</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 130,513
To adjust applicable revenue accruals and deferrals	(304)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	<u>(2,011)</u>
Change in net assets (GAAP basis)	<u>\$ 128,198</u>

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Grants and gifts	\$ 150,000	\$ 150,000	\$ 17,003	\$ (132,997)
Loan and bond proceeds	\$ 3,518,543	\$ 2,300,735	\$ -	
Miscellaneous				-
Interest income		10,855	10,862	7
Total revenues	3,668,543	2,461,590	27,864	(132,990)
Expenditures				
Current:				
Public works	418,264	453,817	25,536	428,281
Non-current:				
Capital outlay	4,057,019	3,067,019	231,206	2,835,813
Total expenditures	4,475,283	3,520,836	256,742	3,264,094
Excess (deficiency) of revenues over expenditures	(806,740)	(1,059,246)	(228,878)	3,131,104
Other financing sources (uses)				
Transfers in	290,532	450,276	120,746	(329,530)
Transfers out	-	-	(226,855)	(226,855)
Total other financing sources (uses)	290,532	450,276	(106,109)	(556,385)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (516,208)	\$ (608,970)	\$ (334,987)	\$ 2,574,719

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (334,987)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	300,161
Change in net assets (GAAP basis)	\$ (34,826)

**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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Interest income	\$ 643	\$ 21,174	\$ 39,472	\$ 18,298
Loan and bond proceedings	3,140,000	3,620,000	3,620,000	-
Total revenues	3,140,643	3,641,174	3,659,473	18,298
Expenditures				
Current:				
	157,332	160,596	84,571	76,025
Non-current:				
Capital outlay	2,575,247	2,575,081	1,070,369	1,504,712
Total expenditures	2,732,579	2,735,677	1,154,940	1,580,737
Excess (deficiency) of revenues over expenditures	408,064	905,497	2,504,534	1,599,036
Other financing sources (uses)				
Transfers in				-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 408,064	\$ 905,497	\$ 2,504,534	\$ 1,599,036
Budgeted cash carryover	972,678	972,678		
	\$ 1,380,742	\$ 1,878,175		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 2,504,534
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(11,880)
Change in net assets (GAAP basis)	\$ 2,492,654

See accompanying notes to financial statements

**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, 2009

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Taxes and fees	\$ 384,804	\$ 366,171	\$ 360,080	\$ (6,091)
Grants	334,244	322,994	15,671	(307,323)
Interest income	9,800	7,069	8,430	1,361
	<u>728,848</u>	<u>696,234</u>	<u>384,181</u>	<u>(312,053)</u>
Expenditures				
Current:	233,700	-	-	-
Non-current:	-	-	-	-
	<u>233,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>495,148</u>	<u>696,234</u>	<u>384,181</u>	<u>(312,053)</u>
Other financing sources (uses)				
Transfers in			-	-
Transfers out	(925,507)	(947,507)	(439,221)	508,286
Total other financing sources (uses)	<u>(925,507)</u>	<u>(947,507)</u>	<u>(439,221)</u>	<u>508,286</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (430,359)</u>	<u>\$ (251,273)</u>	<u>\$ (55,040)</u>	<u>\$ 196,233</u>
Budgeted cash carryover	<u>580,691</u>	<u>580,691</u>		
	<u>\$ 150,332</u>	<u>\$ 329,418</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (55,040)
To adjust applicable revenue accruals and deferrals	(3,700)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	<u>\$ (58,740)</u>

See accompanying notes to 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, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes and fees	\$ 769,608	\$ 732,342	\$ 720,160	\$ (12,182)
Grants	-	-	-	-
Interest income	<u>13,019</u>	<u>23,215</u>	<u>24,905</u>	<u>1,690</u>
 Total revenues	 <u>782,627</u>	 <u>755,557</u>	 <u>745,064</u>	 <u>(10,493)</u>
Expenditures				
Current:				
Other services	330,380	336,777	91,063	245,714
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>330,380</u>	 <u>336,777</u>	 <u>91,063</u>	 <u>245,714</u>
 Excess (deficiency) of revenues over expenditures	 <u>452,247</u>	 <u>418,780</u>	 <u>654,002</u>	 <u>235,222</u>
Other financing sources (uses)				
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>\$ 452,247</u>	 <u>\$ 418,780</u>	 <u>\$ 654,002</u>	 <u>\$ 235,222</u>
 Budgeted cash carryover	 <u>344,635</u>	 <u>344,635</u>		
	<u>\$ 796,882</u>	<u>\$ 763,415</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 654,002
To adjust applicable revenue accruals and deferrals	(7,401)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 646,601</u>

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Interest income	\$ 20,090	\$ 8,643	\$ 8,576	\$ (67)
Total revenues	20,090	8,643	8,576	(67)
Expenditures				
Current:	-	-	-	-
Non-current:	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	20,090	8,643	8,576	(67)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(68,000)	(68,000)	(54,941)	13,059
Total other financing sources (uses)	(68,000)	(68,000)	(54,941)	13,059
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (47,910)	\$ (59,357)	\$ (46,365)	\$ 12,992
Budgeted cash carryover	399,763	399,763		
	\$ 351,853	\$ 340,406		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (46,365)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ (46,365)

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO**

**Statement of Revenues and Expenditures - Budget and Actual (Non-GAAP Budgetary Basis)
2002 GRT Capital Outlay - 109
For the Year Ended June 30, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Taxes and fees	\$ 2,815,381	\$ 2,674,779	\$ 2,626,050	\$ (48,729)
Loan and bond proceeds	-	7,350,000	7,350,000	-
Interest income	27,345	32,551	73,623	41,072
 Total revenues	 2,842,726	 10,057,330	 10,049,672	 (7,658)
Expenditures				
Current:				
	3,872,517	176,066	987,448	(811,382)
Non-current:				
Capital outlay	131,885	9,201,634	265,614	8,936,020
 Total expenditures	 4,004,402	 9,377,700	 1,253,063	 8,124,637
 Excess (deficiency) of revenues over expenditures	 (1,161,676)	 679,630	 8,796,610	 8,116,980
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(1,138,846)	(1,138,847)	(1)
Total other financing sources (uses)	-	(1,138,846)	(1,138,847)	(1)
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 \$ (1,161,676)	 \$ (459,216)	 \$ 7,657,763	 \$ 8,116,979
 Budgeted cash carryover	 990,321	 990,321		
	 \$ (171,355)	 \$ 531,105		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 7,657,763
To adjust applicable revenue accruals and deferrals	14,799
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(100,624)
Change in net assets (GAAP basis)	\$ 7,571,938

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Interest income	-	2,799	2,676	(123)
Total revenues	-	2,799	2,676	(123)
Expenditures				
Current:				
General government	86,931	39,022	2,291	36,732
Non-current:				
Capital outlay	-	47,909	35,432	12,477
Total expenditures	86,931	86,931	37,723	49,208
Excess (deficiency) of revenues over expenditures	(86,931)	(84,132)	(35,047)	49,085
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(11,987)	(11,987)	(11,987)	-
Total other financing sources (uses)	(11,987)	(11,987)	(11,987)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (98,918)	\$ (96,119)	\$ (47,034)	\$ 49,085
Budgeted cash carryover	244,500	244,500		
	\$ 145,582	\$ 148,381		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (47,034)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ (47,034)

