

2012

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JULY 1, 2011 - JUNE 30, 2012
Albuquerque, New Mexico USA

city of albuquerque

Richard J. BERRY - Mayor



CITY OF ALBUQUERQUE, NEW MEXICO
 Comprehensive Annual Financial Report
 Year ended June 30, 2012

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INTRODUCTORY SECTION



February 19, 2013

Honorable Mayor and City Council
City of Albuquerque, New Mexico

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Albuquerque, New Mexico, (City), for the fiscal year ended June 30, 2012. New Mexico State Statute 12-6-3, NMSA 1978 mandates that the financial affairs of the City's records be thoroughly examined and audited each year by independent public accountants. Federal law also requires that a single audit be performed for federal grant funds in conformance with the provisions of the Single Audit Act of 1984 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". All information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the independent auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in the Single Audit Section.

This report was prepared by the Department of Finance and Administrative Services with the assistance of various other City departments. City management assumes full responsibility for the accuracy of the data presented and the completeness and fairness of presentation, including all disclosures, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. REDW, Certified Public Accountants, have issued an unqualified opinion on the City's CAFR for the year ended June 30, 2012. As indicated by the opinion of our independent auditors, the report fairly presents the financial position and the results of operations of the City as measured by the financial activity of its various funds. The report has been set forth in a manner that will give the reader a broad understanding of the City's financial affairs. It includes disclosures necessary for the reader to gain an understanding of the City's financial activities. The independent auditors' report is located at the front of the financial statements.

Management's Discussion & Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City

Albuquerque, New Mexico is located in the central region of the state and is the economic and population hub of New Mexico. With an estimated population of 543,000 in 2010, Albuquerque ranks 33rd in population of the nation's cities and is the largest city in New Mexico with roughly one-fourth of the state's population. The City was founded in 1706, chartered as a town in 1885, and organized under territorial law as a city in 1891. The City became a charter city in 1917 and the voters approved a home rule amendment to the charter in 1971. In 1974, the electorate voted to establish a mayor-council form of government; the City Council consists of nine council members elected from districts. As a governmental entity, the City is not subject to Federal or State income taxes. The City provides traditional services such as public safety, culture and recreation, public works, highways and streets, storm drainage, and refuse collection. In addition, the City operates parking facilities, a transit system, an international airport, and a housing authority.

The CAFR of the City includes all government activities, organizations and functions for which the City is financially accountable. The criteria used to determine financial accountability are based on, and consistent with, the pronouncements of the Governmental Accounting Standards Board which sets criteria for defining the financial reporting entity. Effective July 1,

2003, water and sewer services that used to be provided by the City are now provided by the Albuquerque-Bernalillo County Water Utility Authority, which is operated by the City under the terms of a Memorandum of Understanding with the Authority. In previous years the Authority was reported as a component unit of the City; however, effective in fiscal year 2012 the Authority reports as a stand-alone special purpose government, not as a component unit of the City. The City does not have relationships with any other organizations not included in this CAFR of such nature and significance that exclusion would render the City's financial statements incomplete or misleading.



Summary of Local Economy

Albuquerque is the major commercial, trade, service and financial center of the state. It is located in the central part of the state, at the intersection of two major interstate highways, and served by both rail and air. The Albuquerque Metropolitan Statistical Area (MSA) includes Bernalillo, Sandoval, Torrance and Valencia Counties. The MSA has a population 887,000 as of the 2010 census. The largest employers in the Albuquerque area are the University of New Mexico, Albuquerque Public Schools, Sandia National Labs (SNL), and Kirtland Air Force Base.

The Albuquerque economy has an industry composition not unlike that of the U.S. as a whole. Manufacturing makes up a smaller part of the Albuquerque economy, and has declined in employment in the past 10 years.

Albuquerque MSA Employment in Thousands				
	<i>Employment FY:12</i>	<i>Share of FY:12 Employment</i>	<i>Growth FY:11 to FY:12</i>	<i>Compound Annual Average FY:08 to FY:12</i>
NAICS CATEGORY				
Total Nonfarm Employment (does not include military)	370.98	100%	-0.1%	-1.6%
Natural Resources and Mining and Construction	19.95	5%	-4.4%	-9.4%
Manufacturing	18.05	5%	2.4%	-5.8%
Trade, Transportation, and Utilities	61.86	17%	-0.2%	-2.7%
Information	8.60	2%	0.7%	-1.7%
Financial Activities	17.06	5%	-58.3%	-21.5%
Aggregate of Services	163.42	44%	1.1%	-0.4%
Professional and Business Services	55.93	15%	-2.6%	-3.4%
Educational and Health Services	58.31	16%	5.5%	4.0%
Leisure and Hospitality	37.53	10%	0.8%	-1.2%
Other Services	11.65	3%	-0.8%	-1.4%
Government	82.04	22%	-1.5%	0.5%
MILITARY	6.20	NA	1.0%	7.0%

While the U.S. has shown some gains in employment, the Albuquerque MSA continues to lose jobs. The unemployment rate increased from 3.5% in FY/08 to a maximum of 8.3% in November of 2010. The rate has declined and was 7% in June of 2012. Employment declines continued in fiscal year 2012 but at a slower rate than in fiscal year 2009 and fiscal year 2010. Construction declined nearly 10% in fiscal year 2011 and an additional

4.4% in fiscal year 2012. While single family construction activity has increased it is at a low level. Commercial and public construction is also at low levels with little if any growth. The only sectors that had increases in employment are manufacturing, leisure and hospitality, and educational and health services. Government employment after holding up in the recession declined in fiscal year 2012. One of the strengths for the Albuquerque economy is the national labs. Sandia National Laboratories (SNL) has devoted a great deal of research to terrorism and homeland security and the mission to protect the nuclear weapons arsenal. The micro-systems technology, or nano-technology, for which SNL is well known, may provide many novel and inexpensive answers to medical and materials sciences. The labs expertise and technology is also becoming more readily available to the private sector.

Additional historic economic information is presented in the statistical section of this report.

Long-term financial planning

As a matter of City policy, the General Fund is required to maintain an operating reserve equal to one-twelfth of the total annual appropriation level. This standard is more conservative than the State's standard as it includes transfers and nonrecurring appropriations. This reserve is included in the annual budget process and is modified as necessary, if material, throughout the year to reflect changes in appropriations. Annually, the budget process begins with the development and publication of a Five-Year Forecast which estimates future revenues and expenditures for the General Fund and the general fund subsidized funds. The purpose of this report is to identify key trends in revenues and expenditures and to provide information about the financial challenges anticipated over the next few years. The City's Forecasting Advisory Committee, including experts from within and outside government, reviews the forecasts and revenue projections prepared by City staff. Revenues are monitored monthly and expenditures are reviewed quarterly.

The City also develops a Decade Plan that guides the capital improvements program (CIP) and forms the basis for the general obligation bond program which is presented to and voted on by the public in odd-numbered years. This process allows for long-term planning for both initial construction costs as well as additional operating costs to staff, operate and maintain new facilities required in the community.

The City is committed to performance-based budgeting which drives the development of both operating and capital budgets.

Financial Policies

The City has a well developed system of program performance budgeting. Program strategies are developed to impact the defined and monitored community conditions which move the City towards achieving its goals. Each program strategy is a collection of specific service activities that are monitored for financial and performance management. Department directors are held responsible for the fiscal performance of their units as well as the programmatic performance of their units. The City has adopted the practice of not "cleaning-up" program over-expenditures, but rather reporting them in the comprehensive annual financial report as budget overspent. This practice provides necessary information for future budget cycles and brings attention to the reasons for the budget overage.

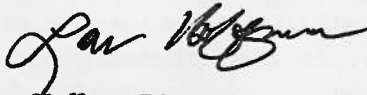
Historically, the City has been conservative in its approach to financial matters, managing long-term debt to control interest costs and stringently monitoring and controlling the use of both recurring and non-recurring operating revenues.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada presented the City of Albuquerque a Distinguished Budget Presentation Award for its annual appropriated budget for the fiscal year beginning July 1, 2011. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications medium.

The preparation of this report could not have been accomplished without the dedicated services of the staff of the Department of Finance and Administrative Services. We wish to express our sincere appreciation to all members of the Department who contributed to its preparation and recognize the major effort of the Accounting Division and its Financial Reporting Section in administering the City's accounting system and in preparing this report. We also wish to thank each of you for your interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lou Hoffman". The signature is fluid and cursive, with the first name "Lou" being more prominent.

Lou Hoffman, Director
Department of Finance & Administrative Services



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Albuquerque
New Mexico**

For the Fiscal Year Beginning

July 1, 2011

Linda C. Denton *Walter P. Stone*

President

Executive Director

The Government Finance Officers Association Of The United States And Canada (GFOA) Presented A Distinguished Budget Presentation Award To The City Of Albuquerque, New Mexico For Its Annual Budget For The Fiscal Year Beginning July 1, 2011. In Order To Receive This Award, A Governmental Unit Must Publish A Budget Document That Meets Program Criteria As A Policy Document, As A Financial Plan, As An Operations Guide, And As A Communications Device.

CITY OF ALBUQUERQUE

PRINCIPAL OFFICIALS

June 30, 2012

MAYOR

RICHARD J. BERRY

CITY COUNCIL

**KEN SANCHEZ
DEBBIE O'MALLEY
ISAAC BENTON
BRAD WINTER
DAN LEWIS
REY GARDUNO
MICHAEL COOK
TRUDY JONES, VICE PRESIDENT
DON HARRIS, PRESIDENT**

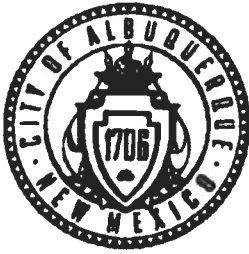
**DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5
DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9**

**CHIEF ADMINISTRATIVE OFFICER
ROBERT J. PERRY**

**DEPUTY CHIEF ADMINISTRATIVE OFFICER
GILBERT MONTANO**

**CHIEF OPERATIONS OFFICER
JOHN SOLADAY**

**DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES
LOU HOFFMAN, DIRECTOR**



City of Albuquerque

The People of Albuquerque

Mayor
Richard J. Berry

City Council
Director of Council Services
Laura Mason

- DST. 1 Ken Sanchez
- DST. 2 Roxanna Meyers
- DST. 3 Isaac Benton
- DST. 4 Brad Winter
- DST. 5 Dan Lewis
- DST. 6 Rey Garduno
- DST. 7 Michael Cook
- DST. 8 Trudy Jones
- DST. 9 Don Harris

Sr. Advisor to the Mayor
Annabelle Romero

Director of Communications
Dayna G. Gardner

Office of Inspector General
Natali Carranquillo

Office of Internal Audit
Carmen Kavelman
Director

City Clerk
Amy B. Bailey

Chief Administrative Officer
Robert J. Perry

Administrative Hearing
Stanley Harada

Constituent Services
Director
Douglas Lutz

Deputy Chief Administrative Officer
Gilbert Montano

- Chief of Legislative Services
- Liaison to City Council
- Liaison to State Legislature
- Chief of Grants Administration
- Education Coordinator
- Mayor's Designee to selected Boards
- Planning/Development Liaison

Chief Operations Officer
John Soladay

Police
Ray Schultz

Office of Police Oversight
Robin Hammer

Emergency Preparedness
Dodi Camacho, Acting

Fire
James Breen

Legal
David Tourek

Human Resources
Vincent Yermal

Economic Development
John Garcia

Finance & Administrative Services
Lou Hoffman

Municipal Development
Michael Riordan, Acting

Animal Welfare
Barbara Bruin

Aviation
James Hinde

Cultural Services
Beatriz (Betty) Rivera

Environmental Health
Mary Lou Leonard

Family & Community Services
Robin Dozier Otten

Parks & Recreation
Barbara Baca

Planning
Suzie Lubar, Acting

Senior Affairs
Jorja Armijo-Braasher

Solid Waste
Jill Holbert, Acting

Transit
Bruce Rizzieri

Signature: 
Robert J. Perry, Chief Administrative Officer

CITY OF ALBUQUERQUE, NEW MEXICO

CONTRIBUTORS

June 30, 2012

Lou Hoffman, Director
Department of Finance & Administrative Services

Accounting Division Personnel

Pamela Fanelli, CMA, MBA
Accounting Officer
Jesse Muniz
Assistant Accounting Officer
Mari Hughes, MACC
Accounting Manager
Amanda Vigil, MBA
Grant Administrator
Denise Ortiz, CPA
Senior Principal Accountant
Jason Shaw, CPA
Senior Principal Accountant
Nela Wilkinson, CPA
Accounting Systems Coordinator

Joseph Cohen, CPA, CMA
Accounting Systems Coordinator
Tim Gerken, CPA
Principal Accountant
Michelle Hayden
Principal Accountant
Yu Liang, CPA
Principal Accountant
Lawrence Maldonado
Principal Accountant
Tracy Milman
Principal Accountant
V. O. Shynkar, CPA
Principal Accountant
Matthew Whelan
Principal Accountant
Monica Padilla
Senior Accountant
Marianne Kemp, CPA
Principal Accountant – Grant Division
Elizabeth Junco, CPA
Principal Accountant – Grant Division
Dolores Gomez
Grant Accountant
Jinky Tenorio
Grant Accountant

City Fiscal Personnel

Steve Falk, CPA
Solid Waste Management
Pam White, CM
Aviation Department
Phyllis Keller, CPA
Aviation Department
Debbie Dombroski, CPA, MBA
Aviation Department
Aubrey Thompson, CPA
Police Department
Alan Gutowski, CPA, CISA, CITP, CIA, CFE, ITIL®V 3
Risk Management
Elaine Padilla
Dept. of Family & Community Services
Conni Jones-Vigil
Transit Department
Stephanie Yara, CPA, CGFM, MBA
Council Services

Treasury Division Personnel

Cilia E. Agliodoro, CTP
Treasurer
Susan H. Biernacki, J.D.
Assistant Treasurer/Assistant City Attorney

Office of Management Budget

Gerald Romero, Budget Officer
Mark Sandoval, Budget Officer
Jacques Blair, PhD, City Economist
Patsy Pino, Executive Budget Analyst
Jayne Aranda, Executive Budget Analyst
Dee Dickson, Executive Budget Analyst
Chris Payton, Executive Budget Analyst
Mark Correa, Executive Budget Analyst
Roland Quintana, Executive Budget Analyst

FINANCIAL SECTION





CPAs | Business & Financial Advisors

INTEGRITY COUNTS®

Independent Auditors' Report

The Honorable Richard J. Berry, Mayor and City Council Members
of the City of Albuquerque
Mr. Hector H. Balderas, New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison of the general fund of the City of Albuquerque, New Mexico (the "City") as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the City's nonmajor governmental funds, nonmajor enterprise funds, internal service funds and agency funds, and the budgetary comparisons of the major capital project fund, the major debt service fund, and the nonmajor funds, presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements and schedules are the responsibility of City's management. Our responsibility is to express opinions on these financial statements and schedules 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 financial 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 the 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, each major fund, and the aggregate remaining fund information of the City as of June 30, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison of the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements and schedules referred to previously present fairly, in all material respects, the respective financial position of each nonmajor governmental fund, nonmajor enterprise fund, internal service fund and agency fund of the City as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons of the major capital project fund, the major debt service fund, and nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 22 and the Schedule of Funding Progress for Life Insurance Benefits Plan on page 91 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the 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 as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as "other supplementary schedules" in the table of contents, as well as the Financial Data Schedule, Schedule of Changes in Fiduciary Assets and Liabilities, Schedule of Deposits and Investments by Financial Institution, Schedule of Pledged Collateral by Financial Institution, and Joint Powers Agreements, are also presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other data included in this report, listed in the accompanying table of contents as the introductory section and the statistical section, are also not required parts of the basic financial statements and have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

REDW LLC

Albuquerque, New Mexico
February 14, 2013

CITY OF ALBUQUERQUE, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2012

This section of the City of Albuquerque's (City) Comprehensive Annual Financial Report (CAFR) presents a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased by \$63.4 million during the year. This includes a prior period adjustment of \$7.9 million. The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$3.9 billion (net assets). Of this amount, \$219.2 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors in subsequent accounting periods.
- As of June 30, 2012, the City's governmental funds reported combined ending fund balances of \$406.9 million. Of the total fund balance, \$18.8 million is fund balance available for spending at the government's discretion (sum of unassigned and assigned fund balance).
- As of June 30, 2012, fund balance of the general fund was \$59.2 million. At the close of the current fiscal year, unassigned fund balance of the general fund was \$17.8 million or 4.2% of the total general fund expenditures of \$423.2 million.
- During fiscal year 2012, net assets of the City's proprietary funds increased by \$27.2 million yielding net assets of \$528.9 million as of June 30, 2012.
- The City's governmental activities long-term obligations increased by \$58.8 million during the current year. The key factors in this change were increases in long term debt of \$53.9 million and an increase in accrued vacation and sick leave pay, and claims totaling \$4.6 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The *statement of net assets* presents information on all of the City's assets and liabilities, with the differences between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. The *statement of activities* presents information showing how the City's net assets changed during the fiscal year. In this statement, all changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, culture and recreation, public works, health and welfare, human services, housing, and highways and streets. The business-type activities of the City include an airport, apartments, a baseball stadium, refuse disposal services, golf courses, parking facilities, housing authority, and a transit system.

In previous years, the Albuquerque Bernalillo County Water Utility Authority (Authority), was reported as a component unit of the City. The Authority provides water and sewer services to City residents. The City provides certain administrative services to the Authority under the terms of a Memorandum of Understanding. In fiscal year 2012, the Authority is reported as a stand-alone special purpose government. Accordingly, it is not included in this report. The

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Authority's Comprehensive Annual Financial Report as of and for the year ended June 30, 2012 is available by contacting the Authority at the following address: Fifth floor, P.O. Box 1293, Albuquerque, NM 87103.

Fund Financial Statements.

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City are classified as: governmental funds, proprietary funds, and fiduciary funds, as described in the following sections.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are reported in governmental funds. Governmental fund statements focus on sources, uses and balances of cash and other financial assets that can readily be converted to cash and that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The City maintains several individual governmental funds organized according to their type (special revenue, debt service, capital projects and permanent funds). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, General Obligations Debt Service and the Capital Acquisition funds, all of which are considered major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in combining statements presented as supplementary information.

The City adopts an annual appropriated budget for the General Fund. A budgetary comparison statement for the General Fund is presented in the Basic Financial Statements section of this report. A budgetary comparison statement for the General Obligation Debt Service Fund and Capital Acquisition Fund, major funds, are presented in the supplementary information section. In addition, the City adopts an annual appropriated budget for non-major governmental funds. Budgetary comparison statements for those funds are also presented in the supplementary information section.

Proprietary funds. Proprietary funds are generally used to account for services for which the City charges customers – either outside customers, or internal units or departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds:

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of the Albuquerque International Airport, Refuse Disposal, and Transit, which are considered major funds of the City. In addition the following non-major funds are reported: Apartments; Golf Course; Parking; Stadium; and Housing Authority.
- **Internal Service funds** are used to report activities that provide supplies and services for certain City programs and activities. These funds account for inventory warehousing and stock issues; workers' compensation, tort and other claims insurance coverage; vehicle maintenance and motor pool services; and communication services to City departments. In addition, an internal service fund provides health insurance coverage to City employees. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in combining statements reported as supplementary information.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. The City's Agency Fund is reported as a fiduciary fund. Since the resources of this fund are not available to support the

CITY OF ALBUQUERQUE, NEW MEXICO
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City's own programs, it is not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information (RSI)

The Schedule of Funding Progress for the Life Insurance Benefit Plan is presented as required supplementary information. Significant plan provisions are described in the notes to the basic financial statements.

Combining Statements

The combining statements of nonmajor governmental funds, nonmajor proprietary funds, internal service funds, and fiduciary funds are presented immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Below is a comparative analysis of government-wide data for the most recently completed fiscal year and the prior fiscal year. Business-type Activities for fiscal year 2011 represent a prior period adjustment of \$7.9 million:

	NET ASSETS (in millions)						Total Percent Change
	Governmental Activities		Business-type Activities		Total		
	2012	2011	2012	2011	2012	2011	
Assets:							
Current and other assets	\$ 675.6	\$ 627.5	\$ 201.0	\$ 200.0	\$ 876.6	\$ 827.5	5.9%
Capital assets	3,368.2	3,331.4	506.6	516.2	3,874.8	\$ 3,847.6	0.5%
Total assets	\$ 4,043.8	\$ 3,958.9	\$ 707.6	\$ 716.2	\$ 4,751.4	\$ 4,675.1	1.5%
Liabilities:							
Long-term liabilities outstanding	\$ 517.4	\$ 458.6	\$ 134.4	\$ 163.8	\$ 651.8	\$ 622.4	4.7%
Other liabilities	168.3	178.5	44.3	50.6	212.6	229.1	-7.2%
Total Liabilities	\$ 685.7	\$ 637.1	\$ 178.7	\$ 214.4	\$ 864.4	\$ 851.5	1.5%
Net assets:							
Invested in capital assets, Net of related debt	\$ 3,007.0	\$ 2,985.3	\$ 364.0	\$ 347.2	\$ 3,371.0	\$ 3,332.5	0.9%
Restricted	203.2	191.1	93.6	80.3	296.8	271.4	9.4%
Unrestricted	147.9	145.4	71.3	74.3	219.2	219.7	-0.2%
Total net assets	\$ 3,358.1	\$ 3,321.8	\$ 528.9	\$ 501.8	\$ 3,887.0	\$ 3,823.6	1.4%

The City's assets exceeded liabilities by \$3.9 billion at the close of the year. The largest portion of the City's net assets (86.7%) reflects its investment of \$3.4 billion in capital assets (i.e. land, buildings, infrastructure, and equipment less any related outstanding debt used to acquire these assets.) The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of related debt, resources needed to pay this debt must come from other sources since capital assets cannot be liquidated for these liabilities. Restricted net assets in the amount of \$296.8 million represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$219.2 million, may be used to meet the City's ongoing obligations to its citizens and creditors. At the end of the current fiscal year, the City has positive balances in all three categories of net assets for the government as a whole, as well as for both the governmental and business-type activities.

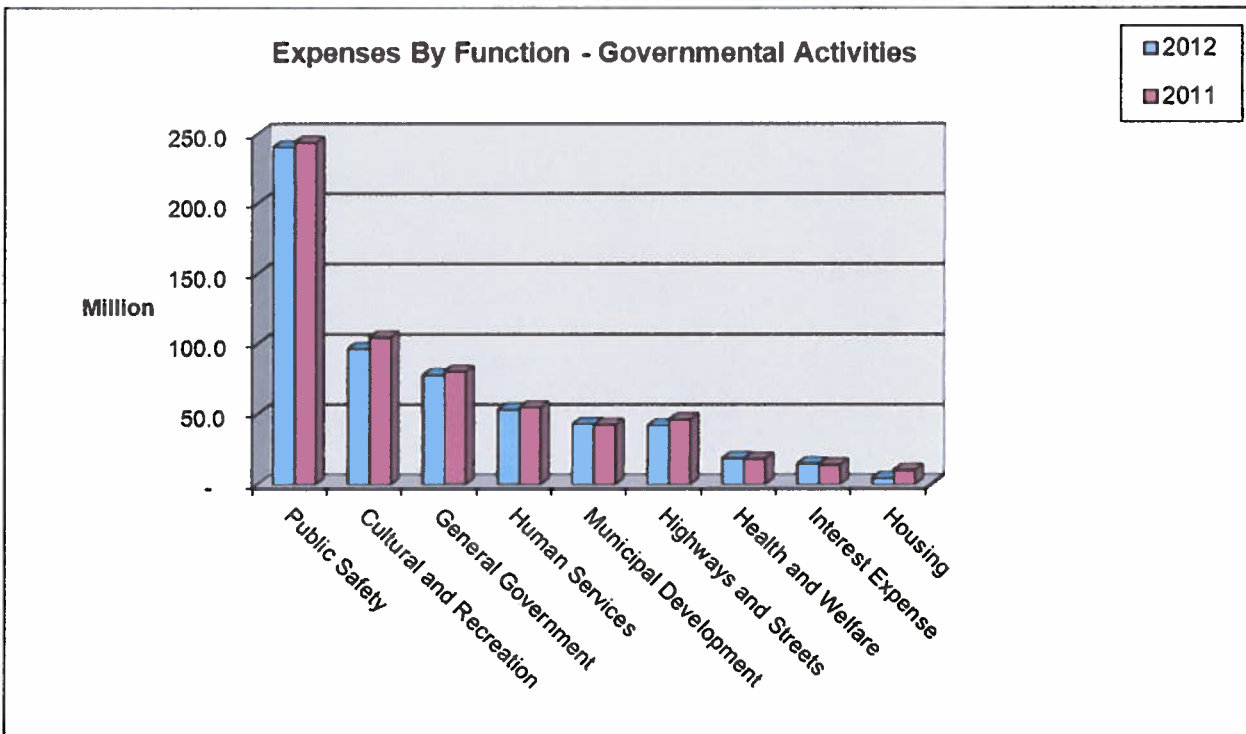
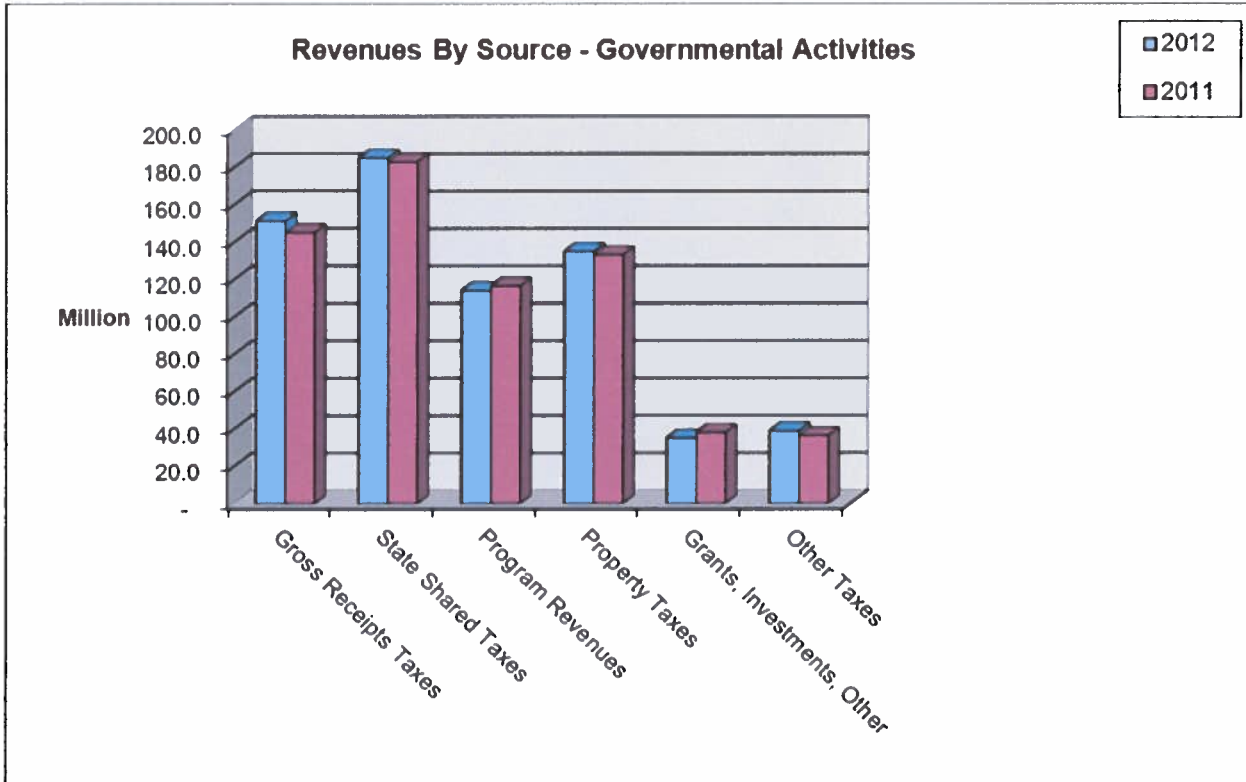
CITY OF ALBUQUERQUE, NEW MEXICO
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The City's net assets increased by \$63.4 million during the current fiscal year. The increase in net assets is explained in the governmental and business-type activities discussion. Net assets as of July 1 includes a prior period adjustment of \$7.9 million in the Business-type activities due to a correction of capital asset life of certain assets.