See accompanying notes to financial statements

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, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Taxes and fees	\$ 14,028	\$ 11,242	\$ 1,556	\$ (9,686)
Charges for services	7,673,205	7,673,205	7,732,709	59,504
Interest income	127,110	71,459	71,811	352
Loan and bond proceeds	-	5,340,000	5,486,740	146,740
Grants and gifts	200,000	200,000	-	(200,000)
Miscellaneous	122,497	136,775	126,476	(10,299)
	<u>8,136,840</u>	<u>13,432,681</u>	<u>13,419,292</u>	<u>(13,389)</u>
Total revenues				
Expenditures				
Operating:				
Salaries and benefits	\$1,444,086.00	1,496,982	1,489,869	7,113
Supplies	193,709	176,253	145,149	31,104
Insurance Premiums	78,806	75,798	75,011	787
Maintenance	444,869	373,414	356,669	16,745
Utilities	49,205	53,972	48,634	5,338
Infrastructure	800,000	5,281,706	176,359	5,105,347
Capital Improvements	200,779	182,297	167,420	14,877
Fees	-	109,600	80,100	29,500
Other services	4,275,203	3,631,360	3,288,393	342,967
Non-operating:				
Capital outlay	<u>2,038,682</u>	<u>3,341,116</u>	<u>737,050</u>	<u>2,604,066</u>
	<u>9,525,339</u>	<u>14,722,498</u>	<u>6,564,653</u>	<u>8,157,845</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(1,388,499)</u>	<u>(1,289,817)</u>	<u>6,854,640</u>	<u>8,144,457</u>
Other financing sources (uses)				
Transfers in	1,082,121	1,252,049	424,053	(827,996)
Transfers out	<u>(1,202,465)</u>	<u>(1,610,929)</u>	<u>(1,608,018)</u>	<u>2,911</u>
Total other financing sources (uses)	<u>(120,344)</u>	<u>(358,880)</u>	<u>(1,183,966)</u>	<u>(825,086)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (1,508,843)</u>	<u>\$ (1,648,697)</u>	<u>\$ 5,670,674</u>	<u>\$ 7,319,371</u>
Budgeted cash carryover	<u>2,786,706</u>	<u>2,786,706</u>		
	<u>\$ 1,277,863</u>	<u>\$ 1,138,009</u>		
RECONCILIATION FROM BUDGET/ACTUAL To GAAP				
Change in net assets (Budget Basis)			\$ 5,670,674	
To adjust applicable revenue accruals and deferrals			2,452,669	
To adjust applicable expenditures and accruals and payments				
Payables and accrued expenses			<u>(6,093,481)</u>	
Change in net assets (GAAP basis)			<u>\$ 2,029,862</u>	

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Interest income	\$ 16,000	\$ 8,571	\$ 8,486	\$ (85)
Total revenues	16,000	8,571	8,486	(85)
Expenditures				
Current:				
General government	3,000	5,000	-	5,000
Non-current:				
Principle payments	525,000	525,000	525,000	-
Interest payments	382,726	382,726	382,725	1
Total expenditures	910,726	912,726	907,725	5,001
Excess (deficiency) of revenues over expenditures	(894,726)	(904,155)	(899,239)	4,916
Other financing sources (uses)				
Transfers in	896,726	1,303,366	1,303,366	-
Transfers out	-	-	-	-
Total other financing sources (uses)	896,726	1,303,366	1,303,366	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 2,000	\$ 399,211	\$ 404,127	\$ 4,916

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 404,127
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ 404,127

**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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
Revenues				
User Fees	\$ 1,759,000	\$ 1,741,514	\$ 1,733,155	\$ (8,359)
Interest income	-	2,233	2,122	(111)
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>5,078</u>	<u>2,078</u>
 Total revenues	 <u>1,762,000</u>	 <u>1,746,747</u>	 <u>1,740,355</u>	 <u>(6,392)</u>
Expenditures				
Operating:				
Salaries and benefits	147,994	146,560	141,658	4,902
Supplies	24,323	19,723	16,196	3,527
Insurance Premiums	5,592	5,547	4,989	558
Maintenance	8,240	8,834	7,148	1,686
Utilities	6,473	5,473	5,160	313
Other Services	1,500,924	1,459,661	1,440,698	18,963
Non-operating:				
Capital outlay	<u>160,736</u>	<u>166,336</u>	<u>111,751</u>	<u>54,585</u>
 Total expenditures	 <u>1,854,282</u>	 <u>1,812,134</u>	 <u>1,727,599</u>	 <u>84,535</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>(92,282)</u>	 <u>(65,387)</u>	 <u>12,756</u>	 <u>(90,928)</u>
Other financing sources (uses)				
Transfers in	106,629	106,629	55,212	(51,417)
Transfers out	<u>(107,082)</u>	<u>(106,969)</u>	<u>(104,096)</u>	<u>2,873</u>
Total other financing sources (uses)	<u>(453)</u>	<u>(340)</u>	<u>(48,884)</u>	<u>(48,544)</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>\$ (92,735)</u>	 <u>\$ (65,727)</u>	 <u>\$ (36,127)</u>	 <u>\$ (139,471)</u>
 Budgeted cash carryover	 <u>32,676</u>	 <u>32,676</u>		
	<u>\$ (60,059)</u>	<u>\$ (33,051)</u>		
RECONCILIATION FROM BUDGET/ACTUAL To GAAP				
 Change in net assets (Budget Basis)			 \$ (36,127)	
 To adjust applicable revenue accruals and deferrals			 64,007	
 To adjust applicable expenditures and accruals and payments				
Payables and accrued expenses			<u>(6,037)</u>	
 Change in net assets (GAAP basis)			 <u>\$ 21,843</u>	

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Charges for services	\$ 195,958	\$ 111,004	\$ 181,367	\$ 70,363
Interest income	20,295	8,799	8,693	(106)
Grants	385,200	250,505	250,505	(0)
Miscellaneous	4,000	4,000	6,091	2,091
 Total revenues	 605,453	 374,308	 446,655	 72,347
Expenditures				
Operating:				
Salaries and benefits	144,852	131,369	126,614	4,755
Emergency disaster	-	65,000	7,314	57,686
Supplies	23,230	23,595	21,971	1,624
Utilities	7,424	7,482	6,833	649
Insurance Premiums	5,755	5,691	5,363	328
Maintenance	30,661	22,875	17,406	5,469
Other services	327,377	319,988	248,765	71,223
Non-operating:				
Capital outlay	73,278	54,179	-	54,179
 Total expenditures	 612,577	 630,179	 434,266	 195,913
 Excess (deficiency) of revenues over expenditures	 (7,124)	 (255,871)	 12,388	 268,259
Other financing sources (uses)				
Transfers in	67,320	64,162	64,162	-
Transfers out	(41,465)	(41,691)	(37,769)	3,922
Total other financing sources (uses)	25,855	22,471	26,393	3,922
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 \$ 18,731	 \$ (233,400)	 \$ 38,781	 \$ 272,181
 Budgeted cash carryover	 500,017	 500,017		
	\$ 518,748	\$ 266,617		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 38,781
To adjust applicable revenue accruals and deferrals	(39,567)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	10,792
Change in net assets (GAAP basis)	\$ 10,006

See accompanying notes to 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, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Charges for services	\$ 1,029,040	\$ 1,077,611	\$ 1,112,716	\$ 35,105
Interest income	4,760	1,784	1,654	(130)
Miscellaneous	1,400	1,611	211	(1,400)
	1,035,200	1,081,006	1,114,580	33,574
Expenditures				
Operating:				
Salaries and benefits	296,161	297,211	278,071	19,140
Supplies	63,319	63,319	59,713	3,606
Maintenance	76,877	79,926	76,149	3,777
Utilities	47,336	43,085	29,614	13,471
Insurance Premiums	8,709	8,422	8,295	127
Other services	654,668	697,728	689,849	7,879
Non-operating:				
Capital outlay	5,315	2,866	91	2,775
	1,152,385	1,192,557	1,141,782	50,775
Excess (deficiency) of revenues over expenditures	(117,185)	(111,551)	(27,202)	84,349
Other financing sources (uses)				
Transfers in	159,815	159,815	159,815	-
Transfers out	(68,415)	(77,640)	(69,805)	7,835
Total other financing sources (uses)	91,400	82,175	90,010	7,835
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (25,785)	\$ (29,376)	\$ 62,808	\$ 92,184
Budgeted cash carryover	171,615	171,615		
	\$ 145,830	\$ 142,239		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 62,808
To adjust applicable revenue accruals and deferrals	(2,859)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(160,658)
Change in net assets (GAAP basis)	\$ (100,709)