CHANGE IN NET ASSETS
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2012	2011	2012	2011	2012	2011	
Revenues:							
Program revenues:							
Charges for services	\$ 61.6	\$ 58.7	\$ 160.1	\$ 154.9	\$ 221.6	\$ 213.6	3.75%
Operating grants and contributions	29.5	35.0	27.9	30.1	57.4	65.1	-11.83%
Capital grants and contributions	22.7	22.7	19.1	7.5	41.8	30.2	38.41%
General revenues:							
Gross receipts taxes	151.1	144.9	-	-	151.1	144.9	4.28%
Property taxes	135.0	133.2	-	-	135.0	133.2	1.35%
Other taxes	38.9	36.5	-	-	38.9	36.5	6.58%
State shared taxes and fees	185.0	182.9	-	-	185.0	182.9	1.15%
Grants, investment income, and other	35.2	38.1	5.9	4.7	41.1	42.8	-3.97%
Total revenues	\$ 659.0	\$ 652.0	\$ 213.0	\$ 197.2	\$ 871.9	\$ 849.2	2.67%
Expenses:							
General government	\$ 77.9	\$ 80.4	\$ -	\$ -	\$ 77.9	\$ 80.4	-3.11%
Public safety	240.0	243.4	-	-	240.0	243.4	-1.40%
Cultural and recreation	96.7	104.8	-	-	96.7	104.8	-7.73%
Municipal Development	42.3	42.5	-	-	42.3	42.5	-0.47%
Health and welfare	18.7	18.3	-	-	18.7	18.3	2.19%
Human services	53.4	54.7	-	-	53.4	54.7	-2.38%
Housing	4.9	10.1	-	-	4.9	10.1	-51.49%
Highways and streets	41.8	46.2	-	-	41.8	46.2	-9.52%
Interest expense	14.9	14.1	-	-	14.9	14.1	5.67%
Airport	-	-	64.4	66.7	64.4	66.7	-3.45%
Refuse disposal	-	-	51.9	47.9	51.9	47.9	8.35%
Transit	-	-	55.0	53.9	55.0	53.9	2.04%
Non major enterprise funds	-	-	46.6	45.7	46.6	45.7	1.97%
Total expenses	\$ 590.6	\$ 614.5	\$ 217.9	\$ 214.2	\$ 808.5	\$ 828.7	-2.44%
Excess(deficiency) before transfers	68.4	37.5	(4.9)	(17.0)	63.4	20.5	209.27%
Transfers	(32.1)	(29.1)	32.1	29.1	-	-	
Increase (decrease) in net assets	36.3	8.4	27.2	12.1	63.4	20.5	209.27%
Net Assets July 1	3,321.8	3,313.4	501.7	489.7	3,823.6	3,803.1	0.54%
Net Assets June 30	\$ 3,358.1	\$ 3,321.8	\$ 528.9	\$ 501.8	\$ 3,887.0	\$ 3,823.6	1.66%

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MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2012



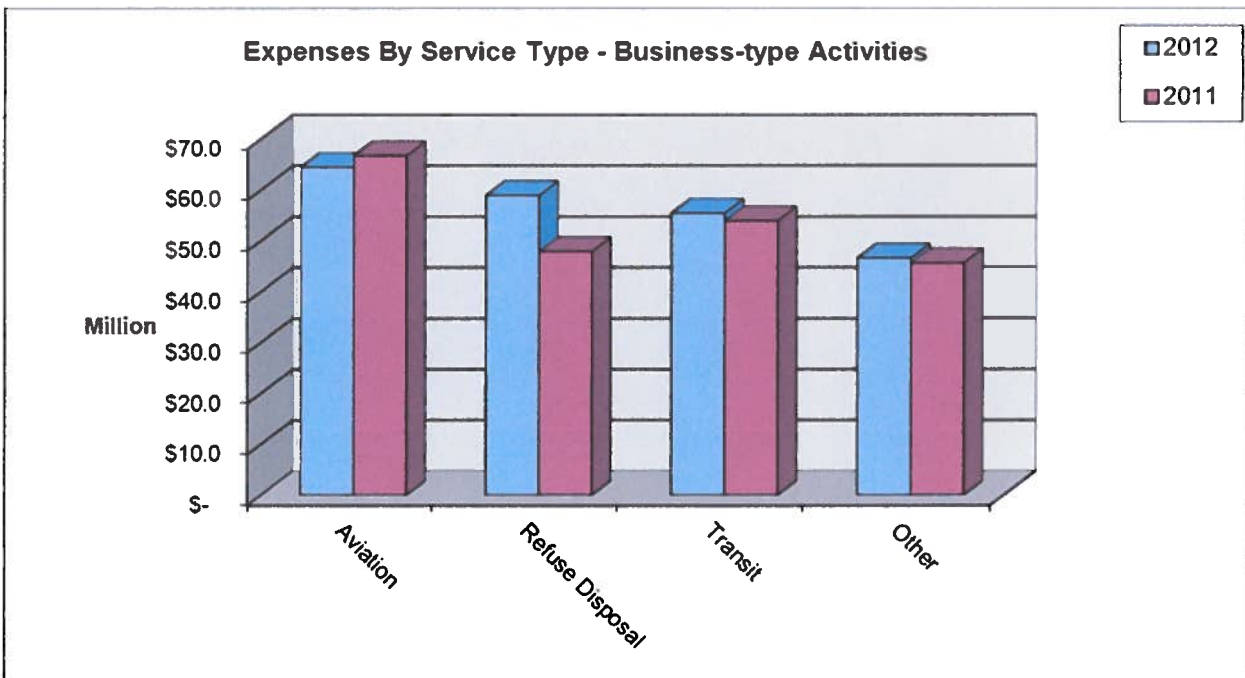
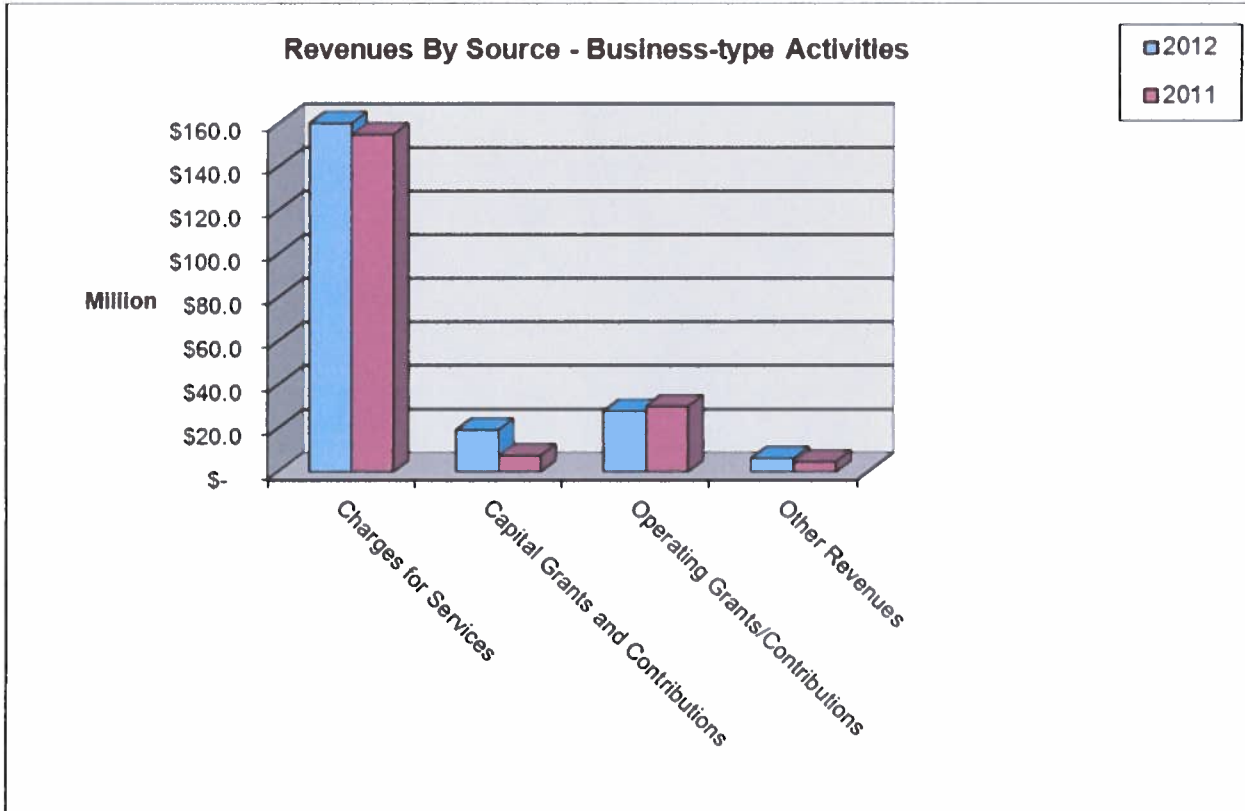
Governmental activities. Governmental activities increased the City's net assets by \$36.3 million. Governmental activities revenue increased by \$7.0 million, or 1.1% from \$652.0 million in fiscal year 2011 to \$659.0 million in fiscal year 2012. Key elements in the change of the City's governmental activities revenues are as follows:

- Gross receipts tax revenue and state shared taxes and fees, which together account for approximately 51% of the City's governmental activities revenue, increased by \$8.3 million, from \$327.8 million to \$336.1 million, or by 2.5% from prior year.

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- Program revenues consisting of charges for services, operating grants, capital grants, and contributions, which account for approximately 17.3% of the City's governmental activities revenues, decreased primarily due to a reduction in operating grants and contributions. Building permit revenues slightly increased from \$2.1 million in 2011 to \$2.5 million in 2012. Building permit revenues declined in fiscal years 2008, 2009 and 2010.
- Property taxes, which account for approximately 20.5% of the City's governmental activities revenues, increased by from \$133.2 million to \$135.0 million, or by 1.4%. In fiscal year 2012 (tax year 2011) taxable assessed property valuations within the City increased \$31.0 million from \$11.92 billion to \$11.951 billion, or by .26%. This change reflects the County Assessor's reassessments and new additions to the tax base and adjustments for yield control. The City's direct property tax mill levy rate remained at 11.41 in fiscal year 2012.
- Grants, investments, and other revenues, which account for approximately 5.3% of the City's governmental activities revenues, decreased from \$38.1 million to \$35.2 million.
- Other taxes such as franchise, hospitality, lodgers, and payments in lieu of taxes increased by \$2.4 million from \$36.5 million in fiscal year 2011 to \$38.9 million in fiscal year 2012, or by 6.6%. Franchise taxes increased by \$2.4 million. More detail comparison of other taxes can be found on Schedule 3 in the Statistical Section of this report.

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Business-type activities. Business-type activities decreased the City's net assets by \$5.0 million in fiscal year 2012 before operating transfers of \$32.1 million. Business-type activities revenues increased \$15.8 million from \$197.2 million in fiscal year 2011 to \$213.0 million in fiscal year 2012, or by 8.0%. Key factors for the increases in the Charges for Services category are on the following page:

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- The Airport fund had an increase in net assets of \$18.3 million in fiscal year 2012 compared to an \$8.8 million increase in 2011. The charges for services increased from \$62.3 million in fiscal year 2011 to \$63.3 million in fiscal year 2012. Passenger facilities charges (PFCs) increased from \$7.3 million to \$10.7 million in fiscal year 2012, operating expenses increased from \$60.1 million in fiscal year 2011 to \$62.5 in fiscal year 2012, and capital contributions increased from \$5.3 million in fiscal year 2011 to \$8.2 million in fiscal year 2012.
- The Refuse disposal fund had an increase in net assets of \$9.7 million in fiscal year 2012 compared to an increase of \$11.8 million in 2011. Charges for services increased \$660 thousand during the year while operating cost increased by \$3.6 million. There was a prior period adjustment made in fiscal year 2012 to correct accumulated depreciation of certain capital assets. Salaries and fringe benefits and fuels and repairs and maintenance increased slightly over fiscal year 2011.
- The Transit fund had a small decrease in net assets of \$600 thousand in fiscal year 2012 compared to an \$11.3 million decrease for the prior year. Capital contributions increased from \$2.1 million in 2011 to \$10.9 million in 2012. Transfers increased from \$30.2 million in 2011 to \$32.7 million in 2012.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, assigned and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$406.9 million, an increase of \$44.2 million in comparison with the prior year. Of the total balance at year-end, \$292.1 million is restricted fund balance which primarily consists of funds reserved for capital projects and improvements and \$29.8 is non-spendable, which relates to long term receivables and property held for resale.

Revenues of governmental funds overall totaled approximately \$656.6 million in the fiscal year ended June 30, 2012, which represents an increase of \$7.7 million from the previous year total of \$648.9 million. The major cause is the increase in the gross receipts taxes local option revenues of \$5.7 million. Intergovernmental revenues slightly decreased by \$600 thousand of which \$2.7 million was attributed to an increase in the General Fund and a decrease in the Capital Acquisition fund of \$2.4 million and a decrease in Miscellaneous revenue of \$4.6 million. The City's governmental funds expenditures of \$684.0 million decreased by \$25.4 million from the previous year's total of \$709.4 million. The primary cause of the decrease is attributed to a decrease in capital outlay of \$31.2 million, and a decrease in housing expenditures of \$5.4 million. This was partially offset by an increase in spending in public safety expenditures of \$5.4 million and an increase in debt service payments of \$4.7 million.

General Fund. This is the City's chief operating fund. At the end of the current fiscal year, the total fund balance was \$59.2 million, of which \$17.8 million is assigned and unassigned fund balance and \$41.4 million is committed for subsequent years' operations. The net change in fund balance for the current fiscal year was an increase of \$6.0 million. The total revenues of \$460.2 million for the current fiscal year were \$13.7 million more than the previous fiscal year. The increase was a result of increases in charges for services of \$3.9 million, intergovernmental revenue of \$2.7 million, franchise taxes of \$2.7 million, property taxes of \$2.2 million and gross receipt taxes of \$1.9 million. Total expenditures of \$423.2 million represent an increase of \$4.5 million from the previous fiscal year. Increases in expenditures were attributed to public safety of \$6.7 million, and culture and recreation of \$2.4 million. The increases were offset by decreases in capital outlay of \$4.8 million and municipal development of \$1.2 million. See the general fund budgetary highlights for an analysis with respect to budgets.

General Obligation Bond Debt Service Fund (GO Bonds). This fund is used to accumulate resources for the repayment of the City's GO Bonds. GO Bonds are backed by the full faith and credit of the City and may be used to finance any capital improvement approved by the voters. GO bonds may be redeemed by any regular City funding, but by policy, are generally redeemed by property taxes paid to the City. Fund balance in the City's General Obligation Debt Service fund decreased by \$2.3 million from \$8.6 million in fiscal year 2011 to \$6.3 million in fiscal year 2012. Property tax revenues dedicated to the repayment of GO Bonds increased by \$200 thousand from \$58.4 million in fiscal year 2011 to \$58.6 million in fiscal year 2012, or by .4%. In fiscal year 2012, total property tax revenue increased by 1.8%. Taxable assessed property valuations decreased .3% for fiscal year 2012. The City's property tax rates have remained constant for well over a decade and no tax rate increase has been required to fund the GO Bond program of capital improvements. The decrease was primarily due to an increase in debt service principal and interest expenditures from the previous year.

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Capital Acquisition Fund. This fund is used to accumulate resources for the acquisition of Capital. Capital is defined as tangible property with a life beyond a one year budget cycle. Land, infrastructure, equipment, buildings as well as the services required to build or install these assets may be classified as capital. Capital acquisition is primarily funded by bond proceeds, but recurring and non-recurring revenue may be used. Major capital improvements for the City are funded primarily with general obligation and enterprise fund revenue bonds. In many cases, these bond funds are matched with Federal and/or State contributions and private assessments. During the 2012 fiscal year, the Capital Acquisition fund balance increased by \$49.5 million from \$170.0 million in fiscal year 2011 to \$219.5 million. The increase in fund balance during the year is attributed to bond proceeds, refunding bonds and premiums of \$103.3 million plus revenues of \$35.3 million and transfers of \$2.8 million exceeding capital outlay of \$91.8 million.

Proprietary funds. The City's proprietary funds provide the same type of information presented in the government-wide financial statements business-type activities, but in more detail. At the end of the fiscal year, the unrestricted net assets (in millions) were as follows:

Airport Fund	\$ 43.2
Refuse Disposal Fund	13.9
Transit Fund	4.5
Nonmajor enterprise funds	9.7
Total	\$ <u>71.3</u>

Internal Service Funds. Internal Service Funds are used to account for certain governmental activities and had unrestricted net assets of \$11.5 million in fiscal 2012 as compared to unrestricted net assets of \$12.1 million in fiscal year 2011. In fiscal year 2012, the Employee Insurance fund had unrestricted net assets of \$2.6 million which increased from \$1.6 million in fiscal year 2011. The Employee Insurance Fund net assets increase of \$1 million is due to the slight increase in the benefit rate charged to departments. All internal service funds had positive unrestricted net assets as of June 30, 2012.

Fiduciary Funds. The only fund in this category is the City's Agency fund. This fund is used by the City to account for funds held for third parties. The City Council Open and Ethical Elections Fund was closed and transferred into the Agency Fund. Funds from an insurance settlement were added to the Agency Fund to be spent to rebuild apartment buildings.

Budgetary Highlights. The original approved FY12 General Fund Budget had an appropriation of \$437.5 million which was an increase of 2.6% over the original FY11 budget of \$455.5 million. This is primarily attributable to cutting vacant positions and an increase in the projected Gross Receipts Tax (GRT) collections. GRT makes up about 63% of the General Fund revenues. Significant increases in recurring appropriations included the cost of employee benefits, increased electricity and utility costs, increased costs for vehicle maintenance and fuels, and an increased subsidy for the continuation of transit services. There were also a number of one-time costs in the FY12 budget including an increase for the City's early retirement program, costs associated with the 2011 municipal election, the extra day to be paid in FY12 due to leap year and funding for the purchase of vehicles and equipment. FY12 was also the first year of funding for ABQ: The Plan which includes projects such as the improvement of the interchange at Paseo del Norte & I-25. An additional \$3 million was added as a recurring transfer to pay debt service associated with the Plan. Steps were also taken to offset potential increases. The cost of health insurance was minimized by consolidating insurance coverage for City employees under one carrier and saved the City and its employees over \$4 million. In addition, 149 vacant positions were cut saving the City about \$4.4 million.

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CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City's capital assets of governmental and business-type activities as of June 30, 2012, total \$3.9 billion, net of accumulated depreciation. The increase in capital assets in the current fiscal year was \$29.0 million or .80%. Capital assets are summarized as follows:

CAPITAL ASSETS
(net of depreciation, in millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2012	2011	2012	2011	2012	2011	
Land	\$ 296.5	\$ 291.5	\$ 64.5	\$ 63.3	361.0	\$ 354.8	1.7%
Right of way	1,145.2	1,145.2	-	-	1,145.2	\$ 1,145.2	0.0%
Other	-	-	1.0	1.0	1.0	\$ 1.0	0.0%
Buildings and improvements	309.2	298.8	216.0	219.3	525.2	\$ 518.1	1.4%
Runways and improvements	-	-	64.5	73.2	64.5	\$ 73.2	-11.9%
Improvements other than buildings and runways	285.4	275.8	83.2	92.8	368.6	\$ 368.6	0.0%
Equipment	23.6	28.0	52.9	53.1	76.5	\$ 81.1	-5.7%
Infrastructure	1,233.1	1,217.2	5.4	4.0	1,238.5	\$ 1,221.2	1.4%
Construction in progress	75.2	74.8	19.2	9.5	94.4	\$ 84.3	12.0%
Total	\$ 3,368.2	\$ 3,331.3	\$ 506.7	\$ 516.2	\$ 3,874.9	\$ 3,847.5	0.7%

Governmental activities. In fiscal year 2012, \$53.8 million of street infrastructure was placed into service along with \$8.5 million of storm infrastructure. Of this amount, \$6.0 million was dedicated street infrastructure and \$1.5 million was dedicated storm infrastructure. The construction in progress consists of expenditures made by the capital acquisition, infrastructure tax, and impact fee funds. \$72.2 million was placed into service during Fiscal Year 2012. The following was placed in service: \$20.2 million buildings, \$27.8 million non-structural, \$4.9 million land, and \$62.3 million of infrastructure. Machinery and equipment purchases totaled \$7.3million, of which \$2.9 million was for public safety, and \$2.0 million was for public works.

Business-type activities. In 2012, the Aviation fund placed into service \$5.0 million in improvements, which included \$1.5 million in rental car building renovation, \$1.4 million for terminal roofing, replacement of escalators, refurbishing jet bridges, and replacement of cooling towers, \$3.6 million in buildings for security check point reconfiguration, and \$3.5 million in equipment, which included \$2.1 million in solar panels. The Refuse fund placed into service \$7.7 million in heavy equipment. The Transit fund placed into service \$3.0 million in heavy-duty vehicles. The construction work in progress increased by \$9.6 million. The construction work in progress consists of expenditures made in connection with the Aviation Fund. More detailed information may be found in Section IV Note C. Capital Assets of the accompanying financial statements.

Debt Administration. At the end of the current fiscal year, the City's governmental activities had total long-term obligations of \$608.3 million, of which \$91.2 million is due or payable within the next fiscal year. The total bonded debt, net of unamortized discounts and deferred amounts on refunding (\$3.9 million) and including unamortized premiums of \$19.0 million, is \$489.4 million. The remaining debt is for loans, accrued vacation and sick leave pay, and claims payable. During the fiscal year ended June 30, 2012, the City issued GO Bonds in the amount of \$77.3 million plus an additional \$4 million of short term GO Bonds. The GO Bonds were issued to finance projects relating to streets: \$32.12, energy conservation, public facilities, and system modernization and housing: \$14.75 million, parks & recreation; \$11.48 million, storm sewer system: \$8.1, public safety: \$6.625 million, public transportation: \$5.4 million, zoo, biological park museum, and cultural facilities: \$ 1.5 million, libraries and museums: \$.85 million, and senior, family, community centers, and community enhancement: \$.5 million.

The City's business-type activities had long-term obligations of \$165.8 million, of which \$31.4 million is due or payable within the next fiscal year. The ratio of net general obligation bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators to management, citizens and investors of the City's debt position. The State's

CITY OF ALBUQUERQUE, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2012

constitution provides for a legal debt limit of 4% of taxable valuation for general purpose only. The percentage for the City of Albuquerque is 2.32% of the \$11.9 billion taxable value of property within the City's boundaries. The City currently may issue up to an additional \$167. million of general purpose obligation bonds and has \$310.94 million of general purpose obligation debt outstanding subject to the legal debt limit at June 30, 2012. The net general bonded debt per capita is \$628 which is the highest per capita amount in the last ten fiscal years. The lowest per capita amount was \$338 in the fiscal year ended June 20, 2003. The ratings on the City's uninsured general obligation bonds and gross receipts tax bonds for FY 2012 are as follows:

Credit	Bond Ratings		
	Moody's	S & P	Fitch
General Obligation Bonds	Aa1	AAA	AA+
Gross Receipts Tax Revenue Bonds	Aa2	AAA	AA+

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City's elected and appointed officials considered many factors when developing the fiscal year 2013 budget. Many of the City's revenues are influenced by the economy. The gross receipts tax revenue forecast, particularly, is highly influenced by economic conditions. The budget anticipated growth of 2.5% in GRT, slightly down from fiscal year 2012 expectations. Part of this slower growth is due to changes in State tax law that allows additional deductions. Construction related revenues such as building permits are starting to grow and are expected to increase in fiscal year 2013 from fiscal year 2012 levels.

Property tax revenue growth was relatively low because of limited new property and commercial values. This was due to the economy. The two mill shift of property taxes from debt service to general fund operations in fiscal year 2010 makes the property tax a more important source of revenue to the general fund. The general fund share of revenue from property taxes has increased from 8% in fiscal year 2008 to 16% in fiscal year 2013.

CITY OF ALBUQUERQUE, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2012

The following table presents the underlying assumptions used in the budget process:

Economic Variables Underlying the Forecast for FY/13 Budget

	2011	2012	2013
National Variables			
Real GDP Growth	2.6%	1.7%	1.8%
Federal Funds Rate	0.2%	0.1%	0.1%
10 U.S. Bonds	3.1%	2.2%	2.6%
CPI U	2.0%	2.7%	1.3%
Unemployment Rate(U.S.)	9.3%	9.2%	9.2%
Total Non-Farm Employment	0.6%	0.9%	1.0%
Manufacturing Employment	0.8%	1.5%	1.0%
Consumer sentiment index--University of Michigan	71.1	64.1	74.4
Exchange Rates	0.87	0.86	0.87
Current Trade Account (billions of \$)	(469.9)	(448.2)	(452.6)
Change in output per hour	1.9%	1.3%	0.9%
Natural Gas-Henry Hub\$ per MCF	4.1	3.9	4.3
West TX Intermediate (dollars per bbl)	89.4	89.6	104.0
Wage Growth	1.7%	1.7%	1.9%
Albuquerque Variables			
Employment Growth and Unemployment in Albuquerque MSA			
Total Non-Ag ABQ	-0.9%	0.5%	1.0%
Private-Non Construction	-0.6%	1.2%	1.6%
Construction Employment (growth)	-6.3%	-3.7%	-1.6%
Manufacturing(ABQ)	0.1%	1.3%	1.5%
Unemployment Rate (Alb.)	8.5%	7.4%	7.5%
Construction Units Permitted in City of Albuquerque			
Single-Family Permits	723	856	806
Muli-Family Permits	274	278	514
Total Residential Permits	997	1,134	1,320

Source Global Insight and FOR-UNM November 2011 Baseline Forecasts

In the October 2011 municipal election, the voters passed a general obligation bond issue of \$163.987 million. The infrastructure program is expected to have only a modest impact on the City's future operating budgets.