See accompanying notes to 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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues				
Charges for services	\$ 146,089	\$ 149,512	\$ 117,552	\$ (31,960)
Investment Income	6,256	5,556	5,234	(322)
Miscellaneous	12,360	19,335	22,803	3,468
Total revenues	164,705	174,403	145,589	(28,814)
Expenditures				
Operating:				
Salaries and benefits	114,687	110,410	104,424	5,986
Supplies	8,901	9,651	7,426	2,225
Utilities	33,636	34,157	22,474	11,683
Maintenance	30,208	24,737	14,301	10,436
Insurance Premiums	4,412	4,373	4,147	226
Other Services	10,286	14,486	6,190	8,296
Non-operating:				
Capital outlay	24,815	2,845	-	2,845
Total expenditures	226,945	200,659	158,963	41,696
Excess (deficiency) of revenues over expenditures	(62,240)	(26,256)	(13,374)	12,882
Other financing sources (uses)				
Transfers in	52,504	52,504	52,504	-
Transfers out	(45,278)	(46,455)	(42,351)	4,104
Total other financing sources (uses)	7,226	6,049	10,153	4,104
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (55,014)	\$ (20,207)	\$ (3,222)	\$ 16,985
Budgeted cash carryover	161,707	161,707		
	\$ 106,693	\$ 141,500		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (3,222)
To adjust applicable revenue accruals and deferrals	(4,671)
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(160,957)
Change in net assets (GAAP basis)	\$ (168,850)

See accompanying notes to 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, 2009

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
Revenues				
Bond proceeds	\$ -	\$ -	\$ -	\$ -
Interest income	-	8,593	8,380	(213)
	-	8,593	8,380	(213)
Expenditures				
Current:				
General government	-	-	-	-
Non-current:				
Capital outlay	8,456	-	-	-
	8,456	-	-	-
Excess (deficiency) of revenues over expenditures				
	(8,456)	8,593	8,380	(213)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(264,702)	(434,630)	(54,984)	379,646
Total other financing sources (uses)	(264,702)	(434,630)	(54,984)	379,646
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses				
	\$ (273,158)	\$ (426,037)	\$ (46,603)	\$ 379,434
Budgeted cash carryover				
	423,848	423,848		
	\$ 150,690	\$ (2,189)		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (46,603)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	-
Change in net assets (GAAP basis)	\$ (46,603)

**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, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Operating revenues				
Charges for services	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-
Miscellaneous	684,917	675,540	578,658	(96,882)
Total operating revenues	684,917	675,540	578,658	(96,882)
Tenant services	-	-	-	-
Other operating	657,080	647,703	564,533	83,170
Total operating expenses	657,080	647,703	564,533	83,170
Non-operating revenues				
Interest Income	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total non-operating revenues (expenses)	-	-	-	-
Excess (deficiency) of revenues over expenditures	\$ 27,837	\$ 27,837	\$ 14,125	\$ (13,712)

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 14,125
To adjust applicable revenue accruals and deferrals	35,005
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	(326,222)
Change in net assets (GAAP basis)	\$ (277,092)

See accompanying notes to 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 Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance Favorable/ (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues				
Charges for services	\$ 1,286,292	\$ 1,300,788	\$ 1,180,482	\$ (120,306)
Investment Income	139,921	69,970	69,925	(45)
Miscellaneous	5,252	21,017	28,716	7,699
Total operating revenues	<u>1,431,465</u>	<u>1,391,775</u>	<u>1,279,123</u>	<u>(112,652)</u>
Operating expense				
Operating:				
Salaries and benefits	325,886	310,605	308,720	1,885
Supplies	155,665	147,295	116,824	30,471
Maintenance	153,786	156,659	139,670	16,989
Utilities	12,150	12,150	10,648	1,502
Insurance Premiums	6,959	6,915	7,432	(517)
Other Services	224,545	154,462	132,441	22,021
Capital Outlay	739,359	920,959	389,250	531,709
Total expenditures	<u>1,618,350</u>	<u>1,709,045</u>	<u>1,104,986</u>	<u>604,059</u>
Excess (deficiency) of revenues over expenditures	<u>(186,885)</u>	<u>(317,270)</u>	<u>174,138</u>	<u>491,408</u>
Non-operating revenues (expenses)				
Transfers in	1,817	1,817	1,033	(784)
Transfers out	<u>(2,500)</u>	<u>(2,500)</u>	<u>(2,500)</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>(683)</u>	<u>(683)</u>	<u>(1,467)</u>	<u>(784)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (187,568)</u>	<u>\$ (317,953)</u>	<u>\$ 172,671</u>	<u>\$ 490,624</u>
Budgeted cash carryover	<u>1,710,847</u>	<u>1,710,847</u>		
	<u>\$ 1,523,279</u>	<u>\$ 1,392,894</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 172,671
To adjust applicable revenue accruals and deferrals	102,616
To adjust applicable expenditures and accruals and payments	
Payables and accrued expenses	<u>(117,396)</u>
Change in net assets (GAAP basis)	<u>\$ 157,891</u>

See accompanying notes to financial statements

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009**

Federal Grantor/Pass-Through Program Title	Federal CFDA Number	Pass-Through Grantor No.	Grant Award Expended
U.S. Department of Housing and Urban Development			
Low Income Housing Rent Subsidy	14.850 *	N/A	\$ 339,000
CDBG Funds - Plaza Hacienda Sidewalks	14.228	07-C-NR-I-01-G-01	40,805
			379,805
U.S. Environmental Protection Agency			
Passed through the NM Environment Department			
Regional Water Supply	66.606	XP-0976485010	106,653
U.S. Department of Transportation			
Airport Improvement Program	20.106	3-35-0001-014-2007	66,533
ADA Compliant Pedestrian Pathways	20.xxx *	TPE-054-4(1)66	160,894
La Velle Road Recreation Trail	20.xxx	TPE-5910(2)	3,839
LaVelle Road Reconstruction	20.xxx	STP-5910(1)	86,522
			317,788
U.S. Department of Health and Human Services			
Passed through the North Central NM Economic Development District Area Agency on Aging			
Special Program for Aging - Title IIIc	93.045	2007-08-64012	92,015
U.S. Department of Agriculture			
Passed through the NMEMRD			
Bonito Lake Hazardous Fuels Reduction	10.664	06-521-04GG-0103	180,002
U.S. Department of Justice			
Edward Byrne Memorial Justice Assistance Grant	16.738	N/A	490
Corporation For National and Community Service			
Retired and Senior Volunteer Program	94.002	05SRWNM012	51,785
U.S. Department of Homeland Security			
Disaster Grants - Public Assistance	97.036 *	FEMA-1659-DR-NM	455,365
Total federal awards expended			\$ 1,583,903

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.

*Major Program

See independent auditors' report
The accompanying notes are an integral part of these financial statements.