The total original General Fund appropriation for fiscal year 2013 is \$475.6 million. This is an increase of \$8.1 million from the original fiscal year 2012 budget of \$467.5 million. The economy following the recession remains fragile and the City continues to diligently monitor expenditures along with revenues so that it can respond quickly should changes be required.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director's office for the Department of Finance and Administrative Services of the City at Director's Office, DFAS, Room 11015, One Civic Plaza N.W., Albuquerque, New Mexico 87103.

FINANCIAL SECTION
BASIC FINANCIAL STATEMENTS

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CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF NET ASSETS
JUNE 30, 2012

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash, investments, and accrued interest	328,890,086	36,477,709	365,367,795
Cash held for debt service	63,408,470	28,522,533	91,931,003
Cash held by others	161,148	1,301,111	1,462,259
Taxes receivable	69,346,250	-	69,346,250
Accounts receivable, net of allowance for uncollectibles	2,089,098	9,994,774	12,083,872
Due from other governments	24,582,698	10,477,972	35,060,670
Deposits	177,548	-	177,548
Internal balances	13,211,514	(13,211,514)	-
Inventories	2,956,460	4,817,726	7,774,186
Prepaid expenses	60,992	30,099	91,091
Total current assets	504,884,264	78,410,410	583,294,674
Noncurrent Assets:			
Long-term accounts and notes receivable	8,574,121	-	8,574,121
Restricted assets:			
Cash, investments and accrued interest	149,391,580	119,336,021	268,727,601
Grant receivables	-	116,014	116,014
Accounts receivable - developers	-	1,882,925	1,882,925
Land held for resale	10,086,398	-	10,086,398
Escrow deposits	-	353,342	353,342
Total restricted assets	159,477,978	121,688,302	281,166,280
Capital assets:			
Land and construction in progress	1,516,844,034	84,615,398	1,601,459,432
Capital assets depreciated and amortized	3,023,828,283	1,155,063,041	4,178,891,324
Accumulated depreciation and amortization	(1,172,509,280)	(733,061,697)	(1,905,570,977)
Total capital assets	3,368,163,037	506,616,742	3,874,779,779
Other:			
Capitalized bond issue costs	2,667,670	872,019	3,539,689
Total other	2,667,670	872,019	3,539,689
Total noncurrent assets	3,538,882,806	629,177,063	4,168,059,869
Total assets	4,043,767,070	707,587,473	4,751,354,543

The accompanying notes are an integral part of these financial statements

	Governmental Activities	Business-type Activities	Total
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable	27,097,952	3,153,723	30,251,675
Accrued employee compensation and benefits	16,411,175	206,000	16,617,175
Accrued vacation and sick leave	23,087,022	4,575,951	27,662,973
Customer deposits	2,050,568	1,121,396	3,171,964
Deferred revenue	16,703,680	870,473	17,574,153
Due to other governments	586,281	31,095	617,376
Contracts, claims, and other payable	195,133	-	195,133
Payable from restricted assets:			
Contracts, claims, and other payable	1,994,148	3,930,711	5,924,859
Current portion:			
Claims payable	16,800,000	-	16,800,000
Bonds, notes payable, and capital leases	55,060,000	26,805,662	81,865,662
Accrued interest	8,348,470	3,586,801	11,935,271
Total current liabilities	168,334,429	44,281,812	212,616,241
Noncurrent liabilities:			
Liabilities payable from restricted assets:			
Landfill closure costs	-	1,845,812	1,845,812
Other	-	549,722	549,722
Total liabilities payable from restricted assets	-	2,395,534	2,395,534
Long-term payable:			
Bonds, notes payable, and capital leases, net of current portion, discounts and premiums	439,772,811	130,219,240	569,992,051
Total long-term payable	439,772,811	130,219,240	569,992,051
Other:			
Accrued vacation, sick leave and claims	65,306,355	1,771,195	67,077,550
Other post employment benefit obligation	11,390,128	-	11,390,128
Other liabilities	887,310	-	887,310
Total other	77,583,793	1,771,195	79,354,988
Total noncurrent liabilities	517,356,604	134,385,969	651,742,573
Total liabilities	685,691,033	178,667,781	864,358,814
NET ASSETS			
Invested in capital assets, net of related debt	3,025,389,476	364,036,500	3,389,425,976
Restricted for:			
Debt service	19,205,321	10,551,172	29,756,493
Construction	120,473,931	73,193,500	193,667,431
Housing and economic development	6,212,027	9,802,440	16,014,467
Federal and state funded programs	7,619,061	-	7,619,061
Open space and urban enhancement			
Expendable	1,495,929	-	1,495,929
Nonexpendable	29,802,969	-	29,802,969
Unrestricted	147,877,323	71,336,080	219,213,403
Total net assets	3,358,076,037	528,919,692	3,886,995,729

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues	
			Charges for Services	Operating Grants and Contributions
Governmental activities:				
General government	77,927,419	(2,861,468)	35,218,812	841,433
Public safety	240,015,231	1,606,562	8,758,246	7,918,525
Culture and recreation	96,719,041	468,363	8,366,029	6,234
Public works/municipal development	42,275,832	615,157	-	868,278
Health and welfare	18,745,996	202,997	6,204,722	953,048
Human services	53,488,535	124,114	1,237,923	18,146,007
Housing	4,935,189	(155,725)	-	-
Highways and streets	41,778,253	-	1,856,005	806,898
Interest and other charges	14,875,661	-	-	-
Total governmental activities	<u>590,761,157</u>	<u>-</u>	<u>61,641,737</u>	<u>29,540,423</u>
Business-like activities:				
Airport	64,403,327	-	74,074,236	-
Refuse disposal	51,937,557	-	62,097,824	-
Transit	54,967,799	-	8,494,698	-
Golf course	3,928,325	-	3,808,960	-
Apartments	3,508,746	-	3,428,327	-
Housing authority	31,808,191	-	2,096,205	27,867,345
Parking facilities	5,195,113	-	4,223,631	-
Stadium	2,115,681	-	1,808,707	-
Total business-type activities	<u>217,864,739</u>	<u>-</u>	<u>160,032,588</u>	<u>27,867,345</u>
Total activity	<u>808,625,896</u>	<u>-</u>	<u>221,674,325</u>	<u>57,407,768</u>

General Revenues:

Taxes:

- Property taxes
- Franchise taxes
- Hospitality taxes
- Lodgers' taxes
- Gross receipts taxes, local option
- Payments in lieu of taxes
- NM shared taxes and fees not restricted to specific programs
- Grants and contributions not restricted to specific programs
- Miscellaneous revenue
- Unrestricted investment earnings

Transfers

Total general revenues and transfers

Change in net assets

Net assets, July 1 (as restated for business-type activities, Note IV. O.)

Net assets, June 30

The accompanying notes are an integral part of these financial statements

Program Revenues, cont.	Net (Expenses) Revenue and Changes in Net Assets		
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
-	(39,005,706)	-	(39,005,706)
915,264	(224,029,758)	-	(224,029,758)
3,077,973	(85,737,168)	-	(85,737,168)
17,866,810	(24,155,901)	-	(24,155,901)
807,996	(10,983,227)	-	(10,983,227)
74,294	(34,154,425)	-	(34,154,425)
-	(4,779,464)	-	(4,779,464)
-	(39,115,350)	-	(39,115,350)
-	(14,875,661)	-	(14,875,661)
<u>22,742,337</u>	<u>(476,836,660)</u>	<u>-</u>	<u>(476,836,660)</u>
8,197,891	-	17,868,800	17,868,800
-	-	10,160,267	10,160,267
10,949,877	-	(35,523,224)	(35,523,224)
-	-	(119,365)	(119,365)
-	-	(80,419)	(80,419)
-	-	(1,844,641)	(1,844,641)
-	-	(971,482)	(971,482)
-	-	(306,974)	(306,974)
<u>19,147,768</u>	<u>-</u>	<u>(10,817,038)</u>	<u>(10,817,038)</u>
<u>41,890,105</u>	<u>(476,836,660)</u>	<u>(10,817,038)</u>	<u>(487,653,698)</u>
	134,970,278	-	134,970,278
	26,771,801	-	26,771,801
	2,016,117	-	2,016,117
	10,080,734	-	10,080,734
	151,098,767	-	151,098,767
	53,231	-	53,231
	185,031,096	-	185,031,096
	8,737,623	-	8,737,623
	22,931,923	5,323,865	28,255,788
	3,512,577	535,264	4,047,841
	<u>(32,130,430)</u>	<u>32,130,430</u>	<u>-</u>
	<u>513,073,717</u>	<u>37,989,559</u>	<u>551,063,276</u>
	36,237,057	27,172,521	63,409,578
	<u>3,321,838,980</u>	<u>501,747,171</u>	<u>3,823,586,151</u>
	<u>3,358,076,037</u>	<u>528,919,692</u>	<u>3,886,995,729</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2012

	<u>General Fund</u>	<u>GO Bond Debt Service Fund</u>
ASSETS		
Cash, investments, and accrued interest	\$ 42,912,413	\$ 5,411,305
Cash with fiscal agents held for debt service	-	54,953,628
Cash held by others	-	-
Taxes receivable, net	58,551,014	3,416,183
Other receivables, net	1,761,970	-
Due from other governments	1,770,452	-
Due from other funds	10,222,776	-
Advances to other funds	-	-
Prepaid items	27,989	-
Land held for sale	-	-
Total assets	<u><u>\$ 115,246,614</u></u>	<u><u>\$ 63,781,116</u></u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 6,525,016	\$ 9,086
Contracts and retainage payable	-	-
Accrued employee compensation and benefits	16,326,515	-
Due to other funds	359,154	-
Advances from other funds	-	-
Deferred revenue	30,760,962	2,515,669
Deposits	2,050,568	-
Matured bonds and interest payable	-	54,953,628
Total liabilities	<u><u>56,022,215</u></u>	<u><u>57,478,383</u></u>
 Fund Balances:		
Nonspendable	27,989	-
Restricted	-	6,302,733
Committed	41,400,000	-
Assigned	-	-
Unassigned	17,796,410	-
Total fund balances	<u><u>59,224,399</u></u>	<u><u>6,302,733</u></u>
Total liabilities and fund balances	<u><u>\$ 115,246,614</u></u>	<u><u>\$ 63,781,116</u></u>

The accompanying notes are an integral part of these financial statements

<u>Capital Acquisition Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
\$ 216,593,417	\$ 118,211,786	\$ 383,128,921
-	8,454,842	63,408,470
-	161,148	161,148
-	7,379,053	69,346,250
2,435	8,875,767	10,640,172
13,197,205	9,559,042	24,526,699
-	408,517	10,631,293
-	6,065,000	6,065,000
-	12	28,001
-	10,086,398	10,086,398
<u>\$ 229,793,057</u>	<u>\$ 169,201,565</u>	<u>\$ 578,022,352</u>
\$ 7,715,992	\$ 9,929,062	\$ 24,179,156
1,851,139	143,009	1,994,148
4,206	60,677	16,391,398
214,448	3,270,331	3,843,933
471,000	-	471,000
-	25,457,859	58,734,490
-	-	2,050,568
-	8,454,842	63,408,470
<u>10,256,785</u>	<u>47,315,780</u>	<u>171,073,163</u>
-	29,802,969	29,830,958
219,536,272	66,286,509	292,125,514
-	24,799,578	66,199,578
-	1,000,383	1,000,383
-	(3,654)	17,792,756
<u>219,536,272</u>	<u>121,885,785</u>	<u>406,949,189</u>
<u>\$ 229,793,057</u>	<u>\$ 169,201,565</u>	<u>\$ 578,022,352</u>

The accompanying notes are an integral part of these financial statements

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CITY OF ALBUQUERQUE, NEW MEXICO
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2012

Total fund balance governmental funds (page 28)	\$ 406,949,189
Capital assets used in governmental activities (except for internal service funds) are not financial resources and, therefore, are not reported in the funds.	3,367,486,364
Some long-term obligations applicable to governmental activities are not reported as fund liabilities. All liabilities are reported in the statement of net assets. (Note II.A)	(470,522,445)
Internal service funds are used by the City to charge the cost of tort liability, workers compensation and employee health insurance to other individual funds. In additions, the cost of providing communications, fleet maintenance and supplies warehousing services are also charged. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	12,179,563
Some of the City's taxes will be collected after year-end and amounts due on real estate contracts are not available soon enough to pay for the current period's expenditures, and therefore, are reported as deferred revenue in the funds. (Note II.A)	<u>41,983,366</u>
Total net assets of governmental activities (page 24)	\$ <u>3,358,076,037</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	<u>General Fund</u>	<u>GO Bond Debt Service Fund</u>
Revenues:		
Taxes:		
Gross receipts taxes, local option	\$ 116,721,083	\$ -
Property taxes	76,801,862	58,638,356
Lodgers' and hospitality taxes	-	-
Franchise taxes	26,221,055	-
Payment in lieu of taxes	53,231	-
Licenses and permits	9,079,243	-
Intergovernmental	181,446,560	-
Charges for services	47,071,330	-
Fines and forfeits	114,026	-
Interest on investments	337,943	130,155
Special Assessments	-	-
Miscellaneous	2,330,582	-
Total revenues	<u>460,176,915</u>	<u>58,768,511</u>
Expenditures:		
Current		
General government	64,900,877	-
Public safety	218,587,428	-
Culture and recreation	67,806,612	-
Municipal development\public works	22,461,515	-
Highways and streets	232,146	-
Health	16,107,008	-
Human services	27,420,632	-
Housing	-	-
Debt service		
Principal	-	49,615,000
Interest	-	10,971,476
Fiscal agent fees and other fees	-	603,862
Capital Outlay	<u>5,681,784</u>	<u>-</u>
Total expenditures	<u>423,198,002</u>	<u>61,190,338</u>
Excess (deficiency) of revenues over expenditures	<u>36,978,913</u>	<u>(2,421,827)</u>
Other financing sources (uses):		
Transfers in	5,062,124	-
Transfers out	(36,041,837)	-
Premiums on bonds issued	-	-
Payments to refunded bond escrow agent	-	(7,335,000)
Proceeds from refunding bonds	-	7,464,279
Bond and notes issued	-	7,207
Total other financing sources (uses)	<u>(30,979,713)</u>	<u>136,486</u>
Net change in fund balances	5,999,200	(2,285,341)
Fund balances , July 1	<u>53,225,199</u>	<u>8,588,074</u>
Fund balances, June 30	<u>\$ 59,224,399</u>	<u>\$ 6,302,733</u>

The accompanying notes are an integral part of these financial statements

Capital Acquisition Fund	Nonmajor Funds	Total
\$ -	\$ 34,348,887	\$ 151,069,970
-	-	135,440,218
-	12,096,851	12,096,851
488,785	-	26,709,840
-	-	53,231
-	3,086,259	12,165,502
31,479,961	33,441,850	246,368,371
-	3,974,803	51,046,133
-	3,517,188	3,631,214
1,188,905	1,254,050	2,911,053
-	574,927	574,927
2,135,564	10,100,140	14,566,286
<u>35,293,215</u>	<u>102,394,955</u>	<u>656,633,596</u>
-	10,127,229	75,028,106
-	10,140,094	228,727,522
-	6,250,929	74,057,541
-	993,949	23,455,464
-	5,962,239	6,194,385
-	2,169,894	18,276,902
-	21,622,195	49,042,827
-	4,779,464	4,779,464
-	6,825,986	56,440,986
-	5,972,331	16,943,807
-	-	603,862
91,842,211	32,940,559	130,464,554
<u>91,842,211</u>	<u>107,784,869</u>	<u>684,015,420</u>
<u>(56,548,996)</u>	<u>(5,389,914)</u>	<u>(27,381,824)</u>
2,757,432	19,894,126	27,713,682
-	(23,552,275)	(59,594,112)
10,540,919	243,158	10,784,077
-	(3,994,688)	(11,329,688)
18,940,721	3,780,000	30,185,000
73,826,360	-	73,833,567
<u>106,065,432</u>	<u>(3,629,679)</u>	<u>71,592,526</u>
49,516,436	(9,019,593)	44,210,702
<u>170,019,836</u>	<u>130,905,378</u>	<u>362,738,487</u>
<u>\$ 219,536,272</u>	<u>\$ 121,885,785</u>	<u>\$ 406,949,189</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
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, 2012

Net change in fund balances – total governmental funds (page 31)	\$	44,210,702
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives and reported as depreciation in the current period. This is the amount by which additions to capital assets exceeded depreciation in the current period. (Note II.B)		36,867,228
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (Note II.B)		(43,641,999)
Internal service funds are used by the City to charge the cost of tort liability, workers compensation and employee health insurance to other individual funds. In addition, the cost of providing communications, fleet maintenance and supplies warehousing services are also charged. The net revenue(expense) of the internal service funds is reported with governmental activities.		(659,991)
Under the modified accrual basis of accounting used in the governmental funds, revenue is recognized when available to provide financing resources for the current period. Likewise, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, revenues and expenses are reported regardless of when financial resources are available. This adjustment combines the net change of balances.		(1,245,793)
Interest earned on loans receivable are not available for collections and are not included in the governmental fund financial statements. However, the accrued interest is reported in the governmental-wide financial statements.		2,215
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		<u>704,695</u>
Change in net assets of governmental activities (page 26)	\$	<u><u>36,237,057</u></u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes:				
Gross receipts tax-local option	\$ 117,345,000	\$ 117,452,000	\$ 116,721,083	\$ (730,917)
Current property tax	73,338,000	73,823,000	74,230,885	407,885
Delinquent property tax	1,561,000	2,134,000	2,570,977	436,977
Franchise taxes:				
Electric	8,543,000	9,543,000	9,743,930	200,930
Gas	4,720,000	4,270,000	3,900,974	(369,026)
Cable television	4,300,000	4,234,000	4,258,535	24,535
Telephone	1,963,000	1,883,000	1,998,312	115,312
Telecommunications	266,000	227,000	418,871	191,871
Water Authority	5,556,000	5,556,000	5,900,433	344,433
Payments in lieu of taxes	-	-	53,231	53,231
Total taxes	<u>217,592,000</u>	<u>219,122,000</u>	<u>219,797,231</u>	<u>675,231</u>
Licenses and permits:				
Building permits	1,892,000	2,114,000	2,499,293	385,293
Plan checking permits	1,154,000	1,098,000	1,200,731	102,731
Business registration fees	1,235,000	1,235,000	1,166,021	(68,979)
Plumbing/mechanical permits	734,000	757,000	801,553	44,553
Restaurant inspections	951,000	1,052,000	1,188,925	136,925
Electrical/refrigeration permits	541,000	619,000	621,312	2,312
Other licenses and permits	220,000	184,000	213,596	29,596
Right of way usage permits	189,000	211,000	234,241	23,241
Liquor licenses	210,000	210,000	265,758	55,758
Animal licenses	268,000	248,000	262,492	14,492
Food retailers inspections	245,000.00	214,000	242,605	28,605
Swimming pool inspections	136,000	131,000	126,850	(4,150)
Flood plan certification	83,000	165,000	133,350	(31,650)
Reroofing permits	54,000	85,000	98,159	13,159
Loading zone permits	9,000	9,000	12,437	3,437
Solicitation permits	5,000	5,000	11,920	6,920
Total licenses and permits	<u>7,926,000</u>	<u>8,337,000</u>	<u>9,079,243</u>	<u>742,243</u>
Intergovernmental:				
State shared:				
Gross receipts tax	175,814,000	176,003,000	174,920,240	(1,082,760)
Municipal road - gas tax	2,600,000	2,470,000	2,484,696	14,696
Motor vehicle license distribution	1,670,000	1,670,000	1,837,665	167,665
Municipal comp tax	1,558,000	1,629,000	1,689,591	60,591
Cigarette tax	-	-	464	464
DWI Fines	75,000	55,000	106,191	51,191
Grants:				
Other	101,000	370,000	117,766	(252,234)
Bernalillo County-shared operations	269,000	299,000	289,947	(9,053)
Total intergovernmental	<u>182,087,000</u>	<u>182,496,000</u>	<u>181,446,560</u>	<u>(1,049,440)</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues (continued):				
Charges for services:				
General government:				
Administrative charges to other funds	25,548,000	25,853,000	24,655,764	(1,197,236)
Legal services	2,811,000	2,111,000	2,364,886	253,886
Grounds maintenance	1,048,000	1,048,000	1,048,000	-
Engineering fees	377,000	461,000	318,973	(142,027)
Engineering inspections	280,000	180,000	287,937	107,937
Shooting range fees	280,000	300,000	316,838	16,838
Records search fees	284,000	284,000	203,464	(80,536)
Filing of plats and subdivisions	133,000	96,000	120,620	24,620
Administrative fees	46,000	46,000	27,997	(18,003)
Photocopying	90,000	75,000	100,535	25,535
Hearing officer charges	80,000.00	80,000.00	69,673	(10,327)
Sign fees	56,000.00	108,000	89,135	(18,865)
Zoning fence permit fees	70,000	111,000	94,428	(16,572)
Office services	35,000	35,000	28,759	(6,241)
Planning services	19,000	19,000.00	269,037	250,037
Land mediation charges	-	-	11,735	11,735
Jury duty and witness fees	2,000	2,000	510	(1,490)
Sale of maps and publications	-	-	739	739
AGIS services	-	-	627	627
Other	-	-	1,358	1,358
Real property services	40,000	40,000	-	(40,000)
Public safety:				
Police services	4,175,000	4,382,000	4,126,394	(255,606)
Fire services	750,000	750,000	1,006,464	256,464
Culture and recreation:				
Zoo admissions	2,000,000	1,900,000	2,040,314	140,314
Cultural affairs	1,290,000	1,404,000	1,574,587	170,587
Albuquerque aquarium and gardens	1,200,000	1,200,000	1,345,764	145,764
Latch key program	655,000	587,000	616,188	29,188
Swimming pools	620,000	620,000	735,301	115,301
Sports programs	435,000	418,000	395,605	(22,395)
Other recreation charges	343,000	348,000	359,345	11,345
Museum charges	163,000	153,000	130,900	(22,100)
Other zoo charges	101,000	101,000	157,231	56,231
Community centers	100,000	90,000	101,763	11,763
Tournament/field rental	49,000	65,000	66,445	1,445
Outdoor recreation fees	-	-	6,420	6,420

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues (continued):				
Charges for services:				
Highways and streets:				
Other street division charges	1,584,000	1,511,000	1,363,161	(147,839)
Excavation permits	280,000	280,000	258,603	(21,397)
Health:				
Animal control charges	896,000	996,000	1,537,907	541,907
Human services:				
Childcare services	730,000	668,000	737,628	69,628
Senior center memberships	230,000	272,000	260,130	(11,870)
Senior meal programs	148,000	130,000	135,514	5,514
Other	39,000	34,000	37,738	3,738
Senior dances	47,000	32,000	36,674	4,674
DSA Route #2	15,000	16,000	15,647	(353)
Senior coffee	17,000	12,000	14,592	2,592
Total charges for services	<u>47,066,000</u>	<u>46,818,000</u>	<u>47,071,330</u>	<u>253,330</u>
Fines and forfeits:				
Air quality penalties	120,000	120,000	114,026	(5,974)
Total fines and forfeits	<u>120,000</u>	<u>120,000</u>	<u>114,026</u>	<u>(5,974)</u>
Interest:				
Interest on investments	320,000	320,000	337,943	17,943
Total interest	<u>320,000</u>	<u>320,000</u>	<u>337,943</u>	<u>17,943</u>
Miscellaneous:				
Community center rentals	325,000	321,000	341,879	20,879
Revenue sharing agreement	-	323,468	323,468	-
Rental of City property	136,000	143,000	140,759	(2,241)
Other miscellaneous	863,000	777,000	1,312,079	535,079
Sales of real property	-	40,000	127,413	87,413
Collections from property damage	-	-	78,547	78,547
Contributions and donations	20,000	20,000	6,437	(13,563)
Total miscellaneous	<u>1,344,000</u>	<u>1,624,468</u>	<u>2,330,582</u>	<u>706,114</u>
Total revenues	<u>456,455,000</u>	<u>458,837,468</u>	<u>460,176,915</u>	<u>1,339,447</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
Current:				
General Government:				
Accounting	3,315,000	3,317,000	3,204,656	112,344
Administrative hearing office	988,000	988,000	884,504	103,496
Chief Administrative Officer	1,857,000	1,857,000	1,784,237	72,763
Citizen Services	3,604,000	3,604,000	3,411,698	192,302
City/County building rental	1,148,000	-	-	-
Citywide financial support	1,056,000	1,063,000	979,585	83,415
Community revitalization	1,707,000	2,279,310	1,634,980	644,330
Council services	3,100,000	3,020,988	2,856,826	164,162
DFAS - strategic support	322,000	322,000	308,094	13,906
Dues and memberships	422,000	422,000	385,839	36,161
Early retirement	7,000,000	7,000,000	6,370,455	629,545
Economic development	1,105,000	1,148,000	1,071,049	76,951
ED - Convention Center	1,905,000	1,905,000	1,738,253	166,747
ERP	1,886,000	1,952,000	2,378,399	(426,399)
Facilities	7,150,000	7,892,333	7,539,292	353,041
Information services	6,672,000	6,887,952	5,917,023	970,929
International trade	48,000	48,000	27,967	20,033
Joint committee- intergov. legislation	140,000	140,000	142,125	(2,125)
Legal services	4,511,000	4,569,978	4,432,265	137,713
Mayor's office	870,000	869,994	660,282	209,712
Office of Inspector General	338,000	339,000	300,417	38,583
Office of Internal Audit	802,000	802,000	730,078	71,922
Office of Management and Budget	1,138,000	1,170,000	1,049,728	120,272
Office of the City Clerk	1,529,000	1,528,941	1,432,994	95,947
One Stop Shop	6,019,000	6,019,000	6,012,245	6,755
Open and Ethical Elections	1,585,477	2,048,477	1,422,516	625,961
Personnel services	2,174,000	2,181,000	1,941,707	239,293
Planning - strategic support	1,530,000	1,529,974	1,394,227	135,747
Plaza del Sol building rental	1,820,000	2,127,860	2,127,860	-
Purchasing and office supply	1,014,000	1,015,000	941,551	73,449
Real property	623,000	664,000	697,036	(33,036)
Safe city strike force	962,000	962,000	885,965	76,035
Treasury	1,336,000	1,336,000	1,261,811	74,189
Total general government	<u>69,676,477</u>	<u>71,009,807</u>	<u>65,925,664</u>	<u>5,084,143</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures (continued):				
Current:				
Public safety:				
Police Department:				
Communications & records	13,144,000	13,304,000	14,011,761	(707,761)
Family advocacy center	9,009,000	9,009,000	7,557,240	1,451,760
Investigative services	21,345,000	21,686,000	18,656,692	3,029,308
Neighborhood Policing	88,901,000	89,260,000	90,146,014	(886,014)
Off duty police overtime	1,825,000	1,825,000	1,350,323	474,677
Officer & department support	16,642,000	16,811,906	16,551,510	260,396
Prisoner transport	1,771,000	1,771,000	1,701,436	69,564
Professional standards	762,000	763,000	1,591,774	(828,774)
Fire Department:				
AFD headquarters	2,072,000	2,072,000	2,037,568	34,432
Dispatch	3,960,000	3,960,000	4,075,391	(115,391)
Emergency response	54,503,000	54,757,000	54,176,913	580,087
Fire prevention	3,912,000	3,912,000	3,808,743	103,257
Logistics	1,805,000	1,748,722	1,739,805	8,917
Technical services	727,000	727,000	684,990	42,010
Training and safety	2,319,000	2,319,000	2,287,708	31,292
Total public safety	<u>222,697,000</u>	<u>223,925,628</u>	<u>220,377,868</u>	<u>3,547,760</u>
Culture and recreation:				
Aquatics	3,888,000	3,898,622	3,867,610	31,012
Aviation landscape	978,000	974,728	974,604	124
Balloon museum	897,000	896,861	896,462	399
Biopark	12,001,000	11,941,236	11,942,651	(1,415)
CIP Biopark	2,386,000	2,386,000	1,717,081	668,919
CIP library	60,000	60,000	62,277	(2,277)
CIP parks	3,013,000	3,013,000	2,625,837	387,163
Community events	2,391,000	2,595,843	2,375,478	220,365
Community recreation	7,713,000	7,709,298	7,427,690	281,608
Cultural services- strategic support	1,326,000	1,325,920	1,335,339	(9,419)
Explora	1,300,000	1,400,000	1,401,689	(1,689)
Library	10,241,000	10,472,366	10,235,742	236,624
Museum	2,886,000	2,885,806	2,880,343	5,463
Parks and recreation- strategic support	805,000	804,890	802,849	2,041
Parks management	15,570,000	15,600,668	15,209,437	391,231
Promote safe use of firearms	478,000	483,835	416,444	67,391
Public Arts and Urban Enhancement	265,000	265,000	278,120	(13,120)
Quality recreation	2,204,000	2,201,482	2,159,262	42,220
Senior affairs- strategic support	1,589,000	1,588,886	1,492,743	96,143
Special events parking	19,000	19,000	19,000	-
Total culture and recreation	<u>70,010,000</u>	<u>70,523,441</u>	<u>68,120,658</u>	<u>2,402,783</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures (continued):				
Current:				
Municipal Development				
Construction	1,740,000	1,736,632	1,609,528	127,104
Design recovered parks & CIP	1,434,000	1,514,000	1,414,021	99,979
Design recovered storm drain	2,309,000	2,342,000	2,288,367	53,633
Storm drainage	2,461,000	2,527,368	2,532,944	(5,576)
Strategic support	1,912,000	1,911,649	1,844,938	66,711
Street CIP	3,704,000	3,704,000	3,555,346	148,654
Street services	11,013,000	10,985,271	11,261,961	(276,690)
Total municipal development	<u>24,573,000</u>	<u>24,720,920</u>	<u>24,507,105</u>	<u>213,815</u>
Health:				
Animal care and control	9,307,000	9,465,729	9,374,785	90,944
Code enforcement	3,390,000	3,387,208	3,171,412	215,796
Consumer health protection	1,244,000	1,243,638	1,195,578	48,060
Environmental services	1,264,000	1,263,485	1,266,888	(3,403)
Strategic support	625,000	654,862	643,481	11,381
Vector born & zoonotic disease	474,000	472,892	438,258	34,634
Total health	<u>16,304,000</u>	<u>16,487,814</u>	<u>16,090,402</u>	<u>397,412</u>
Human services:				
Access to basic services- seniors	92,000	91,622	91,353	269
Develop affordable housing	1,284,000	1,284,000	60,582	1,223,418
Early childhood education	5,202,000	5,201,776	4,770,862	430,914
Emergency shelter	1,077,000	1,077,000	1,046,396	30,604
Health & social services	3,312,000	3,310,825	2,925,708	385,117
Mental health services	1,825,000	2,175,000	3,259,837	(1,084,837)
Partner with public education	5,417,000	5,429,000	4,329,745	1,099,255
Plan and coordinate	1,359,000	1,358,642	1,145,518	213,124
Reduce youth gangs	1,272,000	1,272,000	1,282,004	(10,004)
Substance abuse treatment and prevention	5,075,000	4,824,965	4,440,724	384,241
Supportive services to homeless	230,000	230,000	217,585	12,415
Provide transitional housing	154,000	154,000	154,850	(850)
Well being- seniors	4,513,000	4,680,845	4,451,141	229,704
Total human services	<u>30,812,000</u>	<u>31,089,675</u>	<u>28,176,305</u>	<u>2,913,370</u>
Total expenditures	<u>434,072,477</u>	<u>437,757,285</u>	<u>423,198,002</u>	<u>14,559,283</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Excess of revenues over expenditures	<u>22,382,523</u>	<u>21,080,183</u>	<u>36,978,913</u>	<u>15,898,730</u>
Other financing sources (uses):				
Transfers in	5,907,000	6,076,904	5,062,124	(1,014,780)
Transfers out	<u>(35,017,000)</u>	<u>(35,624,000)</u>	<u>(36,041,837)</u>	<u>(417,837)</u>
Total other financing sources and uses	<u>(29,110,000)</u>	<u>(29,547,096)</u>	<u>(30,979,713)</u>	<u>(1,432,617)</u>
Net change in fund balance	(6,727,477)	(8,466,913)	5,999,200	14,466,113
Fund balance, July 1	<u>53,225,199</u>	<u>53,225,199</u>	<u>53,225,199</u>	<u>-</u>
Fund balance, June 30	<u>\$ 46,497,722</u>	<u>\$ 44,758,286</u>	<u>\$ 59,224,399</u>	<u>\$ 14,466,113</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

June 30, 2012

ASSETS	Airport Fund	Refuse Disposal Fund
Current assets:		
Cash, investments, and accrued interest	\$ 13,054,571	\$ 9,988,819
Cash with fiscal agents held for debt service	22,825,087	4,802,947
Cash held by others	-	-
Accounts receivable, net of allowance for uncollectible accounts	3,759,032	3,796,162
Due from other funds	-	-
Prepaid expenses	-	-
Due from other governments	2,761,507	-
Customer deposits	-	-
Inventories of supplies	647,671	978,428
Total current assets	43,047,868	19,566,356
Noncurrent assets:		
Restricted assets:		
Cash, investments, and accrued interest	92,438,277	12,382,105
Account receivable - developers	-	-
Grant receivables	116,014	-
Escrow deposits	-	-
Total restricted assets	92,554,291	12,382,105
Capital assets:		
Land	37,903,819	5,165,506
Land and improvements acquired from U.S. Air Force	7,630,077	-
Buildings and improvements	187,092,826	43,899,111
Runways and other improvements	291,215,235	-
Infrastructure	-	6,153,471
Improvements other than buildings	223,492,915	-
Machinery and equipment	15,791,853	53,102,265
Other	854,296	-
Total	763,981,021	108,320,353
Less accumulated depreciation and amortization	493,109,790	58,264,304
Capital assets, net of depreciation	270,871,231	50,056,049
Construction work in progress	15,760,474	2,422,720
Total capital assets	286,631,705	52,478,769
Other:		
Capitalized bond issuance costs	553,787	3,725
Advance to other funds	-	-
Total other assets	553,787	3,725
Total noncurrent assets	379,739,783	64,864,599
Total assets	\$ 422,787,651	\$ 84,430,955

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds

Transit Fund	Other Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ 307,698	\$ 13,126,621	\$ 36,477,709	\$ 95,152,745
-	894,499	28,522,533	-
-	1,301,111	1,301,111	-
960,395	1,479,185	9,994,774	70,490
1,022,317	-	1,022,317	359,154
3,959	26,140	30,099	32,991
7,716,465	-	10,477,972	55,999
-	-	-	177,548
3,027,638	163,989	4,817,726	2,956,460
<u>13,038,472</u>	<u>16,991,545</u>	<u>92,644,241</u>	<u>98,805,387</u>
1,526,253	12,989,386	119,336,021	-
-	1,882,925	1,882,925	-
-	-	116,014	-
-	353,342	353,342	-
<u>1,526,253</u>	<u>15,225,653</u>	<u>121,688,302</u>	<u>-</u>
4,930,660	8,875,432	56,875,417	283,842
-	-	7,630,077	-
79,115,223	145,136,846	455,244,006	1,278,229
-	-	291,215,235	-
-	-	6,153,471	-
-	-	223,492,915	-
104,145,035	5,918,261	178,957,414	1,019,985
-	100,904	955,200	-
188,190,918	160,031,443	1,220,523,735	2,582,056
83,341,715	98,345,888	733,061,697	1,905,383
104,849,203	61,685,555	487,462,038	676,673
-	971,510	19,154,704	-
<u>104,849,203</u>	<u>62,657,065</u>	<u>506,616,742</u>	<u>676,673</u>
10,813	303,694	872,019	-
-	-	-	471,000
<u>10,813</u>	<u>303,694</u>	<u>872,019</u>	<u>471,000</u>
106,386,269	78,186,412	629,177,063	1,147,673
<u>\$ 119,424,741</u>	<u>\$ 95,177,957</u>	<u>\$ 721,821,304</u>	<u>\$ 99,953,060</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

LIABILITIES	<u>Airport Fund</u>	<u>Refuse Disposal Fund</u>
Current liabilities:		
Accounts payable	\$ 735,004	\$ 1,489,137
Accrued payroll	44,000	67,766
Accrued vacation and sick leave pay	1,137,560	1,747,058
Accrued fuel cleanup costs	-	-
Fare tokens outstanding	-	-
Deposits	844,707	97,528
Due to other funds	-	-
Due to other governments	-	-
Current portion of claims and judgments payable	-	-
Liabilities payable from restricted assets:		
Construction contracts and miscellaneous payable	3,180,204	187,209
Deferred revenue	805,653	-
Current portion - revenue bonds payable	19,886,667	4,628,381
Accrued interest	2,938,420	187,588
Total current liabilities	<u>29,572,215</u>	<u>8,404,667</u>
Noncurrent liabilities:		
Liabilities payable from restricted assets:		
Accrued landfill closure costs	-	1,845,812
Other	-	-
Total	<u>-</u>	<u>1,845,812</u>
Revenue bonds, notes payable and capital leases, net of current portion and unamortized discounts	<u>98,520,774</u>	<u>3,384,415</u>
Other:		
Claims and judgments payable	-	-
Accrued vacation and sick leave pay	656,916	378,391
Other post employment benefit obligation	-	-
Advances from other funds	-	-
Total	<u>656,916</u>	<u>378,391</u>
Total noncurrent liabilities:	<u>99,177,690</u>	<u>5,608,618</u>
Total liabilities	<u>128,749,905</u>	<u>14,013,285</u>
NET ASSETS		
Invested in capital assets, net of related debt	185,492,377	47,393,014
Restricted for:		
Debt service	5,320,861	487,531
Construction	60,016,958	8,654,572
Housing vouchers	-	-
Unrestricted	43,207,550	13,882,553
Total net assets	<u>\$ 294,037,746</u>	<u>\$ 70,417,670</u>

The accompanying notes are an integral part of these financial statements

<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
<u>Transit</u>	<u>Other</u>		<u>Activities -</u>
<u>Fund</u>	<u>Enterprise</u>	<u>Totals</u>	<u>Internal</u>
	<u>Funds</u>		<u>Service</u>
			<u>Funds</u>
\$ 351,012	\$ 578,570	\$ 3,153,723	\$ 2,918,796
73,916	20,318	206,000	19,777
1,340,681	350,652	4,575,951	525,318
-	-	-	195,133
163,098	-	163,098	-
-	16,063	958,298	-
6,972,370	1,196,461	8,168,831	-
-	31,095	31,095	586,281
-	-	-	16,800,000
563,298	-	3,930,711	-
58,731	6,089	870,473	-
1,139,920	1,150,694	26,805,662	-
-	460,793	3,586,801	-
<u>10,663,026</u>	<u>3,810,735</u>	<u>52,450,643</u>	<u>21,045,305</u>
-	-	1,845,812	-
-	549,722	549,722	-
<u>-</u>	<u>549,722</u>	<u>2,395,534</u>	<u>-</u>
<u>7,103,126</u>	<u>21,210,925</u>	<u>130,219,240</u>	<u>-</u>
-	-	-	55,336,557
502,112	233,776	1,771,195	1,507
-	-	-	11,390,128
-	6,065,000	6,065,000	-
<u>502,112</u>	<u>6,298,776</u>	<u>7,836,195</u>	<u>66,728,192</u>
<u>7,605,238</u>	<u>28,059,423</u>	<u>140,450,969</u>	<u>66,728,192</u>
<u>18,268,264</u>	<u>31,870,158</u>	<u>192,901,612</u>	<u>87,773,497</u>
96,616,969	34,534,140	364,036,500	676,673
14,502	4,728,278	10,551,172	-
-	4,521,970	73,193,500	-
-	9,802,440	9,802,440	-
4,525,006	9,720,971	71,336,080	11,502,890
<u>\$ 101,156,477</u>	<u>\$ 63,307,799</u>	<u>\$ 528,919,692</u>	<u>\$ 12,179,563</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
Year ended June 30, 2012

	Airport Fund	Refuse Disposal Fund
Operating revenues:		
Charges for services	\$ 63,333,266	\$ 62,097,824
Operating expenses:		
Salaries and fringe benefits	\$ 16,537,558	\$ 24,657,971
Professional services	1,092,821	110,948
Utilities	2,789,716	363,442
Supplies	527,461	2,627,722
Travel	32,903	6,144
Fuels, repairs and maintenance	3,184,698	11,098,137
Contractual services	5,383,485	2,583,990
Claims and judgments	-	-
Insurance premiums	-	-
Other operating expenses	2,941,180	5,809,645
Depreciation	29,993,143	4,508,554
Bad debt expense (recovery)	-	141,700
Total operating expenses	62,482,965	51,908,253
Operating income (loss)	850,301	10,189,571
Non-operating revenues (expenses):		
Interest on investments	323,821	190,653
Federal housing grants	-	-
Housing assistance payments	-	-
Passenger facilities charges	10,740,970	-
Gain (loss) on disposition of property and equipment	(64,265)	308,208
Interest and other debt service expenses	(1,852,864)	(334,229)
Bond issue costs	(3,233)	(3,283)
Other	128,564	1,796,501
Total non-operating revenues (expenses)	9,272,993	1,957,850
Income (loss) before capital contributions and transfers	10,123,294	12,147,421
Capital contributions	8,197,891	-
Transfers in	-	-
Transfers out	-	(2,425,148)
Change in net assets	18,321,185	9,722,273
Net assets, July 1 (restated)	275,716,561	60,695,397
Net assets, June 30	\$ 294,037,746	\$ 70,417,670

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds

Governmental
Activities -
Internal
Service
Funds

Transit Fund	Other Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ 8,494,698	\$ 15,365,830	\$ 149,291,618	\$ 116,311,216
26,201,169	7,734,677	75,131,375	7,025,262
88,303	98,213	1,390,285	1,208,988
1,225,951	3,174,557	7,553,666	223,053
360,563	154,591	3,670,337	1,887,974
25,309	54	64,410	13,055
9,247,726	1,987,147	25,517,708	9,879,490
1,080,113	2,042,298	11,089,886	6,421,249
-	-	-	26,923,508
-	-	-	62,194,885
5,202,442	2,650,295	16,603,562	2,170,686
11,456,440	4,073,573	50,031,710	131,215
(412,156)	39,102	(231,354)	-
<u>54,475,860</u>	<u>21,954,507</u>	<u>190,821,585</u>	<u>118,079,365</u>
<u>(45,981,162)</u>	<u>(6,588,677)</u>	<u>(41,529,967)</u>	<u>(1,768,149)</u>
(11,825)	32,615	535,264	599,309
-	27,867,345	27,867,345	-
-	(23,261,478)	(23,261,478)	-
-	-	10,740,970	-
(32,027)	10,107	222,023	(14,687)
(454,657)	(1,415,652)	(4,057,402)	-
(5,255)	65,474	53,703	-
<u>2,761,683</u>	<u>637,117</u>	<u>5,323,865</u>	<u>773,536</u>
<u>2,257,919</u>	<u>3,935,528</u>	<u>17,424,290</u>	<u>1,358,158</u>
<u>(43,723,243)</u>	<u>(2,653,149)</u>	<u>(24,105,677)</u>	<u>(409,991)</u>
10,949,877	-	19,147,768	-
32,735,038	2,694,000	35,429,038	-
(554,969)	(318,491)	(3,298,608)	(250,000)
<u>(593,297)</u>	<u>(277,640)</u>	<u>27,172,521</u>	<u>(659,991)</u>
<u>101,749,774</u>	<u>63,585,439</u>	<u>501,747,171</u>	<u>12,839,554</u>
<u>\$ 101,156,477</u>	<u>\$ 63,307,799</u>	<u>\$ 528,919,692</u>	<u>\$ 12,179,563</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended June 30, 2012

	<u>Airport Fund</u>	<u>Refuse Disposal Fund</u>
Cash flows from operating activities:		
Cash received from customers	\$ 60,784,967	\$ 61,985,431
Cash received from other funds for goods and services	-	-
Cash payments to employees for services	(16,982,492)	(25,338,354)
Cash payments to suppliers for goods and services	(12,597,336)	(25,266,582)
Cash payments to other funds for goods and services	(2,789,716)	(460,878)
Cash payments to claimants and beneficiaries	-	-
Miscellaneous cash received (paid)	-	-
	<hr/>	<hr/>
Net cash provided by (used for) operating activities	28,415,423	10,919,617
Cash flow from noncapital financing activities:		
Operating grants received	-	-
Housing assistance payments	-	-
Principal paid on advance from other funds	-	-
Interest paid on advance from other funds	-	-
Other	128,564	1,796,502
Transfers from other funds	-	-
Transfers to other funds	-	(2,425,148)
	<hr/>	<hr/>
Net cash provided by (used for) noncapital financing activities	128,564	(628,646)
Cash flows from capital and related financing activities:		
Proceeds from bonds or notes payable	-	-
Principal paid on revenue bond maturities and refunded bonds	(18,960,833)	(4,452,623)
Interest and other expenses paid on revenue bond maturities	(2,486,050)	(490,235)
Acquisition and construction of capital assets	(23,550,632)	(9,673,970)
Capital grants received	8,197,891	-
Passenger facilities charges	10,740,970	-
Proceeds from sale (retirement) of property and equipment	4,860	283,346
	<hr/>	<hr/>
Net cash provided by (used for) capital and related financing activities	(26,053,794)	(14,333,482)
Cash flows from investing activities:		
Interest received on investments	323,821	190,653
	<hr/>	<hr/>
Net cash provided by investing activities	323,821	190,653
Net increase (decrease) in cash and cash equivalents	2,814,014	(3,851,858)
Cash and cash equivalents, July 1	125,503,921	31,025,729
Cash and cash equivalents, June 30	<u>\$ 128,317,935</u>	<u>\$ 27,173,871</u>

The accompanying notes are an integral part of these financial statements

Transit Fund	Other Enterprise Funds	Totals	Internal Service Funds
\$ 2,823,269	\$ 15,708,788	\$ 141,302,455	\$ -
5,851,213	136,596	5,987,809.00	119,589,467
(26,918,582)	(8,038,156)	(77,277,584)	(7,221,214)
(16,624,621)	(6,704,378)	(61,192,917)	(79,237,803)
(1,244,235)	(3,453,032)	(7,947,861)	(872,838)
-	-	-	(21,689,487)
2,761,683	312,027	3,073,710	(8,557)
<u>(33,351,273)</u>	<u>(2,038,155)</u>	<u>3,945,612</u>	<u>\$ 10,559,568</u>
-	27,867,345	27,867,345	-
-	(23,261,478)	(23,261,478)	-
-	(2,825,000)	(2,825,000)	-
-	(434,490)	(434,490)	-
-	325,089	2,250,155	-
32,735,038	2,694,000	35,429,038	-
<u>(554,969)</u>	<u>(318,491)</u>	<u>(3,298,608)</u>	<u>(250,000)</u>
<u>32,180,069</u>	<u>4,046,975</u>	<u>35,726,962</u>	<u>(250,000)</u>
-	11,650,000	11,650,000	-
(3,793,347)	(12,807,094)	(40,013,897)	-
(454,657)	(1,095,450)	(4,526,392)	-
(6,569,074)	(719,237)	(40,512,913)	(57,041)
10,949,877	-	19,147,768	-
-	-	10,740,970	-
3,222	-	291,428	23,395
<u>136,021</u>	<u>(2,971,781)</u>	<u>(43,223,036)</u>	<u>(33,646)</u>
<u>(11,825)</u>	<u>32,615</u>	<u>535,264</u>	<u>599,309</u>
<u>(11,825)</u>	<u>32,615</u>	<u>535,264</u>	<u>599,309</u>
(1,047,008)	(930,346)	(3,015,198)	10,875,231
2,880,959	29,595,305	189,005,914	84,277,494
<u>\$ 1,833,951</u>	<u>\$ 28,664,959</u>	<u>\$ 185,990,716</u>	<u>95,152,725</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended June 30, 2012

	Airport Fund	Refuse Disposal Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ 850,301	\$ 10,189,571
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	29,993,143	4,508,554
Miscellaneous income (expense)	-	-
Bad debt expense (recovery)	-	141,700
Provision for landfill liability	-	(336)
Decrease (increase) in assets:		
Receivables	(19,136)	(148,965)
Due from other governments	(1,645,026)	-
Due from other funds	-	-
Inventories of supplies	(88,806)	106,887
Prepaid expenses	243,802	-
Deposits	-	-
Increase (decrease) in liabilities:		
Accounts payable	389,775	(98,275)
Customer deposits	(18,979)	36,574
Accrued landfill closure costs and fuels cleanup	-	-
Accrued employee compensation and benefits	(444,934)	(680,383)
Due to other funds	-	-
Construction and miscellaneous accounts payable	20,441	(3,135,708)
Claims and judgements payable	-	-
Other liability	-	-
Deferred revenue	(865,158)	-
Due to other governments	-	-
Net cash provided by (used for) operating activities	\$ 28,415,423	\$ 10,919,617
Cash and cash equivalents at June 30 consist of:		
Current assets:		
Cash, investments, and accrued interest	\$ 13,054,571	\$ 27,173,871
Cash with fiscal agents	22,825,087	-
Cash held by others	-	-
Restricted assets:		
Cash, investments, and accrued interest	92,438,277	-
Escrow deposits	-	-
Total cash and cash equivalents, June 30	\$ 128,317,935	\$ 27,173,871
Non cash transactions:		
Increase (decrease) in fair value of investments	\$ (12,471)	\$ (1,160)
Amortization of bond issue costs	(182,105)	-
Amortization of bond discounts/premiums	178,872	-
Gain (loss) on disposition of fixed assets	(69,125)	16,415
Increase in accrued land fill closure liability	-	(336)

The accompanying notes are an integral part of these financial statements

Transit Fund	Other Enterprise Funds	Totals	Internal Service Funds
\$ (45,981,162)	\$ (6,588,678)	\$ (41,529,968)	\$ (1,768,149)
11,456,440	4,073,573	50,031,710	131,215
2,761,683	312,027	3,073,710	30,696
(412,156)	39,102	(231,354)	-
-	-	(336)	-
767,082	317,307	916,288	(39,253)
(6,436,642)	-	(8,081,668)	-
(18,284)	-	(18,284)	1,949,150
(286,413)	(1,100)	(269,432)	20,841
(3,959)	(576)	239,267	219,875
-	-	-	(30,941)
(376,171)	(32,709)	(117,380)	562,848
-	(133,767)	(116,172)	-
(717,413)	-	(717,413)	26,723
-	(208,499)	(1,333,816)	(124,201)
5,851,213	185,888	6,037,101	-
46,378	2,238	(3,066,651)	-
-	-	-	5,234,021
-	-	-	3,017,642
(1,869)	(72,089)	(939,116)	-
-	69,128	69,128	586,281
<u>\$ (33,351,273)</u>	<u>\$ (2,038,155)</u>	<u>\$ 3,945,612</u>	<u>\$ 9,816,748</u>
\$ 307,698	\$ 23,079,068	\$ 63,615,208	\$ 95,152,725
-	894,499	23,719,586	-
-	1,301,111	1,301,111	-
1,526,253	3,036,939	97,001,469	-
-	353,342	353,342	-
<u>\$ 1,833,951</u>	<u>\$ 28,664,959</u>	<u>\$ 185,990,716</u>	<u>\$ 95,152,725</u>
\$ (3,520)	\$ (19,180)	\$ (36,331)	\$ (11,564)
-	(138,591)	(320,696)	-
-	-	178,872	-
(35,249)	-	(87,959)	-
-	-	(336)	-

The accompanying notes are an integral part of these financial statements

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CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2012

	<u>Agency Fund</u>
ASSETS	
Cash, investments, and accrued interest	4,273,784
Restricted cash, investments, and accrued interest	1,732,241
Receivables	<u>299,943</u>
Total assets	<u><u>6,305,968</u></u>
 LIABILITIES	
Accounts payable	302,342
Funds held for others	<u>6,003,626</u>
Total liabilities	<u><u>6,305,968</u></u>

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

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**CITY OF ALBUQUERQUE, NEW MEXICO
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CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

I. Summary of significant accounting policies

The financial statements of the City of Albuquerque, New Mexico (City) have been prepared in conformity with generally accepted accounting principles as applied to governmental entities. Significant accounting policies are described below.

A. Reporting entity

The City of Albuquerque, New Mexico (City), was founded in 1706, chartered as a town in 1885, and organized under territorial law as a city in 1891. The City became a charter city in 1917, and the voters approved a home rule amendment to the charter in 1971. In 1974, the electorate voted to establish a mayor-council form of government; the City Council consists of nine council members elected from districts. As a governmental entity, the City is not subject to Federal or State income taxes.

The City provides traditional services such as public safety, culture and recreation, public works, highways and streets, water and sewer services, and refuse collection. In addition, the City operates parking facilities, a transit system, an international airport, and a housing authority.

The accompanying financial statements present the City's primary government (funds, departments and programs) A primary government may be financially accountable for legally separate organizations if its elected officials appoint a voting majority of an organization's governing body, and either it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

In previous years, the City reported Albuquerque Bernalillo County Water Utility Authority (Authority) as a component unit of the City. The three members of the City's nine Council members and the City's mayor sit on the Authority's seven member Board. Because majority of the City's Council are not on the Authority's Board, the City's governing cannot impose its will on the Authority. It is therefore considered to be a stand-alone special-purpose government and is not reported as a component unit of the City. The Authority's Comprehensive Annual Financial Report as of and for the year ended June 30, 2012 is available by contacting the Authority at the following address; Fifth floor, P.O. Box 1293, Albuquerque, NM 87103.