City of Alamogordo
Schedule of Joint Powers Agreements and Memorandums of Understanding
For the Year Ended June 30, 2009

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 6/30/2009 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 6/30/2009 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 6/30/2009 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 6/30/2009 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 Divison City of Alamogordo	State of NM Forestry Divison City of Alamogordo	Support wildland fire suppression and services outside the city boudaries, as needed.	7/1/2004 thru 6/30/2009 Indefinite	As Budgeted per each Department	As Budgeted per each Department	City of Alamogordo State of NM Forestry Divison	City of Alamogordo State of NM Forestry Divison
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 6/30/2009 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, 2009

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 6/30/2009 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 6/30/2009 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 6/30/2009 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 6/30/2009	\$ 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, 2009

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 6/30/2009	\$ 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 6/30/2009	\$ 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 6/30/2009	\$38.01/hr for service thru \$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 12/31/2009	\$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 6/30/2009				

STATE OF NEW MEXICO
CITY OF ALAMOGORDO
SCHEDULE OF PLEDGED COLLATERAL
BY BANK AND ACCOUNT
As of June 30, 2009

<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 Albuquerque</u>	<u>Pioneer Savings Bank</u>	<u>Bank'34</u>	<u>Book Balance</u>
Non-interest bearing accounts									
General Operating	Checking	\$ -	880,108	-	-	-	-	-	880,322
		-	880,108	-	-	-	-	-	880,322
Interest bearing accounts									
General Operating	Checking	7,409,028	-	24,636	-	-	-	-	7,164,257
PHA-Home Ownership	Checking	354,399	-	-	-	-	-	-	351,150
PHA-Operations	Checking	186,215	-	-	-	-	-	-	155,474
PHA-Low Rent	Checking	24,516	-	-	-	-	-	-	32,794
PHA-Home Ownership Reserve	Checking	68,978	-	-	-	-	-	-	60,143
ACE-Flood Control	Fiduciary	-	520,129	-	-	-	-	-	520,129
Money market	Savings	-	148,118	-	-	-	-	-	148,118
New Mexico Finance Authority	Debt Service	-	-	-	4,611	-	-	-	4,611
Bank of Albuquerque	Reserve	-	-	-	-	532,473	-	-	532,473
Certificate of deposit	CD	-	101,316	-	-	-	-	-	101,000
Certificate of deposit	CD	-	101,746	-	-	-	-	-	101,402
Certificate of deposit	CD	-	103,354	-	-	-	-	-	100,000
Certificate of deposit	CD	-	103,456	-	-	-	-	-	100,000
Certificate of deposit	CD	-	102,699	-	-	-	-	-	100,000
Certificate of deposit	CD	-	102,760	-	-	-	-	-	100,000
Certificate of deposit	CD	-	102,982	-	-	-	-	-	100,000
Certificate of deposit	CD	-	102,211	-	-	-	-	-	100,000
Certificate of deposit	CD	-	103,405	-	-	-	-	-	100,000
Certificate of deposit	CD	-	97,355	-	-	-	-	-	95,000
Certificate of deposit	CD	-	246,798	-	-	-	-	-	245,000
Certificate of deposit	CD	-	97,381	-	-	-	-	-	95,000
Certificate of deposit	CD	-	97,381	-	-	-	-	-	95,000
Certificate of deposit	CD	-	97,492	-	-	-	-	-	95,000
Certificate of deposit	CD	-	97,354	-	-	-	-	-	95,000
Certificate of deposit	CD	-	246,872	-	-	-	-	-	245,000
Certificate of deposit	CD	-	97,086	-	-	-	-	-	95,000
Certificate of deposit	CD	-	97,217	-	-	-	-	-	95,000
Certificate of deposit	CD	-	96,822	-	-	-	-	-	95,000
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	-	-	-	-	-	500,000	-	500,000
Certificate of deposit	CD	-	-	-	-	-	-	505,040	505,040
Total amount of deposit in bank		9,293,136	3,744,042	24,636	4,611	532,473	500,000	505,040	14,256,912
FDIC coverage		(250,000)	(1,130,108)	(24,636)	N/A	(250,000)	(250,000)	(250,000)	(2,154,744)
Total uninsured public funds		9,043,136	2,613,934	-	-	282,473	250,000	255,040	12,102,168
50% Collateral Requirement (Section 6-10-17 NMSA 1978)		\$ 4,521,568	1,306,967	-	-	141,236	125,000	127,520	6,051,084

	First National Bank	Wells Fargo Bank	First National Bank of Ruidoso	New Mexico Finance Authority	Bank of Albuquerque	Pioneer Savings Bank	Alamogordo Federal Savings & Loan	Book Balance
Pledged security at:								
Federal Home Loan Bank-Dallas								
FHLB 31384YAH9 Due 09/01/27	\$ 67,565	-	-	-	-	-	-	-
FHLB 31371ND51 Due 05/01/37	1,779,197	-	-	-	-	-	-	-
FHLB 36202EV89 Due 09/20/38	464,928	-	-	-	-	-	-	-
FHLB 31415BEU9 Due 08/01/38	1,854,596	-	-	-	-	-	-	-
FHLB 011464DE1 Due 08/01/11	476,069	-	-	-	-	-	-	-
FNMA 845529 Due 12/01/35	-	-	-	-	-	541,436	-	-
FHLMC 847032 Due 01/01/32	-	-	-	-	-	131,088	-	-
FNCL 31409YM87 Due 05/01/36	-	1,495,334	-	-	-	-	-	-
Irrevocable Standby Letter of Credit	-	-	-	-	-	-	134,437	-
US Treasury INFL Index 912876R8	-	-	-	-	48,938	-	-	-
US Treasury Fund 14956P703	-	-	-	-	24,845	-	-	-
Invesco Government Fund 00142W843	-	-	-	-	459,139	-	-	-
	<u>4,642,355</u>	<u>1,495,334</u>	<u>-</u>	<u>-</u>	<u>532,922</u>	<u>672,524</u>	<u>134,437</u>	<u>-</u>
Freddie Mac Discount Note	-	757,283	-	-	-	-	-	750,000
Freddie Mac Discount Note	-	1,072,495	-	-	-	-	-	1,075,000
Freddie Mac Discount Note	-	851,530	-	-	-	-	-	850,000
Freddie Mac Discount Note	-	503,795	-	-	-	-	-	500,000
Freddie Mac Discount Note	-	498,720	-	-	-	-	-	500,000
Freddie Mac Discount Note	-	494,220	-	-	-	-	-	500,000
Freddie Mac Discount Note	-	994,620	-	-	-	-	-	1,000,000
Federal Farm Credit Note	-	999,060	-	-	-	-	-	1,000,000
Federal Home Loan Note	-	500,155	-	-	-	-	-	499,280
State of New Mexico								26,119,485
Petty cash								2,425
Start-up cash								<u>2,325</u>
								32,798,515
Amount (over) collateralized	\$ <u>(120,787)</u>	<u>(188,367)</u>	<u>-</u>	<u>-</u>	<u>(391,686)</u>	<u>(547,524)</u>	<u>(6,917)</u>	
Total book balance	9,293,136	3,744,042	24,636	4,611	532,473	500,000	505,040	\$ <u>47,055,427</u>

**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 supplemental information of the City of Alamogordo, New Mexico, as of and for the year ended June 30, 2009, and have issued our report thereon dated November 18, 2009. 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. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the City of Alamogordo, State of New Mexico's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting: 07-06, 08-01, 09-08, 09-09 and 09-10.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 07-06 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 09-01, 09-02, 09-03, 09-04, 09-05, 09-06, 09-07 and 09-08.

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 18, 2009

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND 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 compliance of the City of Alamogordo, State of New Mexico, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. 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 on the City of Alamogordo, State of New Mexico's compliance with those requirements.

As described in items 09-01, 09-02, 09-03, 09-04, 09-05, 09-06 and 09-07 in the accompanying schedule of findings and questioned costs, the City of Alamogordo, State of New Mexico, did not comply with eligibility requirements regarding the documentation, verification and maintenance of various records that are applicable to its Public Housing Authority. Compliance with such requirements is necessary, in our opinion, for the City of Alamogordo, State of New Mexico, to comply with the requirements applicable to that program. The results of our auditing procedures also disclosed another instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular and which is described in the accompanying schedule of findings and questioned costs as item 09-08.

In our opinion, except for the noncompliance described in the preceding paragraph, the City of Alamogordo, State of New Mexico, complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the City of Alamogordo, State of New Mexico, is responsible for establishing and maintaining effective internal control over compliance with 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 requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance, and accordingly we do not express an opinion on the effectiveness of the City's internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and others that we consider to be material weaknesses.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items: 09-01, 09-02, 09-03, 09-04, 09-05, 09-06, 09-07 and 09-08 to be significant deficiencies.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider item 09-08 to be material weakness.