B. Government-wide and fund financial statements

The government-wide financial statements (statement of net assets and statement of activities) report information on all non-fiduciary activities of the City. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Major governmental funds and major enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The agency fund is reported on the accrual basis of accounting and has no measurement focus. Under accrual accounting, revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in

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which the City gives or receives value without directly receiving or giving equal value in exchange, include gross receipts and property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes, net of estimated refunds and uncollectible amounts, are recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Intergovernmental revenues from federal sources are \$14,751,133 and state sources are \$231,617,238 on the Statement of Revenues, Expenditures, and Changes in Fund Balances.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers revenues to be available if they are collected in the current period or within one month following the year-end. Revenues not considered available are recorded as deferred revenues. Governmental funds generally report expenditures when the related fund liability is incurred. However, expenditures for vacation and sick leave, and claims and judgments are recognized only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds and proceeds of long-term debt are reported as other financing sources.

Property taxes, gross receipts taxes, motor vehicle taxes, cigarette taxes, gasoline taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Gross receipts tax revenue is recognized when the underlying exchange transaction takes place. A small portion of the gross receipts tax revenue is derived from an estimate of delinquent taxes not yet collected and available. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The allocation of indirect expenses on the statement of activities is based on the relative usage by the function charged to all functions for services rendered by all central service activities of the general government such as accounting, information services, treasury, budgeting, and other central services.

The City reports the following major governmental funds:

General Fund. This fund is the City's primary operating fund and is used to account for the general operations of the City and for all financial resources except those accounted for in another fund.

General Obligations Bond Debt Service Fund. This fund accounts for the monies set aside for the payment of principal and interest of general obligation bonds. The principal source of revenue is property taxes.

Capital Acquisition Fund. This fund accounts for capital projects for which financing is provided by the sale of general obligation and revenue bonds, miscellaneous revenues and various grants.

The City reports the following major proprietary (enterprise) funds:

Airport Fund. This fund accounts for the operations of the Albuquerque International Sunport.

Refuse Disposal Fund. This fund accounts for the general operations of providing refuse removal services.

Transit Fund. This fund accounts for the operations of the City's Sun Tran bus system.

The City reports the following fund types:

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

Debt Service Funds. To account for the accumulation of resources for, and the payment of, general and special assessment long-term principal, interest, and related costs.

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Capital Projects Funds. To account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Enterprise Funds. These funds account for resources generally through services for which the City charges. These funds report on the full accrual basis of accounting.

Permanent Funds. These funds account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support specific programs.

Internal Service Funds. These funds account for inventory warehousing and issues; worker's compensation, tort and other claims; vehicle maintenance and motor pool services; and communication services to City departments. In addition, these funds provide health insurance coverage to City employees.

Agency Funds. These funds account for monies held by the City in a custodial capacity on behalf of third parties or other agencies.

Financial Accounting Standards Board (FASB) Statements and interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow FASB Statements and interpretations issued after November 30, 1989.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions are charges for risk management and various other functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. Principal operating revenues, such as charges for services, result from exchange transactions in which each party receives and gives up essentially equal values. Operating expenses include the cost of services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues or expenses. These include operating subsidies, investment earnings, interest expense, and transactions that result from non-exchange transactions or ancillary activities.

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

A significant portion of the cash and investments of funds of the City is pooled for investment purposes under the provisions of City ordinance and investment policy. The policy states that the City shall invest cash balances over the anticipated amount needed to meet operating requirements. Investments are recorded at fair value. The balance reported for each participating fund as "Cash, Investments, and Accrued Interest" represents the equity of that fund in the pooled cash, investments, and accrued interest. Interest earnings on pooled investments are allocated to the participating funds based on average daily balances.

The investment policy states that the City will not commit any funds invested in the pool to maturities longer than three years from the date of purchase, except investments held to meet legal reserve requirements on bond indebtedness. The maturity date of these investments will not exceed the final maturity date of the bond issue to which they are pledged. Funds are invested on the basis of a minimum of three bids and/or offers. Certificates of deposit are based on competitive rates for specified maturities.

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All investments are valued at quoted market prices except for the investment in Special Assessments District bonds and in State of New Mexico Mortgage Finance Authority bonds that are computed at amortized cost approximating market value.

Investments in the State of New Mexico local government investment pool (LGIP) are valued at fair value based on quoted market prices as of the valuation date in accordance with GASB Statement No. 31. The LGIP is not SEC registered. The State Treasurer is authorized to invest the LGIP, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10 1 through 6-10-10 P and Sections 6-10-10.1A and E, NMSA 1978. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest 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 LGIP is voluntary. This pool is subject to the standards set forth in the State Treasurer's Local Government Investment Policy document incorporated in and made a part of the State Treasurer's Investment Policy document. The Independent Auditors' Report, together with the Financial Statements, the accompanying Notes to the Financial Statements and the Independent Auditors' Report on Compliance and Internal Controls are available from the State Investment Council, 2055 South Pacheco Street, Suite 100, Santa Fe, New Mexico 87505, upon written request.

The following categories of investments are specifically authorized by the City's policy:

Repurchase agreements - secured by collateral, which is delivered to a third-party safekeeping institution, with a market value equal to or greater than the value of the agreement.

U.S. Treasury obligations - bills, notes, and bonds.

Obligations of Federal agencies or instrumentalities - interest bearing or discount form.

Municipal bonds - rated in any of the three highest major rating categories by one or more nationally recognized rating agencies.

The following categories of deposits are specifically authorized by the policy:

Checking accounts - at insured financial institutions.

Certificates of deposit - subject to restrictions set forth in the City's Fiscal Agent Ordinance (City policy requires a minimum of 50% security consisting of insurance and/or collateral).

2. Receivables and payables

Lending and borrowing arrangements between funds that are expected to be paid back within a year are referred to as "due to/from other funds." Lending/borrowing arrangements not expected to be paid back within a year are referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a fund balance non-spendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Proprietary fund receivables are recorded as revenue when earned including services earned but not billed, however the receivables of proprietary funds include billing for residential and commercial customers for City refuse services, consignment sales of bus tokens for transit services, space rental fees from commercial customer at the airport and baseball stadium, and from tenant rental fees for City Housing services. The allowance for doubtful accounts is based on management's assessment of the collectability of specific customer accounts, the aging of the accounts receivables, and historical experience. All property tax receivables are shown net of an allowance for uncollectibles.

3. Inventories and prepaid items

The inventories in the general fund consist of fuel, vehicle parts, and fluids. Inventories of supplies are valued at average cost. Inventory items are expensed when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

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4. Land held for sale

Land held for sale consists primarily of approximately 4,865 acres located throughout the State of New Mexico obtained by trade with the federal government in July 1982, as part of the Acquisition and Management of Open Space Permanent Fund. Upon sale of these properties, a portion of the gain, if any, as defined in an agreement, is payable to a third party. Other land was obtained through foreclosure proceedings required by special assessment bond ordinances. The land for sale is valued at estimated fair market value, based on appraisals completed near the date of acquisition updated for property tax assessed values.

For the government-wide financial statements, the City recognizes income on real estate sales by recording the entire gross profit on sales that meet the requirements for the accrual method. Transactions that do not meet the requirements for the accrual method are recorded using the deposit method or installment method until the requirements for the accrual method are met. Under the deposit method, cash received is recorded as a deposit. Under the installment method, the City records the entire contract price and the related costs at the time the transaction is recognized as a sale, but the gross profit is deferred and recognized as payments are received on the related contract receivable. In the financial statements for the governmental funds, the City recognizes income from the sale of real estate when the principal on mortgage contracts are collected. At the time of the sale, the principal on the real estate contracts are recorded as deferred revenue.

5. Capital assets

Capital assets, which include land, land improvements, buildings and improvements, machinery and equipment, construction in progress, rights of way and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and estimated useful life in excess of one year in accordance with State of New Mexico Administrative Code requirements in excess of \$5,000. Capital assets are recorded at historical cost or estimated historical cost. Software is capitalized when acquired while library books are not capitalized because the aggregated cost of books is immaterial. Donated capital assets are recorded at estimated fair market value at the date of donation.

In accordance with provisions of GASB Statement 34, works of art and historical treasures are not capitalized because those are: 1) held for public exhibition rather than for financial gain, 2) protected, kept unencumbered, cared for, and preserved, and 3) all proceeds from the sale of collection items are required to be used to acquire other items for collections.

Capital outlay is 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. Interest incurred during the construction phase of capital assets of the business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Infrastructure assets consist of the streets network: landscaped medians, roadways, right of ways, bridges, signals, beacons, trails, and trail bridges; and the storm network: easements, drainage pipes, lift stations, bridges, dams, detention basins, right of ways, and arroyo easements right of ways. Streetlights managed by the local electric utility, sidewalks, traffic signs, dirt roads and milling roads are not considered infrastructure.

Capital assets, which are financed by general obligation bonds (to be repaid solely from property tax levies) for use by a proprietary fund, are reported as construction in progress in the government-wide financial statements during construction. The asset, when placed in service, is transferred at historical cost to the proprietary fund as a capital contribution from the City.

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Buildings and improvements, infrastructure, and machinery and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	15- 50 years
Runways and other improvements	15-25 years
Infrastructure	35-50 years
Improvements other than buildings	15-20 years
Machinery and equipment	3-13 years

6. *Deferred charges and other assets*

Costs incurred in connection with the issuance of bonds are capitalized and are reported as deferred bond issuance costs. These costs are amortized over the remaining maturity period of the related bond issues under a method that approximates the level interest rate method.

7. *Risk Management*

Risk management activities are reported in the City's Risk management fund, a non-major internal service fund. Liabilities for workers' compensation, tort and other claims as of June 30, 2012 are accrued based on actuarial estimates and on a case-by-case evaluation of the probable outcome of claims filed against the City, as well as an estimate of claims incurred but not reported. The long-term portion of the liability is discounted at 2.5% over the estimated payment period. Revenues consist primarily of charges to other funds, the amounts of which approximate the cost of claims and other risk management costs arising from the activities of those funds.

8. *Compensated absences*

Subject to specific limits, employees accumulate vacation pay that is payable upon termination or retirement. For governmental funds, expenditures are recognized during the period in which vacation costs become payable from available, expendable resources. A liability for amounts earned but not payable from available, expendable resources is reported in the government-wide financial statements. For proprietary funds, vacation costs are recognized as a liability when incurred.

City employees also accumulate specified amounts of sick leave that are payable to the employee upon termination or retirement. For governmental funds, expenditures are recognized during the period in which sick leave costs become payable from available, expendable resources. A liability for vested amounts, due to employees meeting the termination or retirement requirements, but not payable from available, expendable resources is reported in the government-wide financial statements. For proprietary funds, accumulated sick leave pay is recognized when vested or taken whichever occurs first.

9. *Deferred revenue*

In governmental funds, tax revenue not collected within one month following year end are deferred. The City also defers revenue on rehabilitation loans, construction loans, economic development loans and special assessments. Revenue is recognized as the receivables are collected. In addition, deferred revenue includes moneys collected for food service and license fees, not yet earned.

10. *Special assessments*

Special assessment receivables are recorded upon approval of the assessment roll by the City Council, and the related revenues, interest, and penalties are recognized when due. City participation revenues are recorded at the time of receipt.

11. *Long-term obligations*

Long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Long-term obligations used to finance proprietary fund capital acquisitions and payable from revenue of proprietary funds are recorded in the applicable proprietary fund. Long-term obligations of

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governmental funds payable from general revenues of the City and special assessment levies are reported in the government-wide financial statements.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. 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, 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.

12. Net assets

The government-wide and proprietary fund net assets are categorized as follows:

Investment in capital assets, net of related debt – This category reflects the portion of net assets that are associated with capital assets less outstanding capital asset related debt.

Restricted net assets – Restricted net assets result from constraints placed on the use of net assets when externally imposed by creditors, grantors, laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Net assets are restricted for debt service, construction, housing and economic development, federal and state funded programs, and open space and urban enhancement. The government-wide statement of net assets reports \$278,356,350 of restricted net assets, of which \$26,345,362 is restricted by enabling legislation.

Unrestricted net assets – This category reflects net assets of the City, not restricted for any project or other purpose.

13. Fund Balance

Fund balances are reported in classifications comprising a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. During 2011, the City implemented the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Accordingly, the accompanying financial statements report the following categories of Fund Balance: Non-spendable, Restricted, Committed, Assigned, and Unassigned.

Non-spendable fund balance includes amounts that cannot be spent because they are not in spendable form or funds contractually required to be maintained intact. Non-spendable fund balance includes advances between funds, prepaid expenses, long term receivables, and land held for resale because these items are not yet spendable.

Restricted fund balance is constrained externally by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Restricted fund balances are associated with various purposes, including public safety, culture and recreation, human services, and debt service.

Committed fund balance includes amounts that can be used for specific purposes pursuant to constraints imposed by formal action of the government's highest decision making authority. The funds cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action employed to previously commit those amounts. The City includes funds that have been appropriated for various purposes by City Council and have been contractually obligated.

Assigned fund balance includes amounts that are constrained by the Office of Management and Budget to be used for specific purposes, but are neither restricted nor committed. These include miscellaneous capital projects, debt service, and general government.

Unassigned fund balance is the residual classification for the General Fund. The City includes funds that are not classified as non-spendable, restricted, committed or assigned.

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Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to reports as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of the unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The constraints place on fund balance for the General Fund, Capital Projects Funds, and all other funds are detailed in the table below:

<u>Fund Balance Category</u>	<u>General Fund</u>	<u>Capital Acquisition Fund</u>	<u>GO Bond Debt Service Fund</u>	<u>Other Funds</u>	<u>Total</u>
Nonspendable:					
Prepaid Expenses	27,989	-	-	-	27,989
Long Term Receivables	-	-	-	1,375,596	1,375,596
Land Held for Resale	-	-	-	10,086,398	10,086,398
<u>Permanent Fund Principal Investment</u>	-	-	-	18,340,975	18,340,975
Total nonspendable fund balances	27,989	-	-	29,802,969	29,830,958
Restricted for:					
General Government	-	20,709,163	-	4,280,802	24,989,965
Public Safety	-	37,936,827	-	2,809,686	40,746,513
Culture and Recreation	-	46,694,012	-	-	46,694,012
Municipal Development\Public Works	-	22,400,612	-	70,723	22,471,335
Highways and Streets	-	70,175,611	-	48,340,804	118,516,415
Health	-	-	-	1,216,911	1,216,911
Human Services	-	21,620,047	-	1,515,487	23,135,534
Housing	-	-	-	62,124	62,124
Debt Service	-	-	6,302,733	7,989,972	14,292,705
Total restricted fund balances	-	219,536,272	6,302,733	66,286,509	292,125,514
Committed to:					
Capital Projects	-	-	-	996,146	996,146
Culture and Recreation	-	-	-	2,484,399	2,484,399
Housing	-	-	-	10,490,431	10,490,431
Public Safety	-	-	-	4,054,746	4,054,746
General Government	41,400,000	-	-	1,861,240	43,261,240
Debt Service	-	-	-	4,912,616	4,912,616
Total committed fund balances	41,400,000	-	-	24,799,578	66,199,578
Assigned to:					
Capital Projects	-	-	-	1,000,383	1,000,383
General Government	-	-	-	-	-
Total assigned fund balances	-	-	-	1,000,383	1,000,383
Unassigned:					
	17,796,410	-	-	(3,654)	17,792,756
Total Fund Balances	59,224,399	219,536,272	6,302,733	121,885,785	406,949,189

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14. *Statement of cash flows*

For purposes of the statement of cash flows, pooled cash and investments (including restricted assets) of the City are considered to be cash equivalents although they include investments with a maturity in excess of three months when purchased because they have the characteristics of demand deposits for each individual fund. Non-pooled investments with original maturities of three months or more are deducted from cash, investments, and accrued interest and changes therein are reported as cash flows from investing activities.

15. *Estimated amounts reported in financial statements*

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

16. *Bond premiums/issuance costs*

In governmental fund types, bond premiums and issuance costs are recognized in the current period. Bond premiums are presented separately as other financing sources.

17. *Inter-fund transactions*

Transactions that would be recorded as revenues, expenditures, or expenses if they involved organizations external to the City are similarly treated when involving other funds of the City. These transactions include charges for administrative services, building rental, risk management services, vehicle maintenance and motor pool services, inventory and office services, retirees' health care, and payments in lieu of taxes. Other authorized transfers between funds are recorded as transfers and are included in the determination of the results of operations in the governmental, proprietary, and fiduciary funds.

18. *New accounting pronouncements*

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2012:

- GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.
- GASB Statement No. 66, *Technical Corrections – 2012*.
- GASB Statement No. 67, *Financial Reporting for Pension Plans*.
- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

The City will implement the new GASB pronouncements in the fiscal year no later than the required effective date.

Except as discussed in the following paragraph, the City believes that the above listed GASB pronouncements will not have a significant financial impact to the City.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, becomes effective in the fiscal year ending June 30, 2015. The new standard will substantially change accounting and financial reporting for the City's participation in the Public Employees Retirement System (PERA), a cost sharing multiple-employer defined benefit retirement plan. The new standard will require the City's financial statements that use the economic resources measurement focus and accrual accounting to recognize a liability for the City's proportionate share of PERA's net pension liability, and to recognize pension expense, and to report deferred outflows of resources and deferred inflows of resources related to pensions, for its proportionate shares of PERA's collective pension expense and collective deferred outflows of resources and deferred inflows of resources.

19. *Reclassifications*

Certain reclassifications of prior year information have been made to conform to the current period.

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II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

General obligation bonds payable	\$ (299,645,000)
Sales tax revenue bonds and notes payable	(123,585,000)
Fire fund loan	(1,393,530)
Deferred refunding costs	3,866,896
Unamortized bond premiums	(19,016,175)
Deferred bond issue costs	2,667,670
Accrued rebatable arbitrage payable reported as deferred credit	(887,310)
Compensated absences	<u>(32,529,996)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ (470,522,445)</u>

Another element of the reconciliation involves taxes receivable and other amounts that are not available to pay for the current period’s expenditures, are as follows:

Gross receipts tax	\$ 26,201,633
Property taxes	5,302,561
Franchise taxes	1,355,593
Gasoline taxes	475,889
Motor Vehicle taxes	157,544
Rehab and developer loans	7,551,765
Special assessments	789,284
Amounts due on real estate contracts	2,727
Miscellaneous revenue	<u>146,370</u>
Net adjustment to governmental fund balance to arrive at net assets of governmental activities	<u>\$ 41,983,366</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that, “Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference, which excludes internal service funds, are as follows:

Capital asset additions, depreciated and non-depreciated	\$ 195,004,599
Construction work in process and other reclassified to fixed assets	(72,166,790)
Depreciation expense	(85,497,163)
Net gain (loss) on disposition of capital assets	<u>(473,418)</u>
Net adjustment to decrease net changes in fund balances – total Governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 36,867,228</u>

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Another element of that reconciliation states that, “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.” Neither transaction, however, has any effect on net assets. The details of this difference are as follows:

Debt issued or incurred:	
Issuance of bonds, loans and related premiums	\$ (114,802,644)
Deferred bond issue costs	736,218
Deferred credits and other liabilities	(12,105)
Amortization:	
Deferred refunding costs	(244,033)
Bond discount	(928,137)
Bond premium	4,330,570
Bond issue costs	(492,542)
Principal reductions, net of premiums and discounts:	
General obligation bonds	49,615,000
Gross receipts tax revenue bonds	6,777,891
Fire Fund Loan	48,095
Payment to refunded bond escrow agent	11,329,688
Net adjustment to decrease net changes in fund balances –	
Total governmental funds to arrive at changes in net assets of governmental activities	<u>(43,641,999)</u>

Under the modified accrual basis of accounting used in the governmental funds, revenue is recognized when available to provide financing resources for the current period. Likewise, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, which is presented on the accrual basis, revenues and expenses are reported regardless of when financial resources are available.

Gross receipts taxes	\$ 14,384
Franchise taxes	61,961
Property taxes	(469,940)
Gasoline taxes	(272,520)
Motor vehicle taxes	(8,001)
Cigarette taxes	(153)
Collections on real estate contracts, rehab and developer loans, net of deferred gains	(2,874)
Special assessments	(498,592)
Other deferred revenues	(70,058)
Net adjustment to decrease net changes in fund balances – total	
governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (1,245,793)</u>

III. Stewardship, compliance and accountability

A. Budgetary information

Annual budgets for the General Fund, the following special revenue funds: Community Development; Fire; Recreation; Lodger’s Tax; Hospitality Tax; Culture and Recreation Projects; Albuquerque Biological Park; City Housing; Air Quality; HEART Ordinance; Operating Grants; Metropolitan Redevelopment; Housing and Neighborhood Economic Development; Law Enforcement Protection; Photo Enforcement Red Light; Gas Tax Road; City/County Facilities; Vehicle Equipment and Replacement; Acquisition and Management of Open Space Expenditures; and Urban Enhancement Expenditures; and certain Debt Service Funds are departmental appropriations by program, the level at which expenditures may not legally exceed appropriations. Budgets were also prepared for the Infrastructure Tax and Impact Fees Capital Projects Funds. Budgets of each function and program include both current expenditures as well as capital expenditures. The annual budget approved by the City Council also includes proprietary funds. Budgets are adopted consistent with the

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basis of accounting described in Note I. C. As required by the home rule City charter, the annual budget is formulated by the Mayor and submitted to the City Council by April 1 for the fiscal year commencing July 1. When there is a proposal for a change in rates or fees, City ordinances provide that the Mayor shall submit the operating budget for the Refuse Disposal, Golf, and Aviation enterprise funds to the City Council no later than March 1. Public hearings are conducted to obtain citizen comments on the proposed budget. By June 1, the budget is adopted through passage of an appropriation resolution by the City Council.

The Mayor has the authority to change individual program appropriations by the lesser of five percent of the original appropriation or \$100,000, provided that the total amount of appropriations for the fund, as approved by the City Council, does not change. Approved appropriations lapse at the end of the fiscal year to the extent that they have not been expended or encumbered except any appropriation continued by ordinance. An annual budget, which is not legally adopted, for the City of Albuquerque Housing Authority is prepared in accordance with the Department of Housing and Urban Development regulations on an accrual basis and includes both operating and debt service activities as a single budget. The Special Assessments Debt Service Fund spending is controlled primarily through bond indenture provisions and the Capital Projects Funds do not have annual budgets.

B. Deficit fund equity

As of June 30, 2012, the Impact Fees Construction capital projects fund has a fund balance deficit of \$3,654. The deficit is a result of a change in accounting for unspent impact fees that was discovered and corrected during fiscal year 2011 and a change in market value of interest on investments. The deficit may change in future years due to fluctuations in the market value of investments.

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IV. Detailed notes on all funds

A. Cash and investments

Cash, investments and accrued interest and cash with fiscal agents at June 30, 2012, consist of the following:

(In thousands of dollars)

	City of Albuquerque				Related Organization
	Governmental Activities	Business- type Activities	Fiduciary Funds	Total	
Held with fiscal agents, net of unamortized discounts and premiums:					
Repurchase agreements	\$ 56,317	\$ 23,217	\$ 498	\$ 80,032	\$ 4,774
U.S. Treasury obligations	18,285	5,004	161	23,450	1,550
Obligations of federal agencies or instrumentalities	240,237	65,740	2,123	308,100	20,365
State of New Mexico local government investment pool	-	8,036	-	8,036	-
Held in trust by Wells Fargo Bank in U.S. Treasury Fund	497	2,341	-	2,838	-
Total investments	315,336	104,338	2,782	422,456	26,689
Certificates of deposit	191,625	52,438	1,693	245,756	16,244
Demand deposits	34,273	28,701	1,526	64,500	31,820
Total bank deposits	225,898	81,139	3,219	310,256	48,064
Accrued interest receivable	533	146	5	684	45
Imprest cash funds	84	15	-	99	-
Escrow deposits	-	353	-	353	-
Total cash, investments, accrued interest and cash with fiscal agents	\$ 541,851	\$ 185,991	\$ 6,006	\$ 733,848	\$ 74,798
Financial statement presentation:					
Unrestricted cash, investments and accrued interest:					
Cash, investments and accrued interest	\$ 328,890	\$ 36,478	\$ 4,274	\$ 369,642	\$ 41,251
Cash, investments held for debt service	63,408	28,523	-	91,931	35,547
Cash held by others	161	1,301	-	1,462	-
Total unrestricted cash, investments and accrued interest	392,459	66,302	4,274	463,035	74,798
Restricted noncurrent cash, investments and accrued interest:					
Cash, investments and accrued interest	149,392	119,336	1,732	270,460	-
Escrow deposits	-	353	-	353	-
Total restricted cash, investments, accrued interest	149,392	119,689	1,732	270,813	-
Total cash, investments, accrued interest and cash with fiscal agents	\$ 541,851	\$ 185,991	\$ 6,006	\$ 733,848	\$ 74,798

Related Organization. The Albuquerque Bernalillo County Water Utility Authority (Authority) is a related organization, but not including to the City. Under the terms of a Memorandum of Understanding between the City and the Authority, the City provides certain administrative services to the Authority including cash management and investing. A portion of the cash, investments and interest in the City's internal investment pool are assets of and are held for the Authority. The policies stated herewith for the City's investments, also govern the Authority's investments.

Custodial credit risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's funds may not be returned to it. The City is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to one half of the public money in each account (Section 6-10-17 NMSA 1978). No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2012, \$41,298 of the City's bank balances of \$363,085,914 was exposed to custodial credit risk.

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Custodial credit risk – Investments. Custodial credit risk with respect to investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City’s investment policy requires that all security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery-versus-payment basis. The investment policy further requires that all collateral securities held by a third party custodian, designated by the City Treasurer, shall be held in the City’s name and evidenced by a safekeeping receipt or Federal Reserve book-entry reporting.

Credit risk. Credit risk is the risk that in the event an issuer or other counterparty to an investment does not fulfill its obligations, the City will not be able to recover the value of its principal. As a home rule city, the City’s general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. The City’s Investment Committee annually reviews its asset allocation strategies and guidelines for the percentage of its total portfolio that may be invested in securities other than repurchase agreements, U.S. Treasury bills and notes or insured/collateralized certificates of deposit. As part of the City’s allocation evaluation, these guidelines are reviewed periodically, considering the probability of market and default risk in various investment sectors. The City’s investment policy describes permitted investments as those allowed for municipalities with a population in excess of 65,000 per Section 10-10-10 of the Statutes of the State of New Mexico. Among permitted investments, the investment policy requires that 1) repurchase agreements have a collateralized value of 102% of the par value of the agreement, and 2) certificates of deposit with local banks be fully insured by the FDIC. Investments in direct obligations of the U.S. Treasury are permitted as are securities of the U.S. Government agencies denoted in Section 6-10-10 F (2) of the State Statutes. At June 30, 2012, the City’s internal investment pool held investments in fully-collateralized overnight repurchase agreements (repos), a fully-insured money market account, U.S. Treasury Securities, and U.S. Government agency notes.

In 2009, the City’s internal investment pool liquidated its position in the New Mexico State Treasurers Office (STO) Local Government Investment Pool (LGIP). However, at June 30, 2012 the City continued to hold \$134,524 in the STO’s “Reserve Contingency Fund” which represented the maximum potential loss from assets previously held in the LGIP’s Primary Money Market Fund. The City does not expect any further recoveries from the reserve and has accrued the remaining balance as a loss. The City’s Housing Authority Fund continued to hold a non-pooled position in the STO LGIP Fund of \$8,032,095 and a balance in the Reserve Contingency Fund of \$3,886.

Concentration of credit risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. The City’s investment policy states the City will develop diversification strategies to avoid incurring concentration risk. The following general policies and constraints shall apply: With the exception of collateralized repos, U.S. Treasury securities, and authorized pools (comprising the “liquidity segment” of the portfolio), no more than 50% of the residual investment portfolio (the “core segment”) will be invested in a single issue or at a single maturity. At June 30, 2012, the City’s core segment is invested in debt securities issued by four Government Sponsored Entities (GSEs): the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Farm Credit Bank and the Federal Home Loan Mortgage Corporation. These investments comprise 18%, 39%, 3%, and 40% respectively, of the core segment residual. Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity range. At June 30, 2012, liquidity and core segment maturities are allocated as follows: 0-12 months – 7%; 1-2 years – 0%; 3-5 years – 93%.

Summarized information concerning the GSE investments is as follows:

U.S. Agency Investments (summarized by GSE)	Wtd. Avg. Days to Maturity	Weighted Average Days to Call	Standard & Poor’s Rating	Moody’s Rating
Federal Home Loan Banks	978	141	AA+	Aaa
Federal National Mortgage Association	1,000	270	AA+	Aaa
Federal Home Loan Mortgage Corporation	1,037	314	AA+	Aaa
Federal Farm Credit Bank	824	19	AA+	Aaa

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Repo holdings (collateral) consisted of U.S. Agency securities permitted under Section 6-10-10 N.M.S.A. 1978, and by the City's investment policy.

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the City's investments. The City's investment policy limits the City's exposure to interest rate risk by requiring that no less than 80% of the funds invested in the core segment of the internal investment pool or in other discretionary funds be in maturities of no more than three years from date of purchase. No more than 20% of the funds may be invested in maturities between three and five years. Investment of non-discretionary assets, including funds to be held in trust, may be committed to maturities up to ten years from the date of purchase. The weighted average maturity of the investments in the internal investment pool's core segment at June 30, 2012 was 1,005 days. The weighted average days to call of the core segment was 256 days.

Pledged Collateral by Bank. The City is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to one half of the public money in each account (Section 6-10-17 NMSA 1978). No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). The FDIC provides insurance of \$250,000 per depositor, per insured bank. Effective December 31, 2010 through December 31, 2012, at all FDIC-insured institutions, deposits held in noninterest bearing transaction accounts are fully insured regardless of the amount in the account, according to the Dodd-Frank Wall Street Reform and Consumer Protection Act. FDIC deposit insurance and pledged collateral by bank (in thousands) at June 30, 2012 were as follows:

	US Bank	Bank of America	Bank of the West	Wells Fargo Bank	NM Bank & Trust	Bank of Albuquerque
Total amount on deposit	\$ 703	\$ 94,541	\$ 262,060	\$ 1,922	\$ 905	\$ 2,955
Less FDIC coverage	620	94,541	250	1,922	800	2,955
Total uninsured public funds	83	-	261,810	-	105	-
50% collateral requirement	41	-	130,905	-	53	-
Pledged securities, fair value	-	-	263,940	-	293	-
Pledged in excess of (less than) requirement	\$ (41)	\$ -	\$ 133,035	\$ -	\$ 240	-

B. Receivables

Taxes receivable at June 30, 2012 are from the following sources:

Gross receipts tax	\$ 56,308,427
Property tax	7,367,471
Lodgers tax	1,285,270
Hospitality tax	191,880
Other taxes	4,193,202
Total	<u>\$ 69,346,250</u>

The property taxes above include a receivable of \$3,416,183 in the General Obligation Debt Service Fund and \$3,951,288 in the General Fund.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied each year on July 1 on the taxable valuation of property located in the City as of the preceding January 1. The Bernalillo County Assessor and the State of New Mexico Department of Taxation and Revenue determine the taxable valuations for the various classes of property at one-third of assessed valuation. Property in the City for the fiscal year 2012 tax levy had a taxable value of \$11,951,429,844. The State Constitution limits the rate of taxes for operating purposes for all taxing jurisdictions to 20 mills (\$20 per \$1000 assessed valuation), of which the City's portion, by state regulation, is limited to 7.650 mills for operations and 12.0 mills for each debt service obligation. The general obligation bond debt service levy for Tax Year 2011 (Fiscal Year 2012) is 4.976 mills and the operational levy is 6.544 mills on residential property and 6.544 mills on

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commercial property. Taxes are payable in two equal installments on November 10 and April 10 and become delinquent after 30 days.

Accounts receivable and allowance for uncollectible accounts

Included on page 23, "Statement of Net Assets", are balances of receivables which are reported net of allowances for uncollectible accounts. The amounts of these receivables and allowances as of June 30, 2012, are as follows:

	<u>Total Receivables</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivables</u>
Current Portion of Accounts and Notes Receivable:			
Governmental activities:			
Major funds:			
General Fund	\$ 2,691,194	\$ 929,224	\$ 1,761,970
Capital Acquisition Fund	2,435	-	2,435
Nonmajor governmental funds	22,321,034	22,066,831	254,203
Internal Service Funds	152,448	81,958	70,490
Total governmental activities	\$ 25,167,111	\$ 23,078,013	\$ 2,089,098
Business-type activities:			
Major funds:			
Airport	\$ 4,491,270	\$ 732,238	\$ 3,759,032
Refuse Disposal	5,390,217	1,594,055	3,796,162
Transit	1,021,552	61,157	960,395
Nonmajor enterprise funds	2,317,905	838,720	1,479,185
Total business-type activities	\$ 13,220,944	\$ 3,226,170	\$ 9,994,774
	<u>Total Receivables</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivables</u>
Long-term Accounts and Notes Receivable:			
Governmental activities:			
Nonmajor funds:			
Rehabilitation loans	\$ 1,828,243	\$ 141,182	\$ 1,687,061
Developer loans	5,779,204	-	5,779,204
Special assessments debt service	1,155,299	-	1,155,299
Total governmental activities	\$ 8,762,746	\$ 141,182	\$ 8,621,564
Restricted assets – Accounts Receivable – Developers:			
Business-type activities:			
Nonmajor funds:			
Developer loans	\$ 1,997,487	\$ 114,562	\$ 1,882,925
Major funds:			
Grant receivables	116,014	-	116,014
Total business-type activities	\$ 2,113,501	\$ 114,562	\$ 1,998,939

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C. Capital assets

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

<u>Governmental Activities</u>	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2012
Assets not being depreciated:				
Land	\$ 291,530,030	\$ 4,924,578	-	\$ 296,454,608
Construction in progress	74,799,122	72,565,427	72,166,790	75,197,759
Right of way	1,145,191,667	-	-	1,145,191,667
Other	-	-	-	-
	<u>1,511,520,819</u>	<u>77,490,005</u>	<u>72,166,790</u>	<u>1,516,844,034</u>
Assets being depreciated:				
Buildings	382,394,500	20,169,223	-	402,563,723
Infrastructure	1,834,431,630	62,284,251	-	1,896,715,881
Improvements	544,594,389	27,829,656	-	572,424,045
Machinery and equipment	156,234,859	7,320,237	11,430,462	152,124,634
	<u>2,917,655,378</u>	<u>117,603,367</u>	<u>11,430,462</u>	<u>3,023,828,283</u>
Less accumulated depreciation:				
Buildings	83,605,457	9,728,112	-	93,333,569
Infrastructure	617,221,815	46,403,779	-	663,625,594
Improvements	268,749,587	18,252,142	-	287,001,729
Machinery and equipment	128,191,275	11,261,406	10,904,293	128,548,388
	<u>1,097,768,134</u>	<u>85,645,439</u>	<u>10,904,293</u>	<u>1,172,509,280</u>
Capital assets being depreciated, net	<u>1,819,887,244</u>	<u>31,957,928</u>	<u>526,169</u>	<u>1,851,319,003</u>
Total capital assets, net	<u>\$ 3,331,408,063</u>	<u>\$ 109,447,933</u>	<u>\$ 72,692,959</u>	<u>\$ 3,368,163,037</u>

In fiscal year 2012, \$53.8 million of street infrastructure was placed into service along with \$8.5 million of storm infrastructure. Of this amount, \$6.0 million was dedicated street infrastructure and \$1.5 million was dedicated storm infrastructure. The construction in progress consists of expenditures made by the capital acquisition, infrastructure tax, and impact fee funds. \$72.2 million was placed into service during Fiscal Year 2012. The following was placed in service: \$20.2 million buildings, \$27.8 million non-structural, \$4.9 million land, and \$62.3 million of infrastructure. Machinery and equipment purchases totaled \$7.3 million, of which \$2.9 million was for public safety, and \$2.0 million was for public works.

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<u>Business-type activities</u>	Balance July 1, 2011 <small>(as restated, Note IV.O)</small>	Increases	Decreases	Balance June 30, 2012
Assets not being depreciated:				
Land	\$ 55,636,384	\$ 1,239,033	\$ -	\$ 56,875,417
Land and improvements acquired from the U.S Air Force	7,630,077	-	-	7,630,077
Other	955,200	-	-	955,200
Construction work in progress	9,540,764	16,086,594	6,472,654	19,154,704
Total assets, not being depreciated	<u>73,762,425</u>	<u>17,325,627</u>	<u>6,472,654</u>	<u>84,615,398</u>
Assets being depreciated:				
Buildings and improvements	448,027,046	7,216,960	-	455,244,006
Runways and improvements	289,427,520	1,787,715	-	291,215,235
Infrastructure	4,549,533	1,603,938	-	6,153,471
Improvements other than buildings and runways	220,290,478	3,632,594	430,157	223,492,915
Machinery and equipment	168,035,622	17,102,997	6,181,205	178,957,414
Total assets, being depreciated	<u>1,130,330,199</u>	<u>31,344,204</u>	<u>6,611,362</u>	<u>1,155,063,041</u>
Less accumulated depreciation:				
Buildings and improvements	228,775,083	10,515,562	-	239,290,645
Runways and improvements	216,242,215	10,451,064	-	226,693,279
Infrastructure	529,509	175,813	-	705,322
Improvements other than buildings and runways	127,451,432	12,861,174	-	140,312,606
Machinery and equipment	114,889,443	17,276,811	6,106,409	126,059,845
Total accumulated depreciation	<u>687,887,682</u>	<u>51,280,424</u>	<u>6,106,409</u>	<u>733,061,697</u>
Capital assets being depreciated, net	442,442,517	(19,936,220)	504,953	422,001,344
Total capital assets, net	<u>\$ 516,204,942</u>	<u>\$ (2,610,593)</u>	<u>\$ 6,977,607</u>	<u>\$ 506,616,742</u>

In 2012, the Aviation fund placed into service \$5.0 million in improvements, which included \$1.5 million in rental car building renovation, \$1.4 million for terminal roofing, replacement of escalators, refurbishing jet bridges, and replacement of cooling towers; \$3.6 million in buildings for security check point reconfiguration, and \$3.5 million in equipment, which included \$2.1 million in solar panels. The Refuse fund placed into service \$7.7 million in heavy equipment. The Transit fund placed into service \$3.0 million in heavy-duty vehicles.

The construction work in progress increased by \$9.6 million. The construction work in progress consists of expenditures made in connection with the Aviation Fund.

Depreciation expense was charged to functions/programs of the City as follows:

<u>Governmental activities:</u>	
General government	\$ 3,403,782
Public safety:	
Corrections	75,786
Fire protection	2,688,408
Police protection	6,705,325
Culture and recreation	19,846,939
Public works	344,640
Highways and streets	32,122,140
Health	427,453
Human services	2,959,395
Municipal development	16,923,295
Capital assets held by the City's internal service funds charged to the various functions on a prorated basis based on their usage of the assets	148,276
Total depreciation expense – governmental activities	<u>\$ 85,645,439</u>

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Business-type activities:

Major funds:	
Airport	\$ 29,993,143
Refuse Disposal	4,508,554
Transit	11,456,440
Nonmajor fund	4,073,573
Total depreciation expense – business-type activities	50,031,710
Transfer of assets from governmental to business-type	1,248,714
Total Business-type activities	\$ 51,280,424

D. Interfund receivables, payables, and transfers

The interfund receivable and payable accounts have primarily been recorded when funds overdraw their share of pooled cash. The composition of interfund balances as of June 30, 2012, consists of the following:

	Due from other funds	Due to other funds
Major governmental funds	\$ 10,222,776	\$ 573,602
Nonmajor governmental funds	408,517	3,270,331
Major proprietary funds	1,022,317	6,972,370
Nonmajor proprietary funds	-	1,196,461
Internal service funds	359,154	-
Total	\$ 12,012,764	\$ 12,012,764

Interfund advances not expected to be repaid within one year are to be repaid from revenues or proceeds from the sale of assets are as follows as of June 30, 2012:

Receivable Fund	Payable Fund	Amount
Risk Management Fund	Capital Acquisition Fund	\$ 471,000
Nonmajor governmental fund*	Nonmajor proprietary fund*	6,065,000
Total advances		\$ 6,536,000

* Revenue bonds payable solely from gross receipts tax revenues were issued in fiscal year 2000. The proceeds of these bonds were advanced by the Sales Tax Refunding Debt Service Fund to the Parking Facilities Fund and are being used to construct, acquire or improve capital assets.

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Interfund transfers for the year ended June 30, 2012 were as follows:

<u>From</u>	<u>To</u>	
General Fund	Capital Acquisition Fund	\$ 1,770,432
General Fund	Transit Fund	19,626,290
General Fund	Nonmajor Proprietary Funds	2,694,000
General Fund	Nonmajor Governmental Funds	11,951,115
Refuse Disposal Fund	General Fund	2,400,683
Refuse Disposal Fund	Nonmajor Governmental Funds	24,465
Transit Fund	General Fund	353,969
Transit Fund	Nonmajor Governmental Funds	201,000
Nonmajor Governmental Funds	General Fund	1,835,095
Nonmajor Governmental Funds	Capital Acquisition Fund	987,000
Nonmajor Governmental Funds	Nonmajor Governmental Funds	7,621,432
Nonmajor Governmental Funds	Transit Fund	13,108,748
Nonmajor Proprietary Funds	General Fund	222,377
Nonmajor Proprietary Funds	Nonmajor Governmental Funds	96,114
Internal Service Funds	General Fund	250,000
Total transfers		<u>\$ 63,142,720</u>

Transfers are summarized as follows:

<u>Description</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	\$ 27,713,682	\$ 59,594,112
Statement of Revenues, Expenses, and Changes in Net Fund Assets – Proprietary Funds		
Enterprise funds	35,429,038	3,298,608
Internal Service funds	-	250,000
Total transfers	<u>\$ 63,142,720</u>	<u>\$ 63,142,720</u>

The transfers from the General Fund to the other funds are for the purpose of: 1) providing a subsidy for the operations of the Transit and Open Space Management funds, 2) providing the City's local match for operating grants from federal and state agencies, 3) funding the purchase of police and fire vehicles, and various construction projects, and 4) transferring resources to debt service funds for the retirement of General Obligations and Sales Tax Refunding bonds.

The transfers to the General Fund from the major and nonmajor enterprise funds are primarily for payments in lieu of taxes.

Other transfers relating to funds within the nonmajor governmental funds type are: 1) for debt retirement and various other purposes, and 2) from permanent funds to the related expenditures for governmental special revenue funds.

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E. Leases

The City has various lease commitments for real property. The lease commitments are for one to ten years, with most leases being for five years. About half of the leases have renewal options; the others do not. Lease expenses of \$2,112,474 were incurred for the year ended June 30, 2012. Lease commitments for future years are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2013	1,374,518
2014	815,850
2015	743,109
2016	191,412
2017	63,636
2018-2022	260,100
2023-2027	260,100
2028-2032	260,020
Total	\$ <u>3,968,745</u>

The Housing Authority has also entered into a lease agreement as lessee for financing the acquisition of equipment and improvements. This lease agreement is treated as a capital lease for accounting purposes and, therefore, has been reported at the present value of the future minimum lease payments as of the inception of the lease. At June 30, 2012, the outstanding balance of the capital lease is \$395,077. Amortization is included with depreciation expense on the Statement of Revenues, Expenses and Changes in Fund Net Assets.

The assets acquired through capital leases are as follows:

Equipment and Improvements	\$ 944,458
Less: Accumulated amortization	<u>(691,458)</u>
Total	\$ <u>253,000</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2012 are as follows:

Year Ending June 30	Principal and Interest
2013	\$ 116,842
2014	116,842
2015	87,634
2016	<u>-</u>
Total minimum lease payment	321,318
Less amount representing interest	<u>(19,146)</u>
Present value of minimum lease payments	\$ <u>302,172</u>

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F. Restricted assets

Restricted assets arise principally from legal restrictions on expenditures of proceeds from general obligations bonds or sales tax revenue bonds in the governmental activities, or on expenditures of proceeds from revenue bonds of the enterprise funds. Restricted assets also include the investments restricted for use held in the City's permanent funds. The amount of restricted assets reported in the statement of net assets at June 30, 2012 is as follows:

<u>Governmental Activities</u>	
Capital Acquisition Fund	\$ 131,050,605
Acquisition and Management of Open Space Fund	20,518,119
Urban Enhancement Fund	7,909,254
Totals	<u>\$ 159,477,978</u>
 <u>Business-type activities</u>	
Airport Fund	\$ 92,554,291
Refuse Disposal Fund	12,382,105
Transit Fund	1,526,253
Non-major Enterprise Funds	15,225,653
Totals	<u>\$ 121,688,302</u>

G. Short-term and long-term obligations

Governmental activities:

Short Term Obligations: On June 29, 2012, the City issued \$4,000,000 Short Term Taxable General Obligation Bonds, Series 2012D. The Series 2012D bonds bear interest at the daily rate on the date of issuance applicable to the Local Government Investment Pool administered by the State Treasurer of New Mexico. The interest rate in effect was 0.29%. The proceeds of these bonds will be used towards the construction and rehabilitation of high quality, permanently affordable housing for low to moderate working families. The bonds mature on July 2, 2012. The changes in the short-term obligations of the governmental activities for the year ended June 30, 2012, are as follows:

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
Short-term General Obligation Bonds	\$ -	\$4,000,000	-	<u>\$4,000,000</u>

CITY OF ALBUQUERQUE, NEW MEXICO
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Long Term: Bonded obligations of the City consist of various issues of general obligation, revenue, and special assessment bonds. Also included in long-term obligations are notes payable, claims and judgments, deferred credits, other post-employment benefits, and accrued vacation and sick leave pay. The City has complied with all revenue bond ordinances and bond covenants requirements for maintaining specific reserves for future debt service as of June 30, 2012.

The changes in the long-term obligations of the governmental activities for the year ended June 30, 2012, are as follows:

	Outstanding				Payable in one year
	July 1	Increases	Decreases	June 30	
General Obligation Bonds	\$ 323,805,000	\$ 77,320,000	\$ 55,865,000	\$ 345,260,000	\$ 45,615,000
Gross Receipts Tax Revenue Bonds	114,460,000	22,660,000	8,090,000	129,030,000	5,445,000
Gross Receipts Tax Revenue Notes	2,705,000	-	2,705,000	-	-
NMFA - Fire Fund Loan	1,403,058	38,567	48,095	1,393,530	-
Accrued vacation and sick leave pay	33,737,160	27,958,673	28,639,013	33,056,820	23,087,022
Accrued claims payable	66,902,536	26,923,508	21,689,485	72,136,559	16,800,000
Other post employment obligation	8,372,486	3,017,642	-	11,390,128	-
Deferred credits and other liabilities	875,205	12,105	-	887,310	-
Less deferred amounts:					
Deferred refunding costs	(4,096,351)	(14,575)	(244,030)	(3,866,896)	-
Unamortized bond discounts	(928,137)	-	(928,137)	-	-
Unamortized bond premiums	11,778,925	10,784,078	3,546,828	19,016,175	-
	559,014,882	168,699,998	119,411,254	608,303,626	90,947,022
Current portion of long-term obligations	(100,412,198)	-	(9,465,176)	(90,947,022)	-
Total	\$ 458,602,684	\$ 168,699,998	\$ 109,946,078	\$ 517,356,604	\$ 90,947,022

Total interest cost incurred for governmental activities for the year ended June 30, 2012 was \$16,943,807, all of which was charged to expense.

CITY OF ALBUQUERQUE, NEW MEXICO
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General Obligation bonds are direct obligations of the City for which its full faith and credit are pledged and are payable from taxes levied on property located within the City. The sick leave and vacation pay obligations are being liquidated primarily by the following funds: General, Air Quality, Operating Grants, and Gas Tax Road. Limited amounts are being liquidated by other funds. The City's Risk Management Fund (an internal service fund) liquidates all claims payable. General obligation bonds outstanding at June 30, 2012, are as follows:

<u>Issue</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Call Provisions</u>
July 1, 2003 General Purpose	5,230,000	2.50/5.00%	July 1, 2012	100% beginning July 1, 2011
July 1, 2003 Storm Sewer	2,105,000	3.00/4.50%	July 1, 2013	100% beginning July 1, 2011
June 30, 2005 General Purpose	22,480,000	4.00/5.00%	July 1, 2013	Not callable
June 30, 2005 Storm Sewer	11,575,000	4.00/4.25%	July 1, 2014	100% beginning July 1, 2013
September 11, 2007 General Purpose	21,645,000	4.50/5.00%	July 1, 2016	Not callable
September 11, 2007 Storm Sewer	5,080,000	4.25/5.00%	July 1, 2016	100% beginning July 1, 2015
June 26, 2008 General Purpose	24,675,000	3.25/4.00%	July 1, 2017	100% beginning July 1, 2016
June 26, 2008 Storm Sewer	4,000,000	4.50%	July 1, 2017	100% beginning July 1, 2016
June 24, 2009 General Purpose	42,750,000	2.00/4.00%	July 1, 2018	Not callable
February 24, 2011 General Purpose	128,400,000	3.00/4.375%	July 1, 2023	100% beginning July 1, 2020
May 22, 2012 General Purpose	61,760,000	2.00/5.00%	July 1, 2024	100% beginning July 1, 2020
May 22, 2012 Storm Sewer	8,035,000	3.00/4.00%	July 1, 2025	100% beginning July 1, 2020
May 22, 2012 Storm Sewer Refunding	7,525,000	.290%	July 1, 2013	Not callable
June 29, 2012 General Purpose ST	4,000,000	.290%	July 2, 2012	Not callable
	<u>\$ 349,260,000</u>			

The Constitution of the State of New Mexico limits the amount of general-purpose general obligation bonds that may be issued by a municipality to four percent of the taxable valuation of property located within the City. At June 30, 2012 based on the most recent assessed taxable valuation of \$11,951,429,844, the City may issue an additional \$167,117,194 of general-purpose general obligation bonds. Included in the general obligation bonds outstanding at June 30, 2012 are Storm Sewer bonds in the amount of \$38,320,000 that are not subject to the legal debt limit.

On May 22, 2012, the City issued \$61,760,000 of General Obligation General Purpose Bonds, Series 2012A with an average coupon rate of 4.21%. The proceeds of these bonds were deposited into the Capital Acquisition Fund to be used to finance certain City projects relating to public safety, citizens' centers, parks and recreation facilities, facilities and equipment, libraries, public transportation, cultural facilities, streets, and zoo and bio park facilities. The bonds require annual principal payments and semi-annual interest payments through July 1, 2024.

On May 22, 2012, the City issued \$8,035,000 of General Obligation Storm Sewer Bonds, Series 2012B with an average coupon rate of 3.5%. The proceeds of these bonds were deposited into the Capital Acquisition Fund to be used to finance certain storm sewer improvements. The bonds require annual principal payments and semi-annual interest payments through July 1, 2025.

Also on May 22, 2012, the City issued \$7,525,000 of General Obligation Refunding Bonds, Series 2012C. These bonds have a coupon rate of 0.29%, semi-annual interest payments and will mature on July 1, 2013. The net proceeds of \$7,464,279 (exclusive of \$60,721 underwriter's fees and other costs of issuance) were used to redeem in full the July 1, 2013 maturity of the Series 2003C General Obligation Storm Sewer Bonds on May 22, 2012. The refunding was undertaken to reduce interest costs resulting in a net decrease to debt service over the next year of \$280,925 and resulting in an economic gain (difference between the present value of the debt service payment of the refunded and refunding bonds) of \$279,576.

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Sales Tax Revenue Bonds and Notes of the City are secured by a pledge of gross receipts tax (sales tax) revenues. Sales tax revenue bonds and notes outstanding at June 30, 2012, are as follows:

<u>Issue</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Call Provisions</u>
October 6, 2004 A Refunding	31,965,000	4.75%	July 1, 2037	100% beginning July 1, 2014
October 6, 2004 B Refunding	27,555,000	2.39/4.90%	July 1, 2014	100% beginning October 6, 2004
June 4, 2008 A Refunding	8,890,000	3.74/4.99%	July 1, 2014	Not callable
July 22, 2009 A Refunding	10,535,000	3.00/5.00%	July 1, 2025	100% beginning July 1, 2019
July 22, 2009 B Refunding	27,425,000	3.00/5.00%	July 1, 2022	100% beginning July 1, 2019
September 1, 2011 A Refunding	22,660,000	2.00/4.00%	July 1, 2028	100% beginning July 1, 2021
	<u>\$ 129,030,000</u>			

On September 1, 2012, the City issued \$22,660,000 of Tax-Exempt Gross Receipts Tax Refunding and Improvement Revenue Bonds, Series 2011A. The bonds have an average coupon rate of 3.07% and require annual principal payments and semi-annual interest payments through July 1, 2028. The Series 2011A bonds are being issued for the purpose of restructuring the debt service on the City's bonds and obligations payable from pledged lodgers' tax revenues and gross receipts tax revenues so that the amount of debt service on such bonds paid by the City using state-shared gross receipts tax revenues is substantially reduced. Also, additional bonds were issued for the purpose of improving the City's Convention Center as noted below. The proceeds were used as follows:

Refunding Bonds - \$3,780,000

The net proceeds of \$3,994,688 (inclusive of an original issue premium of \$243,158 less \$28,470 of underwriters' fees and other costs of issuance) plus an additional \$1,346,375 were used to redeem in full the 2004 Hospitality Fee Loan with maturity dates through July 1, 2014 in the total amount of 2,158,483, and the 1991 Capital Appreciation Bonds maturing on July 1, 2012 through July 1, 2018 with an accreted value of \$3,089,883 plus a call premium of \$92,697. These refundings were undertaken to reduce interest costs resulting in a net decrease to debt service over the life of the bonds of \$2,082,330 and resulting in an economic gain (difference between the present value of the debt service payment of the refunded and refunding bonds) of \$639,923.