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 18, 2009

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued Unqualified

Internal Control over financial reporting:

Material weaknesses identified? X Yes _ No

Significant deficiencies identified that are not considered to be material weaknesses? X Yes _ No

Non-compliance material to financial statements noted? X Yes _ No

Federal Awards

Internal Control

Material weaknesses identified? X Yes _ No

Significant deficiencies identified that are not considered to be material weaknesses? X Yes _ No

Type of auditors' report issued on major programs Qualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? X Yes No

Identification of major program as noted below:

CFDA Numbers Funding Source	Name of Federal Programs	Funding Source
14.850	Low Income Housing Rent Subsidy	US Department of Housing and Urban Development
20.xxx	ADA Compliant Pedestrian Pathways	US Department of Transportation
97.036	Disaster Grants – Public Assistance	US Department of Homeland Security

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

Auditee qualified as low-risk auditee? _____ Yes X No

**STATE OF NEW MEXICO
CITY OF ALAMOGORDO
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

SECTION II AND III – FINANCIAL STATEMENTS AND FEDERAL AWARD FINDINGS

<u>Finding</u>	<u>Status of Current and Prior Year Findings</u>	<u>Financial Statement Finding</u>	<u>Federal Awards Finding</u>	<u>State Auditor Finding</u>
Prior Year Findings				
07-06 SAS 112 MATERIAL ADJUSTMENTS BY AUDITOR	Revised/ Repeated	yes	no	no
07-08 PROPER ENTRY OF TRANSFERS BETWEEN FUNDS	Resolved	yes	no	no
08-01 PROPER MAINTENANCE OF CAPITAL ASSET LISTINGS	Revised/ Repeated	yes	no	no
08-02 PROCUREMENT PROCESS	Resolved	yes	no	yes
Current Year Findings				
09-01 WAITING LIST PROPERTIES	Current	yes	yes	no
09-02 TENANT APPLICATION DOCUMENTATION	Current	yes	yes	no
09-03 CERTIFICATION AND RECERTIFICATION DOCUMENTATION	Current	yes	yes	no
09-04 VERIFICATION OF ASSETS/INCOME AND EXPENSES	Current	yes	yes	no
09-05 TENANT FILES ARE NOT ADEQUATELY MAINTAINED	Current	yes	yes	no
09-06 LEASE DOCUMENTATION	Current	yes	yes	no
09-07 INADEQUATE DELINQUENCY PROCESS	Current	yes	yes	no
09-08 TRACKING OF FEDERAL AND STATE AWARDS	Current	yes	no	no
09-09 PHA ACCOUNTS RECEIVABLE	Current	yes	no	no
09-10 PHA TIMELINESS OF FINANCIAL REPORTING	Current	yes	no	no

PRIOR YEAR FINDINGS

07-06 – SAS 112 MATERIAL ADJUSTMENTS BY AUDITOR – REVISED/REPEATED

Statement of Condition

During our audit we made several adjustments to the City's books that SAS 112 requires to be reported as a finding. The adjustments consisted of the following:

- To adjust capital lease amounts in Fund 12 totaling \$183,285.
- To adjust capital assets in Funds 81, 91, and 94 totaling a net of \$259,321.
- Record unrecorded transfer of capital outlay costs from Fund 49 to 81 totaling \$1,200,340.

Criteria

Statement of Auditing Standards (SAS) 112 was implemented as of December 15, 2006. Some of the key underlying concepts of this standard are

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- The auditor cannot be part of a client's internal control. Becoming part of a client's internal control impairs the auditor's independence.
- What the auditor does is independent of the client's internal control over financial reporting. Therefore, the auditor cannot be a compensating control for the client.
- A system of internal control over the financial reporting does not stop at the general ledger; rather it includes controls over the preparation of the financial statements.

Recording these adjustments is considered a significant process that the client needs to maintain. Also since significant adjustments to the financials were made it calls into question whether the Agency staff has the qualifications and training to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements.

Effect

Because these adjustments were made / identified by the auditor, and not by the City, it shows an internal control weakness in maintaining the general ledger and would potentially extend to the audit report. This significantly increases the potential for misstated financial statements.

Cause

The City's personnel and internal control procedures were not effective in identifying and correcting material errors to the general ledger that would have resulted in material misstatement of the financial statements had they not been corrected by the auditor.

Recommendation

We recommend that the City make adjustments to their general ledger in a timely manner. Asking for technical advice from the auditor or from someone else when these adjustments are needed is not considered a control deficiency as long as the staff of the City initiates/makes the adjustment and understands how and why the adjustments were made.

Management Response

The Accounting staff works diligently to prepare and post year end entries to the best of their ability and have unfortunately missed entries which cause this finding. The material adjustments made for the period ending June 30, 2009 are all related to fixed assets and associated with the finding 08-01. We feel that after some adjustments in methods used to account for fixed assets and setting cut-off dates to allow sufficient time to reconcile and post entries, we will avoid this finding in the future.

**08-01 – PROPER MAINTENANCE OF CAPITAL ASSET LISTINGS – REVISED/
REPEATED**

Statement of Condition

During the audit of the City's capital assets, it was observed that the City's process for recording capital outlay expenditures and off-setting them in the enterprise funds with contra-capital outlay expenditures was not effective and did not accurately reflect the true capital outlay expenditures

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being offset in the fund. Specifically, Funds 81, 91, and 94 contained contra-capital outlay accounts showing balances significantly higher than the associated capital outlay expenditures recorded in the fund.

For Fund 81, the reported current year capital outlay expenditures totaled \$750,394; however the recorded contra-capital outlay expenditures totaled \$(1,957,386). Additional procedures determined that current year capital outlays totaling \$1,200,340 had been recorded in other funds, but the offsetting contra-capital outlay expenditure was aggregated and recorded only in Fund 81.

In addition, \$686,328 in CIP recorded in prior years was removed during the year due to it being determined that the projects were either inactive or were no longer being pursued by the City. This resulted in a restatement of Fund 81 net assets for that same amount.

For Fund 91 the reported current year capital outlay expenditures totaled \$0; however the recorded contra-capital outlay expenditures totaled \$(109,937). Additional procedures determined that prior year non-capitalized capital outlay expenditures totaling \$109,937 were recorded in the current year as a credit to the contra-capital outlay account and a debit to capital assets as motorized equipment. This resulted in the need to record prior period adjustments totaling \$109,937 in order to properly record those expenditures from prior years that were capitalized in the current year.

For Fund 94 the reported current year capital outlay expenditures totaled \$389,250; however the recorded contra-capital outlay expenditures totaled \$(706,329). Additional procedures determined that prior year non-capitalized capital outlay expenditures totaling \$317,079 were recorded in the current year as a credit to the contra-capital outlay account and a debit to capital assets as motorized equipment. This resulted in the need to record prior period adjustments totaling \$317,079 in order to properly record those expenditures from prior years that were capitalized in the current year.

This resulted in the need to record prior period adjustments totaling a net of \$259,321 in order to properly record those expenditures from prior years that were capitalized in the current year. Further discussion with client personnel revealed that the need for prior period adjustments is likely to continue in years to come as the process for timely capitalization of construction in progress costs is not effective in identifying those items that need to be capitalized in the year in which they occur.

Criteria

Capital expenditures related to construction in progress should be capitalized in the year in which they occur.

Contra-capital outlay accounts should only be utilized to offset those capital outlay expenditures that were recorded in the same fund that contains the contra-capital outlay account. Adjustments to capitalize prior period expenditures should be recorded as a prior period adjustment and should not be blended into current year activities.

Effect

The continual need to make prior period adjustments related to capital outlays results in the potential for material misstatements of the recorded amounts for capital outlay costs and

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construction in progress.

By recording capital outlay expenditures in one fund and recording the associated contra-capital outlay in a different fund it effectively misstates the true amount of capital expenditures in both funds and creates the potential for material misstatements to make it into the financial statements.

Cause

The City's process for tracking and capitalizing current year expenditures was not effective in ensuring only those current year capital outlays occurring in a given fund were capitalized in the current period. In addition, the process for identifying and recording prior period adjustments was not effective in ensuring that prior period capital outlays capitalized in the current year were recorded as prior period adjustments.

Recommendation

The City should implement a procedure whereby a cutoff date is established by which time City engineers must report those current year capital outlay costs that should be capitalized as construction in progress to the finance department for inclusion in the capital asset listing. This will eliminate the need to make prior period adjustments related to capital outlays from prior years. Adjustments to capitalize prior period expenditures should only be made on an as needed basis and should not be viewed as a regular/routine part of the process for recording capital assets.

It is also recommended that as the capital outlay expenditures are made, a record of their source fund is kept and at the end of the period, any contra-capital outlay entries are made directly to the funds in which the capital outlay expenditures occurred.

Management Response

Management will set a reasonable cut-off date for reconciliation of fixed assets at year end and work with the supporting departments handling fixed asset capital projects to ensure year-end reporting in a timely manner. In addition, the city will work toward budgeting and expending capital within the appropriate enterprise fund and make transfers from the resource funds to avoid future errors in unrecorded transfers of capital outlay costs.

CURRENT YEAR FINDINGS

09-01—WAITING LIST POLICIES

Statement of Condition

During our review of PHA's waiting list, we noted potential applicant names were not being purged as required by the PHA's Tenant Selection and Assignment Plan Chapter 4.9.

Criteria

CFDA# 14.871—Department of Housing and Urban Development.

Chapter 4, Section 9 of the PHA's Tenant Selection and Assignment Plan requires the organization to purge the waiting list. The policy states...“the waiting list will be purged at least quarterly by letter sent via first class mail to all applicants to ensure that the waiting list is current

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and accurate.”

Effect

The selection process required by the Tenant Selection and Assignment Plan is not being adhered to and it appears possible that could affect the selection process of applicants.

Cause

Staff has not implemented this requirement in the Tenant Selection and Assignment Plan and management has not monitored staff in regards to this requirement.

Recommendation

The PHA should implement the Tenant Selection and Assignment Plan policies.

Management Response

The PHA will adhere to the Tenant Selection and Assignment Plan policies related to the purging of the wait list, which will include a quarterly review of said list.

09-02—TENANT APPLICATION DOCUMENTATION

Statement of Condition

We reviewed twenty-eight (28) tenant files for proper tenant applications and found:

1. Four (4) applications were not properly initialed by the staff person who received the application.
2. Two (2) applications could not be located.
3. One (1) application was not signed by the Head of Household for certification of correctness.

Criteria

CFDA# 14.871—Department of Housing and Urban Development and 24 CFR sections 5.212, 5.230, and 5.601 through 5.615.

As a condition of admission, the PHA requires an application form to be filled by PHA staff during an interview with the tenant. The head of household must sign a certification that the information to the PHA is correct and the PHA requires the forms to be initialed by PHA staff and applications must be kept on file.

Effect

The missing supporting documentation for tenants calls into question whether PHA is adhering to the compliance requirements of the grant and if the eligibility process is accurately selecting the right candidates for housing.

Cause

Training and Monitoring of the compliance requirements needs improvement.

Recommendation

The PHA should improve its training and monitoring of the grant compliance requirements.

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Management Response

The PHA staff agrees that the monitoring of the application process has been deficient. The staff has commenced a file review, which will be completed within 90 to 120 days of the start date. The staff has developed an in-depth checklist that will allow for identification of files with deficiencies. Based on the deficiencies discovered in each file, the staff will begin corrective action. During the remainder of this fiscal year, the staff will receive training on compliance and monitoring.

09-03—CERTIFICATION AND RECERTIFICATION DOCUMENTATION

Statement of Condition

We reviewed twenty-eight (28) tenant files for proper certifications and recertifications and found:

1. Four (4) annual recertifications were carried over from the previous year and rent payments were based on the previous year certifications. The rent payments will not be adjusted until interim certifications are completed.
2. Eight (8) certifications were found not completed or not completed accurately.

Criteria

CFDA# 14.871—Department of Housing and Urban Development and 24 CFR sections 5.212, 5.230, and 5.601 through 5.615.

As a condition of determining eligibility and rent payments the PHA requires certifications and recertifications be completed in a timely manner.

Effect

The missing supporting documentation for tenants calls into question whether PHA is adhering to the compliance requirements of the grant, accurate rent payments and if the eligibility process is accurately selecting the right candidates for housing.

Cause

Training and monitoring of the compliance requirements needs improvement.

Recommendation

The PHA should improve its training and monitoring of the grant compliance requirements.

Management Response

The PHA staff agrees that the monitoring of the application process has been deficient. The staff has commenced a file review, which will be completed within 90 to 120 days of the start date. The staff has developed an in-depth checklist that will allow for identification of files with deficiencies. Based on the deficiencies discovered in each file, the staff will begin corrective action. During the remainder of this fiscal year, the staff will receive training on compliance and monitoring.

In addition, the staff will develop procedures to assign roles and clarify operational processes.

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09-04—VERIFICATION OF INCOME/ASSETS AND EXPENSES

Statement of Condition

We reviewed twenty-eight (28) tenant files for proper documentation of income, assets and expense verification and found:

1. One (1) file did not have complete documentation of the tenant's working hours.
2. Six (6) tenant files did not contain the HUD Income Release Form.
3. There was a combined amount of twelve (12) inaccurate rent calculations, posting errors, and inaccurate carry forwards of balances from the prior software to the new software were found.

Criteria

CFDA# 14.871—Department of Housing and Urban Development and 24 CFR sections 960.253, 960.257, and 960.59.

As a condition of determining eligibility and rent payments, the PHA is required to verify, income, assets and expenses of tenants in HUD form 9886.

Effect

The missing supporting documentation for tenants calls into question whether PHA is adhering to the compliance requirements of the grant, accurate rent payments and if the eligibility process is accurately selecting the right candidates for housing.

Cause

Training and monitoring of the compliance requirements needs improvement.

Recommendation

The PHA should improve its training and monitoring of the grant compliance requirements.

Management Response

The PHA staff agrees that the monitoring of the application process has been deficient. The staff has commenced a file review, which will be completed within 90 to 120 days of the start date. The staff has developed an in-depth checklist that will allow for identification of files with deficiencies. Based on the deficiencies discovered in each file, the staff will begin corrective action. During the remainder of this fiscal year, the staff will receive training on compliance and monitoring. In addition, the staff will develop procedures to assign roles and clarify operational processes.

09-05—TENANT FILES ARE NOT ADEQUATELY MAINTAINED

Statement of Condition

We reviewed twenty-eight (28) tenant files for proper documentation and found the majority of the files were not maintained or organized in a manner that lent them to be efficiently reviewed and locate supporting documentation.

Criteria

CFDA# 14.871—Department of Housing and Urban Development.

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Maintenance and organization of tenant files is needed in order to properly monitor and administer the HUD grant in an efficient organized manner.

Effect

The missing supporting documentation for tenants calls into question whether PHA is adhering to the compliance requirements of the grant, calculating accurate rent payments, and if the eligibility process is accurately selecting the right candidates for housing.

Cause

Training and monitoring of the compliance requirements needs improvement.

Recommendation

The PHA should improve its training and monitoring of the grant compliance requirements.