Improvement Bonds - \$18,880,000

The net proceeds of \$19,708,889 (inclusive of an original issue premium of \$944,839 less \$115,950 of underwriters' fees and other costs of issuance) were deposited into the Capital Acquisition Fund and will be used to purchase, construct, or otherwise acquire, reconstruct, extend, improve, equip, furnish, or acquire real property or any interest in real property for the site or ground for tourist related facilities, attractions or transportation systems of the City including but not limited to the Convention Center and the City's Civic Plaza.

Fire Fund Loan: On January 28, 2011 the City closed on a loan with New Mexico Finance Authority (NMFA) for \$1,441,625 with an average interest rate of 3.417%. The proceeds were used to design, construct, equip, and furnish Fire Station #7. The terms of the loan require annual principal payments and semi-annual interest payments beginning November 1, 2011 and maturing May 1, 2031. As part of the agreement, the City also entered into an intercept agreement with NMFA whereby the principal and interest payment required will be from annual distributions made to the City's Fire Protection Fund by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978. The State Treasurer will reduce the annual distribution to the City by \$100,926 beginning July 1, 2011, and then \$101,043 thereafter. The funds will be remitted directly to NMFA and held by NMFA until the November/May due dates. The balance due at June 30, 2012 is \$1,393,530.

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Business-type activities of the primary government

Long-term obligations: the changes in the business-type activities obligations for the year ended June 30, 2012, are as follows:

	Outstanding				Payable in One Year
	July 1	Increases	Decreases	June 30	
Revenue bonds	\$ 156,084,167	\$ 11,650,000	\$ 23,105,834	\$ 144,628,333	\$ 24,576,667
Loans and notes payable	28,506,860	-	16,800,256	11,706,604	2,123,301
Accrued vacation and sick leave pay	6,091,663	5,184,064	4,928,581	6,347,146	4,575,951
Landfill closure costs	1,846,148	79,475	79,811	1,845,812	-
Other	441,428	212,314	104,020	549,722	-
Less deferred amounts:					
Deferred refunding costs	(1,640,113)	(133,440)	(495,629)	(1,277,924)	-
Unamortized bond:					
premiums	2,275,741	94,591	689,981	1,680,351	-
discounts	(13,508)	(1,126)	-	(14,634)	-
	193,592,386	17,085,878	45,212,854	165,465,410	31,275,919
Capitalized leases	395,077	-	92,905	302,172	105,694
Subtotal	193,987,463	17,085,878	45,305,759	165,767,582	31,381,613
Current portion	(30,202,354)	-	1,179,259	(31,381,613)	-
Business-type activity long-term obligations	<u>\$ 163,785,109</u>	<u>\$ 17,085,878</u>	<u>\$ 46,485,018</u>	<u>\$ 134,385,969</u>	<u>\$ 31,381,613</u>

Total interest cost incurred for business-type activities for the year ended June 30, 2012 was \$7,332,607 of which \$3,275,205 was capitalized and \$4,057,402 was charged to expense. The sick leave and vacation pay obligations are being liquidated primarily by the following funds: Airport, Refuse Disposal, and Transit.

Airport Revenue Bonds are secured by pledges of net revenues of the airport. Airport Revenue bonds outstanding at June 30, 2012, are as follows:

Issue Dated	Amount	Interest Rate	Final Maturity	Call Provisions
April 3, 1997, Refunding	\$ 1,935,000	6.25% to 6.75%	July 1, 2012	100% beginning July 1, 2009
March 23, 2004A, Refunding	12,540,000	1.63% to 5.11%	July 1, 2018	100% beginning July 1, 2005
March 23, 2004B	21,650,000	2.00% to 4.50%	July 1, 2024	100% beginning July 1, 2007
March 11, 2008A, Refunding	12,650,000	3.00% to 5.00%	July 1, 2018	Not callable
May 14, 2008B, Refunding	9,170,000	3.445% to 4.905%	July 1, 2015	Not callable
May 14, 2008C, Refunding	3,970,000	3.50% to 4.375%	July 1, 2020	100% beginning July 1, 2018
November 19, 2008E, Refunding	18,725,000	3.50% to 5.50%	July 1, 2014	Not callable
November 12, 2009A, Refunding	21,963,334	3.00% to 4.50%	July 1, 2019	Not callable
May 19, 2011, Refunding	15,375,000	2.00% to 4.00%	July 1, 2016	Not callable
Total outstanding	117,978,334			
Unamortized:				
Premiums (discounts)	1,583,629			
Deferred refunding costs	(1,154,522)			
Net outstanding	<u>\$118,407,441</u>			

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Apartments Revenue Bonds are secured by pledges of net revenues of the apartments. On July 20, 2000, the City, pursuant to a mortgage and indenture of trust, issued its Affordable Housing Projects Refunding Revenue Bonds Series 2000 (Series 2000) in the aggregate principal amount of \$15,080,000 for the purpose of refunding and defeasing three bond issues of the City; 1) its Multifamily Mortgage Revenue Bonds (Beach Apartments Project), Series 1991, 2) its Multifamily Mortgage Revenue Bonds (Manzano Vista, formerly Dorado Village Apartments Project), Series 1994, and 3) its Affordable Housing Project/Gross Receipts Tax Subordinate Lien Revenue Bonds, Series 1996. The Series 2000 bonds consist of debt issued by three City owned trusts; Beach, Bluewater Village and Manzano Vista Apartments. The debt constitutes a limited obligation of the City and is payable solely from the resources of these trusts. The facilities and the revenues derived from these facilities are pledged for the repayment of the bonds. The mortgage and indenture of trust contain significant requirements for annual debt service and use of project revenues and resources. Required funds include escrow and expense funds, a debt service fund, use of project reserve funds (debt service, retained earnings coverage and sinking fund installment accounts) and restricted property reserve funds (rehabilitation, renovation, repair and replacement accounts).

In December of 2008, the City issued \$11,275,000 Gross Receipts Tax Revenue Bonds (Series 2008B) to refund the Series 2000 Bonds. The City pursuant to a mortgage and indenture of trust issued the Series 2008B bonds as described above. The Series 2008B bonds consist of debt issued by the City owned trusts, and the Apartments. This debt constitutes a limited obligation of the City and is payable solely from the resources for three trusts. Respective facilities and revenues derived from them are pledge for the repayment of these bonds. The mortgage and indenture of trust contains significant requirements for annual debt service and use of project revenues and resources. Required funds include a debt service fund, a net project revenue service fund, a property reserve fund and a stabilization fund. The Series 2008B Gross Receipts Revenue Bonds mature July 1, 2030 and bear an initial 4% coupon interest rate, increasing to 5.375% coupon rate at maturity. Interest is paid semiannually on January 1 and July 1. The initial payment was due July 1, 2009. Principal payment is due annually on July 1. The Series 2008B bonds are subject to optional and mandatory redemptions generally at par (unless long term interest rates are in effect) as required by the mortgage and indenture of trust. The mortgage and indenture of trust requires a cumulative sinking fund redemption commencing January 1, 2011. The Apartments debt in the amount of \$10,450,000 is outstanding at June 30, 2012 and maturities extend through July 1, 2030.

Refuse Disposal Revenue Bonds are secured by a pledge of net revenues from refuse disposal operations. Refuse Disposal Revenue Bonds outstanding at June 30, 2012, are as follows:

Issue	Amount	Interest Rate	Final Maturity	Call Provision
February 1, 1998	1,770,000	4.20/5.00%	July 1, 2013	100% July 1, 2007
May 1, 2001 B	2,780,000	3.63/5.25%	July 1, 2012	Not callable
Total outstanding	4,550,000			
Unamortized discount	(762)			
Net outstanding	\$ 4,549,238			

Refuse Loans. On July 9, 2004 the City entered into a tax-exempt loan agreement with New Mexico Finance Authority for \$5,800,000 with an average interest rate of 2.87%. Final payment is due on July 1, 2014. The balance due on June 30, 2012 was \$1,900,903. On March 16, 2008 the City entered into a tax-exempt loan agreement with New Mexico Finance Authority for \$2,600,000 with an average interest rate of 3.31%. Final payment is due on July 1, 2015. The outstanding balance at June 30, 2012 was \$3,463,558.

Stadium Loans are secured by pledges of net revenues of the Albuquerque baseball stadium. On September 1, 2011, the City issued Gross Receipts Tax/Stadium Revenues Refunding Revenue Bonds Taxable Series 2011B in the amount of \$11,650,000. The bonds have an average coupon rate of 3.23% and require annual principal payments and semi-annual interest payments through July 1, 2026. The outstanding balance at June 30, 2012 was 11,609,447.

The net proceeds of \$11,673,412 (inclusive of an original issue premium of \$94,591 less \$71,179 of underwriters' fees and other cost of issuance) were used to redeem in full the 2002 Surcharge Loan with maturity dates through July 1, 2026 in the total amount of \$6,860,638 and the 2002 Lease Loan Taxable with maturity dates through July 1, 2026 in the total amount of \$4,698,057. These refundings were undertaken to reduce interest costs resulting in a net decrease to debt service

CITY OF ALBUQUERQUE, NEW MEXICO
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over the life of the bonds of \$2,092,004 and resulting in an economic gain (difference between the present value of the debt service payment of the refunded and refunding bonds) of \$1,765,121.

Transit Loans. On July 25, 2006 the City entered into a tax-exempt lease-purchase agreement with SunTrust Leasing Corporation for \$20,000,000 with an average interest rate of 4.3%. Final payment is due on July 1, 2016. The principal balance outstanding at June 30, 2012 was \$8,243,046.

Summary of Annual Debt Service Requirements. The annual debt service requirements on bonds, notes and capital leases outstanding at June 30, 2012 are as follows:

Year ending June 30	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2013	\$ 55,119,337	\$ 17,594,151	\$ 26,805,662	\$ 5,817,654
2014	52,704,805	16,852,766	25,411,235	5,125,868
2015	50,155,421	14,909,485	25,428,723	4,072,787
2016	37,876,310	13,157,797	16,729,407	3,191,441
2017	38,152,407	11,610,514	13,231,667	2,554,329
2018 - 2022	130,764,252	39,185,257	33,365,415	6,430,248
2023 - 2027	61,073,936	18,217,581	12,575,000	2,087,296
2028 - 2032	21,162,062	10,969,360	3,090,000	342,925
2033 - 2037	26,300,000	5,193,975	-	-
2038	6,375,000	157,938	-	-
Total	\$ 479,683,530	\$ 147,848,824	\$ 156,637,109	\$ 29,622,548

Arbitrage

Section 148 of the Internal Revenue Code provides generally that bonds issued by a municipality will be "arbitrage bonds", if any portion of the proceeds of the bonds are reasonably expected to be invested in obligations with a yield that is "materially higher" than the yield on the bonds. While municipalities are entitled to earn a certain amount of positive arbitrage during the period the bonds are outstanding, Section 148(f) generally requires that these earnings be paid to the Internal Revenue Service (IRS) at least every five years. As of June 30, 2012, the City has set aside \$887,310 in arbitrage interest due the IRS in connection with future filings and payments to the IRS. This amount is included in other liabilities in the statement of net assets. For fiscal year 2013, \$167,229 is due to the IRS.

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H. Refunded bonds

The City has refunded various bond issues by issuing refunding bonds, the proceeds of which have been placed in escrow and used to purchase securities of the United States Government and related agencies at various interest rates and maturities sufficient to meet all debt service requirements of the refunded debt. These assets are administered by trustees and are restricted to use for retirement of the refunded debt. The liability for the refunded bonds and the related securities and escrow accounts are not included in the accompanying general purpose financial statements as the City satisfied its obligation for payment of the refunded debt upon completion of the refunding transactions. Refunded debt outstanding at June 30, 2012, is as follows:

Gross Receipts Tax Revenue Bonds	<u>\$30,455,000</u>
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I. Conduit bonds

The City has acted from time to time as the issuer of conduit bonds, the proceeds of which have been immediately loaned to a private borrower. Such bonds are payable by the City only from amounts paid to the City by such conduit borrowers pursuant to a lease, loan or other agreement. The City has assigned its rights with respect to such bonds to various trustees that monitor amounts due by the borrowers and pay the principal and interest as due on such conduit bonds from the borrowers' payments. The City has no obligation to repay all or any portion of such bonds in the event the private borrowers fail to make their payments when due.

Industrial Revenue Bonds. As of June 30, 2012, there were thirty-five series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the twenty-eight series issued after July 1, 1995, is \$766.6 million. The aggregate principal amount payable for the seven series issued prior to July 1, 1995, could not be determined; however, the original amount issued totaled \$242.1 million.

Metropolitan Redevelopment Bonds. As of June 30, 2012, there was one series of Metropolitan Redevelopment Bonds outstanding. The aggregate principal amount payable for the one series issued prior to July 1, 1995, could not be determined; however, the original amount issued totaled \$650,000.

Housing Authority Conduit Debt. The U.S. Housing and Urban Development Department (HUD) guaranteed third party debt consisting of new Housing Authority (HA) revenue bonds and permanent notes, payable to the Federal Financing Bank, were issued to provide for the development and modernization of low rent housing units. These bonds and notes are payable by HUD and secured by annual contributions to the HA. HUD regulations state that the bonds and notes do not constitute a debt of the HA and, accordingly, these have not been reported in the accompanying financial statements. At June 30, 2012, the outstanding balance of the revenue bonds was \$135,000 with annual payments required through 2013 and the outstanding balance of the permanent notes was \$3,363,971 with annual payments required through 2017.

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J. Segment information

Significant financial data of major enterprise funds are reported in the statements for proprietary funds in the basic financial statements section. Significant financial data of nonmajor enterprise funds as of and for the year ended June 30, 2012 is as follows:

(in thousands of dollars)

	Golf Course Fund	Apart- ments Fund	Stadium Fund	Housing Authority Fund	Parking Fund	Total
CONDENSED STATEMENT OF NET ASSETS						
Assets:						
Current assets	\$ 538	\$ 2,237	\$ 1,169	\$ 12,060	\$ 187	\$ 16,191
Restricted assets	86	970	227	10,206	4,535	16,024
Capital assets	5,458	11,899	14,839	10,021	20,439	62,656
Other assets	-	210	65	-	29	304
Total assets	<u>6,082</u>	<u>15,316</u>	<u>16,300</u>	<u>32,287</u>	<u>25,190</u>	<u>95,175</u>
Liabilities:						
Current liabilities	249	663	1,063	1,409	426	3,856
Liabilities payable from restricted assets	-	132	-	417	-	503
Bonds, notes payable, and other long-term liabilities	-	10,105	10,909	197	-	21,211
Accrued vacation and sick leave	92	-	14	128	-	234
Advance from other funds	-	-	-	-	6,065	6,065
Total liabilities	<u>341</u>	<u>10,900</u>	<u>11,986</u>	<u>2,151</u>	<u>6,491</u>	<u>31,869</u>
Net assets:						
Invested in capital assets, net of related debt	5,458	1,658	3,295	9,719	14,403	34,533
Net assets restricted for:						
Debt service	45	4,400	227	-	56	4,728
Housing Vouchers				9,803		
Construction	41	-	-	-	4,480	4,521
Unrestricted net assets (deficit)	197	(1,643)	792	10,615	(240)	19,524
Total net assets	<u>\$ 5,741</u>	<u>\$ 4,415</u>	<u>\$ 4,314</u>	<u>\$ 30,137</u>	<u>\$ 18,699</u>	<u>\$ 63,306</u>
CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS						
Operating revenues	\$ 3,809	\$ 3,428	\$ 1,808	\$ 2,096	\$ 4,223	\$ 15,364
Depreciation	(258)	(524)	(937)	(1,268)	(1,087)	(4,074)
Other operating expenses	(3,680)	(2,440)	(855)	(7,261)	(3,642)	(17,878)
Operating income (loss)	<u>(129)</u>	<u>464</u>	<u>16</u>	<u>(6,433)</u>	<u>(506)</u>	<u>(6,588)</u>
Nonoperating revenues (expenses):						
Investment earnings	4	-	3	11	14	32
Interest and other debt related expenses	10	(532)	(431)	(17)	(435)	(1,405)
Federal housing grants	-	(12)	-	27,867	-	27,855
Housing assistance payments	-	-	-	(23,261)	-	(23,261)
Other	145	312	108	193	(44)	714
Transfers in					2,551	2,551
Transfers out	(79)	(96)	143	-	(143)	(175)
Change in net assets	<u>(50)</u>	<u>136</u>	<u>(161)</u>	<u>(1,640)</u>	<u>1,437</u>	<u>(278)</u>
Beginning net assets	<u>5,791</u>	<u>4,279</u>	<u>4,475</u>	<u>31,777</u>	<u>17,262</u>	<u>63,584</u>
Ending net assets	<u>\$ 5,741</u>	<u>\$ 4,415</u>	<u>\$ 4,314</u>	<u>\$ 30,137</u>	<u>\$ 18,699</u>	<u>\$ 63,306</u>
CONDENSED STATEMENT OF CASH FLOWS						
Net cash provided (used) by:						
Operating activities	\$ (27)	\$ 1,312	\$ 960	\$ (4,832)	\$ 645	\$ (1,942)
Noncapital financing activities	65	(96)	143	4,799	(865)	4,046
Capital and related financing activities	(336)	(903)	(935)	(880)	(12)	(3,066)
Investing activities	4		3	11	14	32
Net increase (decrease)	<u>(294)</u>	<u>312</u>	<u>171</u>	<u>(902)</u>	<u>(219)</u>	<u>(930)</u>
Beginning cash and cash equivalents	<u>871</u>	<u>2,854</u>	<u>950</u>	<u>22,848</u>	<u>2,072</u>	<u>29,595</u>
Ending cash and cash equivalents	<u>\$ 577</u>	<u>\$ 3,166</u>	<u>\$ 1,121</u>	<u>\$ 21,946</u>	<u>\$ 1,853</u>	<u>\$ 28,663</u>

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

The Golf Course fund charges a greens fee for the use of the City's golf courses. The Apartments Fund charges rental on housing for persons who meet eligibility requirements based on the level of income earned. The Stadium fund provides a baseball stadium that is being used by an AAA class baseball team. The Housing fund provides housing or rental assistance to low income City residents. The Parking fund charges fees for the use of City-owned parking facilities.

K. Defined benefit pension plan

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 between 7.00%-16.65% of their gross salary, depending on the specific plan type. The City is required to contribute between 7.00%-21.25% of the gross covered salary, depending on the specific plan type.

The following are the plans covered by the City and the contribution requirements (in thousands of dollars) for the year ended June 30, 2012:

Group Covered	Employee		Employer	
	Percent	Amount	Percent	Amount
General, Management, and Bus Drivers	13.15%	\$ 20,675	9.15%	\$ 14,386
Temporary Employees	7.00%	231	7.00%	231
J-Series 20 Year	16.65%	136	16.65%	136
Police	16.30%	10,448	18.50%	11,858
Fire	16.20%	6,192	21.25%	8,122
		\$ <u>37,682</u>		\$ <u>34,733</u>

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. In accordance with Chapter 10, Article 11, Section 5 NMSA 1978, the City has elected to make a percentage of the employees' contributions. The percentage of the employees' contributions paid by the City varies according to the specific plan type. The City's required contributions to PERA for the years ending June 30, 2012, 2011, and 2010 were \$34,732,631, \$33,662,266, and \$36,343,828, respectively. The city's total contributions to PERA, including the employer required contributions and the portion the city pays for the employees for the years ending June 30, 2012, 2011, and 2010 were \$63,316,398, \$63,697,954, and \$67,071,415, respectively.

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

L. Post-employment benefits

In addition to providing pension benefits described in Note L, the City provides certain health care and life insurance benefits for retired employees. Substantially all of the City's employees may become eligible for those benefits if they reach the normal retirement eligibility conditions while working for the City.

Postemployment Life Insurance Benefits.

Plan Description. The City's Life Insurance Benefit Plan (Plan) is a single employer defined benefit plan administered by the City; the plan also includes coverage for the employees of the Albuquerque Bernalillo County Water Authority (a separate legal entity, formerly a component unit of the City). Insurance benefits are authorized by the City's Merit System Ordinance and Personnel Rules and Regulations. Upon retirement an employee will continue to be covered by the City's plan at no cost to the employee. Coverage will be one-half of the coverage reflected on the most recent annual life insurance adjustment report immediately prior to retirement up to a maximum of \$25,000. Effective July 1, 2008 the minimum amount of coverage per retiree is \$12,500. The number of retired employees covered under the life insurance benefit was 4,280 at June 30, 2012, and the amount of life insurance coverage for these retired employees was \$91,602,150.

Funding Policy. The City recognizes the cost of providing the life insurance benefits by charging the insurance premiums to expenditures. Life insurance benefits are paid through premiums to an insurance company under an indemnity plan. The insurance company has the right to adjust the premiums based on claims paid. Historically, the claims paid in any one year have not exceeded the premiums. The required contribution is based on projected pay-as-you-go financing requirements. The current rate is .28 per \$1,000 face value of life insurance for actives and retirees. The life insurance premium costs for the City's retirees for the years ending June 30, 2012, 2011, and 2010 were \$310,637, \$275,971, and \$262,030, respectively. The life insurance and accidental death and dismemberment premium costs for the City's active employees for the years ending June 30, 2012, 2011 and 2010 were \$1,148,553, \$1,149,148, and \$1,178,243, respectively.

Annual OPEB Cost and Net OPEB Obligation. The City's annual postemployment benefit (OPEB) cost is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the City's net OPEB obligation to the Life Insurance Benefit plan.

Net OPEB Obligation at beginning of year		\$	8,372,486
<i>Plus</i> Projected Annual OPEB Cost:			
Interest on Net OPEB Obligation at beginning of year			334,900
Annual Required Contribution (ARC) for current fiscal year			3,951,642
ARC Adjustment for current fiscal year			(376,900)
			3,909,642
<i>Less</i> Net Employer Contribution			(892,000)
Expected Net OPEB Obligation at end of year		\$	11,390,128

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/10	\$ 3,458,126	41.6%	\$ 5,989,231
6/30/11	\$ 3,664,536	35.0%	\$ 8,372,486
6/30/12	\$ 3,909,642	22.8%	\$ 11,390,128

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Funding Status and Funding Progress. As of June 30, 2012, the most recent actuarial valuation date, the plan was 0% funded using the criteria established by GASBS 45. The actuarial accrued liability for benefits was \$60,846,100 (\$16,711,769 for active employees and \$44,134,331 for retired employees). There are no plan assets; however, the City has earmarked \$7,200,000 in the City's Internal Service Employee Insurance Fund for future plan costs. The covered payroll (annual payroll of active employees covered by the plan) was 296,289,683 and the ratio of the UAAL to the covered payroll was 20.5%. The ARC as a percent of payroll is 1.3% of which .4% is the normal cost as a percent of payroll. The ARC per active employee is \$507. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and changes in life expectancies. Amounts determined regarding the funded status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress is presented as required supplementary information following the notes to the financial statements.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the Life Insurance Benefit plan as understood by the City and the plan members and include the types of benefits provided at the time of each valuation and the City's historical pattern of paying for the plan. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In the June 30, 2012, actuarial valuation, the Entry Age Normal (EAN) funding method was used where, for each plan member, the actuarial present value of benefits is levelly spread over the plan member's earnings or service from entry age to assumed exit age. The EAN cost method is generally regarded by actuaries as the most stable of the funding methods. The goal of GASBS 45 is to match recognition of retiree life expense with the periods during which the benefit is earned and the City's actuary believe that EAN funding method effectively meets that goal in most circumstances. Another important issue in these calculations is the treatment of implicit subsidies where retiree coverage is subsidized by active employee costs. The City pays the same insurance premium rates for both active and retired employees, because the retired employees are on average older than active employees, there is an implicit subsidy of retiree coverage by active employee costs, which GASBS 45 generally requires be attributed to the retiree liability. The actuarial assumptions included a 4.0 percent investment rate of return on expected long-term returns on the City's own investments calculated on the funded level of the plan at the valuation date. As of June 30, 2012, the plan has not been funded and no interest was earned on the plan assets during the year. The City intends to amortize the UAAL over a thirty-year period under the level percentage of pay method, beginning in the next fiscal year. The remaining amortization period at June 30, 2012, was 26 years. The ARC was based on a 4.0 percent discount rate, funding will be based on a 6.0 percent discount rate.

Retiree Health Care Act Contributions.

Plan Description. The City 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 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.

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

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. During the fiscal year ended June 30, 2012, the statute required each participating employer to contribute 1.834% of each participating employee's annual salary; each participating employee was required to contribute .917% of their salary. In the fiscal year ending June 30, 2013, the contribution rates for employees and employers will rise as follows:

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

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY13	2.000%	1.000%

- (2) For employees who are members of an enhanced retirement plan (state police and adult correctional officer coverage plan 1; municipal police member coverage plans 3, 4 and 5; municipal fire member coverage plan 3, 4 and 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act [10-12B-1 NMSA 1978]), during the fiscal year ended June 30, 2012, the statute required each participating employer to contribute 2.292% of each participating employee's annual salary, and each participating employee was required to contribute 1.146% of their salary. In the fiscal year ending June 30, 2013, the contributions rates for both employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY13	2.500%	1.250%

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

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

The City's contributions to the RHCA for the years ended June 30, 2012, 2011, and 2010 were \$5,301,347, \$4,688,405, and \$3,478,108, respectively, which equal the required contributions for each year.

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

M. Landfill closure and postclosure care cost

Federal laws and regulations require the City 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 City reports a portion of these closure and post-closure care costs in the Refuse Disposal Fund (Enterprise) as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,845,812 reported as accrued landfill closure costs from restricted assets at June 30, 2012, represents the cumulative amount reported to date based on the use of 26.3% of the estimated capacity of the Cerro Colorado Landfills.

The City will recognize the remaining estimated cost of closure and post-closure care of \$5,172,738 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2012. The City expects to close the landfill in the year 2077. Actual cost may be higher due to inflation, change in technology, or change in regulations. The City has set aside \$2,385,689 for future post-closure costs. This amount is reported as a restricted asset on the balance sheet. The City expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate, or additional post-closure care requirements are determined (due to change in technology or applicable laws or regulations, for example); these costs may need to be covered by charges to future landfill users or from future tax revenue.

N. Risk management

The City is exposed to various risks of loss related to torts and civil rights claims (including law enforcement and employment related exposures); theft, damage and destruction of its real and personal assets; workers compensation losses; errors and omissions of City officers and officials; and natural disasters. The City uses the Risk Management Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Risk Management Fund provides coverage for up to a maximum of \$1,000,000 for each workers' compensation incident, \$1,050,000 for each tort liability claim, and \$50,000 for each City real and contents damage claim. Losses in other categories and catastrophic losses in the mentioned categories are the subject of insurance and/or actuarially reviewed retentions. Whenever a risk exposure is insured, the City continues to benefit from case coverage on claims that were incurred during the insured claim year.