Management Response

The PHA staff agrees that the monitoring of the application process has been deficient. The staff has commenced a file review, which will be completed within 90 to 120 days of the start date. The staff has developed an in-depth checklist that will allow for identification of files with deficiencies. Based on the deficiencies discovered in each file, the staff will begin corrective action. During the remainder of this fiscal year, the staff will receive training on compliance and monitoring. In addition, the staff will develop procedures to assign roles and clarify operational processes.

09-06—LEASE DOCUMENTATION

Statement of Condition

We reviewed thirteen (13) lease agreements and found the following:

1. Four (4) lease agreements were incomplete.
2. Four (4) lease agreements were not dated correctly.
3. Four (4) lease agreements contained incorrect charges for rent or other amounts.
4. Seven (7) lease agreements were missing required signatures and initials.

Criteria

CFDA# 14.871—Department of Housing and Urban Development.

Lease agreement contracts require proper documentation in order to make them accurate and legal.

Effect

The missing information in regards to the leases calls into question the legality of the leases and the accuracy of the leases.

Cause

Training and monitoring in the completion of lease agreements needs improvement.

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Recommendation

The PHA should improve its training and monitoring of the lease agreement documentation.

Management Response

The PHA staff agrees that the monitoring of the application process has been deficient. The staff has commenced a file review, which will be completed within 90 to 120 days of the start date. The staff has developed an in-depth checklist that will allow for identification of files with deficiencies. Based on the deficiencies discovered in each file, the staff will begin corrective action. During the remainder of this fiscal year, the staff will receive training on compliance and monitoring. In addition, the staff will develop procedures to assign roles and clarify operational processes.

09-07—INADEQUATE DELINQUENCY PROCESS

Statement of Condition

We reviewed thirteen (13) tenant files for proper documentation of the delinquency process and found eleven (11) of the files showed the delinquency process was not properly followed or that notices to tenants were inadequate or late.

Criteria

CFDA# 14.871—Department of Housing and Urban Development.

The HUD public housing grant requires that the proper processing of delinquency notices be carried out for tenants that are late with their rent payments.

Effect

The collection of rent revenue is affected as well as the eligibility of tenants when proper grant compliance requirements are not followed.

Cause

Training and monitoring in the completion of delinquency process needs improvement.

Recommendation

The PHA should improve its training and monitoring of the delinquency process agreement documentation.

Management Response

During the remainder of this fiscal year, the PHA staff will review current delinquency process for deficiencies. Thereafter, the staff will review each tenant file to determine any delinquent balances, and to take corrective action if found. Any deficiency in the delinquency process will be corrected prior to the end of the fiscal year. In addition, the staff will be trained on the delinquency process, including any revisions to that process.

09-08 – TRACKING OF FEDERAL AND STATE AWARDS

Statement of Condition

While performing the audit and reviewing the grant activity for the year ended June 30, 2009, it

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was observed that schedule the City uses to track its grants did not accurately distinguish those awards that were federally funded and those that were state funded.

Specifically, the awards for Project EN0802 (Grant# SP-GF-4920(200)) and Project EN0704 (Grant# STP-5910(1)) were determined to be state grants, however they were shown on the grant listing as a federal program. Current year expenditures for these two grants totaled \$333,019. In addition, the grant related to Project# PW0923 was identified as a state grant through the NM Department of Homeland Security and Emergency Management when it was a federally funded pass-thru grant. The current year expenditures for this grant totaled \$455,365.

In addition, while inquiring about the receipt of surplus federal property in the current year, it was brought to our attention that 4 vehicles had been received in FY08 by the DPS that were considered federal surplus items. These items were not reported to us during that audit.

Additional research showed that the items were not reported to the City's capital asset clerk nor were they reported on the department's sensitive equipment inventory of items less than \$5,000. This suggests that the process for capturing contributed capital assets and reporting them to the appropriate accounting personnel is not effective at identifying all applicable property. In addition, it brings into question the accuracy and legitimacy of the departmental inventory as these items were not identified on those lists when they were signed off on by the department head.

Criteria

OMB Circular A-133 Subpart C states:

The auditee shall:

- (a) Identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity.
- (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Effect

City personnel could unknowingly not be following the compliance requirements on state or federal money received due to misidentifying the source of the funds.

The potential exists for federal awards to escape inclusion in the Single Audit procedures. This City runs the risk of being out of compliance with OMB Circular A-133 Subpart C.

Cause

The process for capturing federal awards and contributed federal surplus has gradually relaxed over time and it is no longer fully effective.

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Recommendation

The process for tracking federal grants should be improved to ensure the source funds for all grants are properly identified and recorded as such. This should include the CFDA number when applicable. As new grants are obtained, a determination should be made at the inception of the grant to determine its source.

It is recommended that a process be put in place to require all departments that receive contributed property be required to notify the finance department of the acquisition at the time of the contribution so it can be properly recorded in the accounting system and recorded on the schedule of federal awards, if applicable.

Management Response

The Auditors were provided a file with all grants to include a Year End Grant Report as well as a summary listing of all the grants (produced from the Year-End Grant Reports). On these reports, the City did not properly identify "State" and/or "Federal" appropriately, on the specific grants named in this finding. The City feels this is merely a typographical error. The City has maintained each grant activity specifically through line items which separate state and federal grants as well as Project Budgets whereby each individual grant is assigned a specific project number to track their specific and detailed transactions. The grants are administered by each grant agreement; therefore the grants are in compliance with those agreements. We feel that the grant listing and Year-end grant reports can be improved with more oversight to the accuracy in identifying the grants as State or Federal and will make these corrections and avoid these errors.

As for the issue of surplus property and recording these item(s), the City will improve the policy and procedure to ensure proper and accurate recording to the fixed assets or department sensitive equipment inventory.

09-09 – PHA ACCOUNTS RECEIVABLE

Statement of Condition

During the audit of the Public Housing Authority's accounts receivable, it was observed that the PHA's receivables from tenants had increased from \$56,938 in FY08 to \$77,610 as of June 30, 2009. This is an increase of \$20,672 or 36% over that of the previous year. Discussion with PHA personnel revealed that there were significant errors discovered during the year with the accounting software used by the PHA that caused tenant receivables to become overstated due to how the system processed overdue accounts. Per PHA personnel, a full review was done on the amounts outstanding prior to year end to correct the balances. As a result of the continuing issues with the tenant receivables, the PHA has not actively pursued the collection process on its outstanding receivables.

Criteria

Every effort should be made to collect on amounts owed by tenants to the PHA. Additional action should be taken where permitted on those tenants that are significantly delinquent and are not making attempts to repay the amounts owed.

Effect

The PHA is not collecting all amounts owed to it which results in negative cash flow and

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delinquent tenants are effectively receiving free housing.

Cause

Collections procedures have effectively ceased due to ongoing software issues.

Recommendation

We recommend that the PHA implement policies and procedures to increase the collectability of its tenant receivables within the bounds of the applicable HUD rules and requirements and also take steps to implement collections procedures for those tenants with delinquent accounts.

Management Response

The PHA staff will review the collections policy and, as previously stated the delinquency process. As these reviews take place, staff will identify tenant non-compliance, and take steps to obtain compliance including tenant removal. The improved delinquency process will decrease the amount of receivables for current tenants.

09-10 – PHA TIMELINESS OF FINANCIAL REPORTING

Statement of Condition

While the PHA runs their own accounting software and maintains their own records they have contracted a significant portion of the accounting function to an outside fee accountant to provide additional support to the accounting controls at the PHA. While conducting the audit of the City of Alamogordo's PHA, it was noted that the fee accountant's trial balance for the year ended June 30, 2009 was first made available to the PHA in mid-September 2009. At the time of the audit fieldwork, also in mid-September 2009, the PHA had not been able to conduct a reconciliation between their own accounting system and their fee account's figures. The PHA transitioned to a new accounting system in FY09 and had been going through various personnel changes that impacted its accounting functions.

Criteria

Good accounting and internal control standards require that information be inputted into the accounting system timely and that proper oversight be made to ensure that the system operates properly and any errors are addressed timely.

Effect

The PHA is at risk for losses due to untimely financial reporting and lack of effective oversight of the bookkeeping process. This is also a contributing factor the issues discussed in finding 09-09.

Cause

Discussion with PHA personnel showed that due to the transition to a new accounting system at the PHA and due to personnel issues, it was behind in its recordkeeping and had not been submitting the accounting information to the fee accountant in a timely manner.

Recommendation

We recommend that the PHA implement policies and procedures to allow for timely entry of is financial activity into the general ledger and submission of that information to the fee accountant for additional processing. It is recommended that additional oversight be made on the accounting

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function to ensure that it is operating effectively and efficiently in a timely manner.

Management Response

The PHA staff will review, and correct, procedures to ensure a timely entry and submission of fiscal information to the fee accountant. In turn, the Finance Director will ensure that financials have been reconciled by the PHA Accountant, normally within two weeks of the end of each month that all appropriate documentation has been obtained and forwarded to the fee accountant. The Finance Director or designee, by the 20th day following the close of the month, will communicate with the fee accountant determine if the monthly financial report has been completed for that period.

**STATE OF NEW MEXICO
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EXIT CONFERENCE
For The Year Ended June 30, 2009**

An exit conference was held in a closed session on November 18, 2009 and was attended by the following:

For the City of Alamogordo

Ron Griggs
Marion L. Ledford
Mark Roath
LeeAnn Nichols

Mayor and Chairman, PHA
Commissioner and Executive Director, PHA
City Manager
Finance Director

For Hinkle & Landers, PC

Farley Vener, CPA, CFE
Erick Robinson, CPA
Shannon Gilliland, CPA

Audit Partner
Audit Manager
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.

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, 2009, and have issued our report thereon dated November 18, 2009.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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, PC
November 18, 2009

STATE OF NEW MEXICO
CITY OF ALAMOGORDO
PUBLIC HOUSING AUTHORITY FDS SCHEDULE
BALANCE SHEET
As of June 30, 2009

PHA: NM004 FYED 06/30/2009

Line Item #	Account Description	(100)	(301)	(500)	(600)	Total
		Low Rent Public Housing	Section 8 Voucher Program	Home Ownership	Capital Fund	
111	Cash	152,565	-	352,965	-	505,530
113	Cash-Restricted	-	-	-	-	-
114	Cash-Tenant Security Deposits	35,903	-	58,328	-	94,231
100	Total Cash	188,468	-	411,293	-	599,761
124	Accounts Receivable-Other Government	-	-	-	-	-
126	Accounts Receivable-Tenants-Dwelling Rents	83,774	-	816	10,315	94,905
126.1	Allowance for Doubtful Accounts-Tenants-Dwelling Rents	(23,817)	-	-	-	(23,817)
129	Accrued Interest Receivable	1,312	-	-	-	1,312
120	Total Receivables, net of allowances for doubtful accounts	61,269	-	816	10,315	72,400
131	Investments-Unrestricted	598,140	-	111,000	-	709,140
142	Prepaid Expenses and Other Assets	22,236	-	1,522	-	23,758
143	Inventories	21,554	-	908,246	-	929,800
144	Interprogram Due From	17,394	-	-	-	17,394
150	Total Current Assets	909,061	-	1,432,879	10,315	2,352,253
161	Land	1,324,708	-	-	-	1,324,708
162	Buildings	10,120,793	-	-	-	10,120,793
163	Furniture, Equipment and Machinery-Dwellings	177,986	-	-	-	177,986
164	Furniture, Equipment and Machinery-Administration	69,048	-	3,735	-	72,783
166	Accumulated Depreciation	(8,192,421)	-	(3,735)	-	(8,196,156)
167	Construction in Progress	50,058	-	-	148,288	198,346
160	Total Fixed Assets, Net of Accumulated Depreciation	3,550,172	-	-	148,288	3,698,460
180	Total Non-Current Assets	3,550,172	-	-	148,288	3,698,460
190	Total Assets	4,459,233	-	1,432,879	158,603	6,050,715
311	Bank Overdraft	-	-	-	-	-
312	Accounts Payable <= 90 Days	72,956	-	1,684	-	74,640
322	Accrued Compensated Absences-Current Portion	20,091	-	1,264	-	21,355
333	Accounts Payable-Other Government	-	-	-	-	-
341	Tenant Security Deposits	35,903	-	58,328	-	94,231
347	Interprogram Due To	-	-	7,079	10,315	17,394
310	Total Current Liabilities	128,950	-	68,355	10,315	207,620
300	Total Liabilities	128,950	-	68,355	10,315	207,620
508.1	Investment in Capital Assets, Net of Related Debt	3,550,172	-	-	148,288	3,698,460
512.1	Unrestricted Net Assets	780,111	-	1,364,524	(0)	2,144,635
513	Total Net Assets	4,330,283	-	1,364,524	148,288	5,843,095
600	Total Liabilities and Net Assets	4,459,233	-	1,432,879	158,603	6,050,715

STATE OF NEW MEXICO
CITY OF ALAMOGORDO
PUBLIC HOUSING AUTHORITY FDS SCHEDULE
SCHEDULE OF REVENUES AND EXPENDITURES
For The Year Ended June 30, 2009

PHA: NM004 FYED 06/30/2009

Line Item #	Account Description	(100) Low Rent Public Housing	(301) Section 8 Voucher Program	(500) Home Ownership	(600) Capital Fund	Total
703	Net Tenant Rental Revenue	285,655	-	-	-	285,655
704	Tenant Revenue - Other	16,956	-	-	-	16,956
705	Total Tenant Revenue	302,611	-	-	-	302,611
706	HUD PHA Operating Grants	349,179	-	-	-	349,179
708	Other Government Grants	-	-	-	130,884	130,884
711	Investment Income - Unrestricted	10,065	-	3,372	-	13,437
715	Other Revenue	42,539	-	412,546	-	455,085
700	Total Revenue	704,394	-	415,918	130,884	1,251,196
911	Administrative Salaries	171,386	-	27,052	-	198,438
912	Auditing Fees	8,137	-	613	-	8,750
915	Employee Benefit Contributions	100,974	-	10,517	-	111,491
916	Other Operating - Administrative	129,006	-	389,081	-	518,087
921	Tenant Services - Salaries	-	-	-	-	-
931	Water/Sewer	1,749	-	420	-	2,169
932	Electricity	86,528	-	133	-	86,661
933	Gas	1,765	-	180	-	1,945
941	Ordinary Maintenance and Operations - Labor	189,042	-	1,478	-	190,520
942	Ordinary Maintenance and Operations	39,865	-	2,368	27,956	70,189
961	Insurance Premiums	83,286	-	4,439	-	87,725
964	Bad Debt - Tenant Rents	7,470	-	-	-	7,470
969	Total Operating Expenses	819,208	-	436,281	27,956	1,283,445
970	Excess Operating Revenue over	(114,814)	-	(20,363)	102,928	(32,249)
973	Housing Assistance Payments	-	-	-	-	-
974	Depreciation	244,842	-	-	-	244,842
900	Total Expenses	1,064,050	-	436,281	27,956	1,528,287
1001	Operating Transfers In	301,208	-	-	-	301,208
1002	Operating Transfers Out	-	-	-	(274,176)	(274,176)
1010	Total Other Financing Sources	301,209	-	-	(274,176)	27,033
1000	Excess (Deficiency) of Operating Revenue	(58,447)	-	(20,363)	(171,248)	(250,058)
1103	Beginning Equity	4,388,729	27,033	1,384,887	319,536	6,120,185
1104	Prior Period Adjustments, Equity Transfers	-	(27,033)	-	-	(27,033)
1120	Unit Months Available	2,640	-	-	-	2,640
1121	Number of Unit Months Lease	1,921	-	-	-	1,896