The Risk Management Fund tracks claims on a fund by fund basis and assesses charges to each fund based on historical claims experience and the need to establish a reserve for unanticipated catastrophic losses. That reserve was \$1,000,000 at June 30, 2012, and is included in the unrestricted net assets of the Risk Management Fund. The claims liabilities reported in the Risk Management Fund are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic factors. The estimate of the claims liability also includes amounts for incremental claim adjustments expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Based on historical data, the City believes the Risk Management Fund (an internal service fund) is adequately funded. The cash balance grew by \$ 5,316,342 during Fiscal Year 2012. Moreover, pursuant to Section 41-4-25(B) NMSA 1978, in the event of a judgment against the City in excess of \$1,000,000 the City, with Council approval, may levy a tax on real property to provide for the payment of catastrophic losses. In addition, the City started Fiscal Year 2012 with \$38,709,667 available in the committed General Fund balance.

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Finally, the City has reserve amounts created by the City's policy to reserve one-twelfth of the General Fund budgeted amount. The amounts and change in the Fund's claims liability in fiscal year 2012 and 2011 were:

	2012	2011
Claims liability at July 1	\$ 66,902,536	\$ 60,963,311
Current year claims and change in estimates	26,923,508	33,803,818
Claims liquidated	(21,689,486)	(27,864,593)
Claims liability at June 30	<u>\$ 72,136,558</u>	<u>\$ 66,902,536</u>
The components of the claims liability at June 30 are:		
Current portion	\$ 16,800,000	\$ 22,994,750
Noncurrent portion	55,336,558	43,907,786
Total claims liability	<u>\$ 72,136,558</u>	<u>\$ 66,902,536</u>

O. Restatement of previously reported net assets

In previous years, equipment assets in the Refuse Disposal Fund were depreciated using useful lives that were not consistent with City policy. Correction required an adjustment to accumulated depreciation. Accordingly, the accompanying financial statements reflect the following changes to previously reported balances at June 30, 2011:

	Net Assets of Business-type Activities	Net Assets of Refuse Disposal Fund
June 30, 2011 as previously reported	\$ 509,647,295	68,595,521
Restatement to increase accumulated depreciation	(7,900,124)	(7,900,124)
July 1, 2011, as restated	<u>\$ 501,747,171</u>	<u>60,695,397</u>

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

P. Commitments and contingencies

Encumbrances for purchase orders, contracts, and other commitments for expenditures are recorded in memorandum accounts of the City's governmental funds. Encumbrances lapse for budgetary purposes at the end of each fiscal year and the subsequent year's appropriations provide authority to complete these transactions. These typically are for property purchases and will be re-appropriated in the ensuing year. Encumbrances that are outstanding, but not re-appropriated, are a commitment of the City and the outstanding amount is reported in the table below.

Government activities:	
Major Funds: General Fund	\$ 2,979,177
Non-major Government Funds	<u>2,536,353</u>
Total Governmental Funds	<u>\$ 5,515,530</u>

In addition, the business-type funds have uncompleted construction and other commitments for construction, improvements and replacements or from operating revenues:

Business-type activities:	
Major Funds:	
Airport Fund	\$ 60,016,958
Refuse Disposal Fund	8,654,572
Non-major Business-type Funds	<u>4,521,970</u>
Total Business-type Funds	<u>\$ 73,193,500</u>

In the normal course of business, the City is subject to certain contingent liabilities and unasserted claims. These contingencies are evaluated in light of their probability of being asserted and the estimatability of the claims. Those claims that are probable and estimable have been accrued in the accompanying financial statements. Claims that are possible and/or not estimable are disclosed herein. Remote claims are monitored until such time as they are resolved, disclosed, or accrued. Except as discussed in the following paragraphs, it is the opinion of City management that the ultimate resolution of other litigation will not have a material effect on the financial position of the City.

The City is a defendant in a legal proceeding that does not fall under the New Mexico Tort Claims Act; this legal proceeding alleges that certain time incurred by some of the City of Albuquerque's Fire Department, Transit Department and other employees are subject to overtime compensation. The ultimate outcome of these legal proceedings cannot presently be determined; the case is currently awaiting the Courts consideration on how the calculations are to be determined. Accordingly, no provision for any additional liability that may result upon the ultimate outcome has been recognized in the accompanying financial statements and schedules.

The City has received a number of Federal and State grants for specific purposes. These grants are subject to audit and may result in requests for reimbursements to granting agencies for expenditures disallowed under the terms of the grants. Based on prior experience, City management believes that such discrepancies, if any, will not be material.

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Q. Budget violations

In violation of City ordinance Section 2-11-12 ROA 1994, the City overspent the budget at the following program and fund levels. The City produces quarterly expenditure reports and provides this information to City Departments in an effort to prevent future violations.

Fund/Program	Final Budget	Actual	Variance
General Fund – ERP	\$ 1,952,000	\$ 2,378,399	\$ (426,399)
General Fund – Joint committee- Intergov. Legislation	140,000	142,125	(2,125)
General Fund – Real property	664,000	697,036	(33,036)
General Fund – Communications & records	13,304,000	14,011,761	(707,761)
General Fund – Neighborhood Policing	89,260,000	90,146,014	(886,014)
General Fund – Professional standards	763,000	1,591,774	(828,774)
General Fund – Dispatch	3,960,000	4,075,391	(115,391)
General Fund – Biopark	11,941,236	11,942,651	(1,415)
General Fund – CIP library	60,000	62,277	(2,277)
General Fund – Cultural services- strategic support	1,325,920	1,335,339	(9,419)
General Fund – Explora	1,400,000	1,401,689	(1,689)
General Fund – Public Arts and Urban Enhancement	265,000	278,120	(13,120)
General Fund – Storm drainage	2,527,368	2,532,944	(5,576)
General Fund – Street services	10,985,271	11,261,961	(276,690)
General Fund – Environmental services	1,263,485	1,266,888	(3,403)
General Fund – Mental health services	2,175,000	3,259,837	(1,084,837)
General Fund – Reduce youth gangs	1,272,000	1,282,004	(10,004)
General Fund – Provide transitional housing	154,000	154,850	(850)
Housing and Neighborhood Economic Development	12,423,517	13,845,123	(1,421,606)
Operating Grants Fund	388,109,788	404,508,609	(16,398,821)
Law Enforcement Protection Fund	21,575,200	21,677,048	(101,848)
Communications Fund	7,306,000	7,628,855	(322,855)
City County Facilities Fund	3,200,790	3,258,993	(58,203)

R. Significant effects of subsequent events

On October 31, 2012 the City issued Special Assessment District Tax-Exempt and Taxable Revenue, Series 2012 A & B Loans through Bank of America in the amount of \$25,242,485. The loans were secured by a pledge of the special assessments levied on each property within the District and mature on 2028 with interest rates of 4.43%.

CITY OF ALBUQUERQUE, NEW MEXICO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR LIFE INSURANCE BENEFIT PLAN
Year ended June 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability Entry Age Normal	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL Percentage of Covered Payroll
6/30/2009	-	51,179,469	51,179,469	0.00%	275,105,270	18.60%
6/30/2010	-	55,613,436	55,613,436	0.00%	289,604,610	19.20%
6/30/2011	-	57,659,176	57,659,176	0.00%	304,084,840	18.96%
6/30/2012	-	60,846,100	60,846,100	0.00%	296,289,683	20.54%

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FINANCIAL SECTION
COMBINING FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL OBLIGATION BOND DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes:				
Current property taxes	\$ 59,407,000	\$ 59,407,000	\$ 56,476,617	\$ (2,930,383)
Delinquent property taxes	2,770,000	2,770,000	2,161,739	(608,261)
Interest:				
Interest on investments	419,000	419,000	130,155	(288,845)
Total revenues	<u>62,596,000</u>	<u>62,596,000</u>	<u>58,768,511</u>	<u>(3,827,489)</u>
Expenditures:				
Debt service:				
Principal	51,132,000	51,132,000	49,615,000	1,517,000
Interest	11,009,000	11,009,000	10,971,476	37,524
Bond issue costs	100,000	100,000	603,862	(503,862)
Total expenditures	<u>62,241,000</u>	<u>62,241,000</u>	<u>61,190,338</u>	<u>1,050,662</u>
Excess (deficiency) of revenues over expenditures	<u>355,000</u>	<u>355,000</u>	<u>(2,421,827)</u>	<u>(2,776,827)</u>
Other financing sources (uses):				
Bond proceeds	-	-	7,207	7,207
Proceeds of refunding bonds	-	7,500,000	7,464,279	(35,721)
Payment to refunded bond escrow agent	-	(7,500,000)	(7,335,000)	165,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>136,486</u>	<u>136,486</u>
Net change in fund balance	355,000	355,000	(2,285,341)	(2,640,341)
Fund balance, July 1	<u>8,588,074</u>	<u>8,588,074</u>	<u>8,588,074</u>	<u>-</u>
Fund balance, June 30	<u>\$ 8,943,074</u>	<u>\$ 8,943,074</u>	<u>\$ 6,302,733</u>	<u>\$ (2,640,341)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES COMPARED TO APPROPRIATIONS BY PURPOSE
BUDGET AND ACTUAL - CAPITAL ACQUISITION FUND
YEAR ENDED JUNE 30, 2012

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2011	Current Year Actual	Project Budget Remaining June 30, 2012
Capital Acquisition Fund					
Capital Outlay and Other:					
Bosque	\$ 2,809,367	\$ 1,328,335	\$ 1,481,032	\$ 67,562	\$ 1,413,470
City building	-	3,452,674	(3,452,674)	-	(3,452,674)
Community services building	79,761,593	39,771,027	39,990,566	5,669,647	34,320,919
Convention Center	26,543,409	911,193	25,632,216	778,589	24,853,627
Environmental improvements	8,844,979	1,668,796	7,176,183	1,495,985	5,680,198
Facilities and Equipment	107,628,226	79,089,100	28,539,126	6,144,185	22,394,941
Fire protection	27,521,994	36,465,654	(8,943,660)	1,337,495	(10,281,155)
Libraries	28,451,844	19,567,466	8,884,378	2,948,935	5,935,443
Miscellaneous capital projects	20,767,950	13,333,632	7,434,318	(3,221,771)	10,656,089
Museum	28,322,535	26,948,203	1,374,332	1,793,389	(419,057)
Open Space	47,198,856	14,463,621	32,735,235	1,254,680	31,480,555
Parks and recreation	256,925,531	226,127,113	30,798,418	14,868,508	15,929,910
Planning	4,201,817	570,349	3,631,468	594,596	3,036,872
Police facilities	57,554,813	43,052,109	14,502,704	1,337,056	13,165,648
Rio Grande Zoo	34,510,646	26,588,759	7,921,887	8,764,018	(842,131)
Senior citizens facility	49,306,200	31,085,480	18,220,720	5,299,211	12,921,509
Storm Sewer	92,702,261	75,882,040	16,820,221	4,051,827	12,768,394
Street improvements	429,967,967	320,107,735	109,860,232	36,800,189	73,060,043
Transit	35,022,086	19,961,279	15,060,807	1,858,110	13,202,697
Total Capital Acquisition Fund	\$ 1,338,042,074	\$ 980,374,565	\$ 357,667,509	\$ 91,842,211	\$ 265,825,298

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CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
CAPITAL ACQUISITION FUND
Year Ended June 30, 2012

	<u>Police Facilities</u>	<u>Fire Protection</u>	<u>Public Libraries</u>
Revenues:			
Taxes			
Franchise taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Grants:			
State Department of Energy and Minerals	-	-	-
State Highway Department	-	-	-
State Agency of Aging	-	-	-
State Dept of Finance & Administration	34,168	-	10,224
Bernalillo County Shared Construction	-	-	-
NM Dept of Economic Development	-	-	-
Housing and Urban Development	-	-	-
Total intergovernmental	<u>34,168</u>	<u>-</u>	<u>10,224</u>
Interest on investments	<u>85,592</u>	<u>19,980</u>	<u>37,349</u>
Miscellaneous:			
Sales of real property	-	-	-
Contributions in aid of construction	-	-	-
Other revenue (expenditure)	-	-	-
Total miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>119,760</u>	<u>19,980</u>	<u>47,573</u>
Expenditures:			
Capital outlay	<u>1,337,056</u>	<u>1,337,495</u>	<u>2,948,935</u>
Total expenditures	<u>1,337,056</u>	<u>1,337,495</u>	<u>2,948,935</u>
Excess (deficiency) of revenues over expenditures	<u>(1,217,296)</u>	<u>(1,317,515)</u>	<u>(2,901,362)</u>
Other financing sources (uses):			
Transfers in from other funds	-	350,000	-
Transfers out to other funds	-	-	-
Internal transfers in (out)	2,067	312	(20,290)
Proceeds of notes payable and bonds issued	153,567	2,635,000	500,000
Total other financing sources (uses)	<u>155,634</u>	<u>2,985,312</u>	<u>479,710</u>
Net change in fund balances	(1,061,662)	1,667,797	(2,421,652)
Fund balances (deficit), July 1	<u>8,098,116</u>	<u>30,928,206</u>	<u>22,341,510</u>
Fund balances (deficit), June 30	<u>\$ 7,036,454</u>	<u>\$ 32,596,003</u>	<u>\$ 19,919,858</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
CAPITAL ACQUISITION FUND
Year Ended June 30, 2012

<u>Storm Sewer</u>	<u>Street Improvements</u>	<u>Parks and Recreation</u>	<u>Open Space</u>	<u>Convention Center</u>	<u>Community Services Building</u>	<u>Rio Grande Zoo</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	19,263,107	-	977,387	-	-	-
-	(13,994)	605,830	-	-	2,270,895	56,893
-	-	29,000	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	(1,014,260)	-
<u>-</u>	<u>19,249,113</u>	<u>634,830</u>	<u>977,387</u>	<u>-</u>	<u>1,256,635</u>	<u>56,893</u>
<u>190,123</u>	<u>425,737</u>	<u>308,057</u>	<u>(131)</u>	<u>82,163</u>	<u>480,773</u>	<u>(24,972)</u>
-	19,323	-	-	-	-	-
937,704	827,036	-	-	-	-	-
-	25,236	256,228	-	-	8,860	750
<u>937,704</u>	<u>871,595</u>	<u>256,228</u>	<u>-</u>	<u>-</u>	<u>8,860</u>	<u>750</u>
<u>1,127,827</u>	<u>20,546,445</u>	<u>1,199,115</u>	<u>977,256</u>	<u>82,163</u>	<u>1,746,268</u>	<u>32,671</u>
<u>4,051,827</u>	<u>36,800,187</u>	<u>14,868,509</u>	<u>1,254,680</u>	<u>778,589</u>	<u>5,669,647</u>	<u>8,764,018</u>
<u>4,051,827</u>	<u>36,800,187</u>	<u>14,868,509</u>	<u>1,254,680</u>	<u>778,589</u>	<u>5,669,647</u>	<u>8,764,018</u>
<u>(2,924,000)</u>	<u>(16,253,742)</u>	<u>(13,669,394)</u>	<u>(277,424)</u>	<u>(696,426)</u>	<u>(3,923,379)</u>	<u>(8,731,347)</u>
(204,000)	204,432	170,000	-	937,000	-	-
-	(107,987)	-	-	-	-	-
(28,889)	(253,366)	(115,481)	21,731	-	(282,002)	13,460
8,142,481	33,855,656	12,080,000	-	19,824,839	(9,966,361)	1,500,000
<u>7,909,592</u>	<u>33,698,735</u>	<u>12,134,519</u>	<u>21,731</u>	<u>20,761,839</u>	<u>(10,248,363)</u>	<u>1,513,460</u>
4,985,592	17,444,993	(1,534,875)	(255,693)	20,065,413	(14,171,742)	(7,217,887)
<u>11,096,779</u>	<u>5,858,839</u>	<u>24,036,535</u>	<u>(549,843)</u>	<u>(31,206)</u>	<u>14,296,212</u>	<u>243,876</u>
<u>\$ 16,082,371</u>	<u>\$ 23,303,832</u>	<u>\$ 22,501,660</u>	<u>\$ (805,536)</u>	<u>\$ 20,034,207</u>	<u>\$ 124,470</u>	<u>\$ (6,974,011)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
CAPITAL ACQUISITION FUND
Year Ended June 30, 2012

	Senior Citizens Facility	Museum	Transit	Miscellaneous Capital Projects
Revenues:				
Taxes				
Franchise taxes	\$ -	\$ -	\$ -	\$ 488,785
Intergovernmental:				
Grants:				
State Department of Energy and Minerals	-	-	-	(852)
State Highway Department	-	466,449	-	-
State Agency of Aging	6,882,525	-	-	-
State Dept of Finance & Administration	1,447	370,958	-	(44,108)
Bernalillo County Shared Construction	-	-	-	-
NM Dept of Economic Development	-	-	-	-
Housing and Urban Development	-	-	-	-
Total intergovernmental	<u>6,883,972</u>	<u>837,407</u>	<u>-</u>	<u>(44,960)</u>
Interest on investments	(38,347)	13,272	86,194	(658,066)
Miscellaneous:				
Sales of real property	-	-	-	-
Contributions in aid of construction	-	-	-	-
Other	-	-	-	-
Total miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>6,845,625</u>	<u>850,679</u>	<u>86,194</u>	<u>(214,241)</u>
Expenditures:				
Capital outlay	5,299,211	1,793,389	1,858,110	(3,221,771)
Total expenditures	<u>5,299,211</u>	<u>1,793,389</u>	<u>1,858,110</u>	<u>(3,221,771)</u>
Excess (deficiency) of revenues over expenditures	<u>1,546,414</u>	<u>(942,710)</u>	<u>(1,771,916)</u>	<u>3,007,530</u>
Other financing sources (uses):				
Transfers in from other funds	-	-	500,000	250,000
Transfers out to other funds	-	-	-	-
Internal transfers in (out)	122,253	(22,758)	18,688	695,200
Proceeds of notes payable and bonds issued	13,569,673	-	5,400,000	4,663,145
Total other financing sources (uses)	<u>13,691,926</u>	<u>(22,758)</u>	<u>5,918,688</u>	<u>5,608,345</u>
Net change in fund balances	15,238,340	(965,468)	4,146,772	8,615,875
Fund balances (deficit), July 1	<u>3,782,772</u>	<u>7,105,425</u>	<u>(601,897)</u>	<u>25,292,575</u>
Fund balances (deficit), June 30	<u>\$ 19,021,112</u>	<u>\$ 6,139,957</u>	<u>\$ 3,544,875</u>	<u>\$ 33,908,450</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
CAPITAL ACQUISITION FUND
Year Ended June 30, 2012

Environmental Improvements	Facilities and Equipment	City Building	Planning	Bosque	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 488,785
-	979,650	-	-	-	978,798
-	-	-	-	(9,818)	20,697,125
-	-	-	-	-	6,882,525
-	1,337	-	164,729	-	3,458,379
-	-	-	-	-	29,000
-	448,394	-	-	-	448,394
-	-	-	-	-	(1,014,260)
-	<u>1,429,381</u>	-	<u>164,729</u>	<u>(9,818)</u>	<u>31,479,961</u>
(154)	<u>181,335</u>	-	-	-	<u>1,188,905</u>
-	-	-	-	-	19,323
-	60,227	-	-	-	1,824,967
-	200	-	-	-	291,274
-	<u>60,427</u>	-	-	-	<u>2,135,564</u>
(154)	<u>1,671,143</u>	-	<u>164,729</u>	<u>(9,818)</u>	<u>35,293,215</u>
<u>1,495,985</u>	<u>6,144,186</u>	-	<u>594,596</u>	<u>67,562</u>	<u>91,842,211</u>
<u>1,495,985</u>	<u>6,144,186</u>	-	<u>594,596</u>	<u>67,562</u>	<u>91,842,211</u>
(1,496,139)	(4,473,043)	-	(429,867)	(77,380)	(56,548,996)
-	550,000	-	-	-	2,757,432
-	-	-	-	-	(107,987)
(282)	(44,639)	-	(477)	2,460	107,987
-	10,750,000	-	-	200,000	103,308,000
(282)	<u>11,255,361</u>	-	<u>(477)</u>	<u>202,460</u>	<u>106,065,432</u>
(1,496,421)	6,782,318	-	(430,344)	125,080	49,516,436
<u>328,135</u>	<u>16,613,991</u>	<u>1,468,365</u>	<u>(227,649)</u>	<u>50,452</u>	<u>170,019,836</u>
<u>\$ (1,168,286)</u>	<u>\$ 23,396,309</u>	<u>\$ 1,468,365</u>	<u>\$ (657,993)</u>	<u>\$ 175,532</u>	<u>\$ 219,536,272</u>

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CITY OF ALBUQUERQUE, NEW MEXICO

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

COMMUNITY DEVELOPMENT FUND—To account for the sources and uses of Development Block Grants. (7-1-6.11 NMSA 1978)

FIRE FUND—To account for the proceeds of the City's share of taxes on fire insurance premiums collected by the state, which are required to be used for equipment, maintenance of equipment, or training. (59A-53-5 NMSA 1978)

RECREATION FUND—To account for the proceeds from the City's share of the state cigarette tax which is required to be used for juvenile recreation purposes. (7-12-15 NMSA 1978)

LODGERS' TAX FUND—To account for the proceeds of the Lodger's Tax which are required to be used for promotional activities and the acquisition or construction of certain facilities. (3-38-21 NMSA 1978)

HOSPITALITY TAX FUND—To account for the proceeds of the Hospitality Tax of which fifty percent are required to be used for the purpose of purchasing advertising to publicize and promote tourist-related attractions, facilities and events. The other fifty percent are required to be used to equip and furnish the City of Albuquerque Convention Center.

CULTURE AND RECREATION PROJECTS FUND—To account for contributions and donations earmarked for specific projects of Culture and Recreation Department. (Enactment No. 51-1997, R-97-189-12th Council)

ALBUQUERQUE BIOLOGICAL PARK PROJECTS FUND—To account for contributions and donations earmarked for specific projects of the Biological Park. (Enactment No. 51-1997, R-97-189-12th Council)

CITY HOUSING FUND—To account for the revenues and expenditures incurred for the repair and replacement of the City operated subsidized housing. (Enactment No. 110-1984, R-84-112-6th Council)

AIR QUALITY FUND—To account for the operation of the City's Air Pollution Control Program. (9-5-1-13 RO 1994)

HEART ORDINANCE FUND—To account for license and permit fees dedicated exclusively to programs for free microchipping and free spay and neutering of Companion Animals for Low Income Persons, moderate income persons, seniors, and when possible, the general public. (Enactment No. 18-2006)

OPERATING GRANTS FUND—To account for various grants from federal and state agencies and other sources which are restricted by the granting agency to expenditures for specified purposes. (Enactment No. 51-1979, 0-79-64-3rd Council)

METROPOLITAN REDEVELOPMENT FUND—To account for the revenues and expenditures incurred in connection with the rehabilitation of historical buildings. Financing is provided by certain property taxes in accordance with the State of New Mexico Metropolitan Redevelopment Code. (14-8-4 NMSA 1978)

HOUSING AND NEIGHBORHOOD ECONOMIC DEVELOPMENT FUND—To account for the use of proceeds from repayment of Urban Development Action Grant loans. The proceeds will be used for housing and economic development in poverty regions within the City. (4-2-2 RO 1994)

LAW ENFORCEMENT PROTECTION FUND—To account for certain state taxes and fees required to be used for law enforcement services. (29-13-6 NMSA 1978)

GAS ROAD TAX FUND—To account for the proceeds of the City's share of the state shared Gas Tax revenues required to be used for street maintenance. (7-1-6.9 NMSA 1978)

CITY/COUNTY PROJECTS FUND—To account for revenues received from the County for services provided by the City. (1984 Joint Powers Agreement)

FALSE ALARM ENFORCEMENT AND EDUCATION FUND—To account for the income and expenditures associated with enforcement of the False Alarm ordinance. (Enactment No. 8-2003, 0-02-35-15th Council)

PHOTO ENFORCEMENT RED LIGHT FUND—To account for revenues and expenditures associated with the photo enforcement program. (Enactment No. 95-2003, R-03-298-10th Council)

CITY/COUNTY FACILITIES FUND—To account for rental income and costs of operating City/County facilities. (1984 Joint Powers Agreement)

CITY OF ALBUQUERQUE, NEW MEXICO

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (continued)

ACQUISITION & MANAGEMENT OF OPEN SPACE EXPENDITURES FUND—To account for the investment earnings of the Acquisition and Management of Open Space Permanent Fund that is transferred to this fund and the related expenditures. (Enactment NO. 41-1982, R-82-67-5th Council)

URBAN ENHANCEMENT EXPENDITURES FUND—To account for the investment earnings of the Urban Enhancement Permanent Fund that is transferred to this fund and the related expenditures. (Enactment No. 69-1983, 0-83-170-5th Council)

CAPITAL PROJECTS FUNDS

SPECIAL ASSESSMENTS CAPITAL FUND—To account for capital projects financed by sale of special assessment bonds.

QUALITY OF LIFE FUND—To account for capital projects for which financing is provided by the Quality of Life gross receipts tax, grants, and other miscellaneous revenues.

INFRASTRUCTURE TAX FUND—To account for capital projects for which financing is provided by the municipal infrastructure gross receipts tax, grants, and other miscellaneous revenues.

IMPACT FEES FUND—To account for the fees received from builders of new commercial and residential building restricted for funding of critical major infrastructure.

VEHICLE AND EQUIPMENT REPLACEMENT FUND—To segregate funds for planned purchases of vehicles and equipment for City departments.

DEBT SERVICE FUNDS

SALES TAX REFUNDING DEBT SERVICE FUND—To accumulate monies for payment of principal and interest of revenue bonds secured by pledges of Gross Receipts Tax (sales tax) and certain Lodgers' Tax revenues.

FIRE DEBT SERVICE FUND—To accumulate monies for payment of principal and interest of debt secured by pledges of revenues from State Fire Protection Fund distributions.

SPECIAL ASSESSMENTS DEBT SERVICE FUND—To accumulate monies for payment of principal and interest of bonds secured by pledges of revenues from assessments levied against benefited properties.

PERMANENT FUNDS

ACQUISITION AND MANAGEMENT OF OPEN SPACE PERMANENT FUND—To account for proceeds from the sale of certain properties. The principal of this fund is to be retained intact. The investment earnings are to be used for the acquisition and management of open space land. (Enactment NO. 41-1982, R-82-67-5th Council)

URBAN ENHANCEMENT PERMANENT FUND—To account for the principal of the Urban Enhancement Fund. The principal of the fund is to remain intact. The investment earnings are to be used to enhance or enrich the appearance and culture of the City. (Enactment No. 69-1983, 0-83-170-5th Council)

CITY OF ALBUQUERQUE, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2012

	Special Revenue				
	COMMUNITY DEVELOPMENT	FIRE	RECREATION	LODGERS' TAX	HOSPITALITY TAX
ASSETS					
Cash, investments and accrued interest	-	2,377,168	-	-	-
Cash with fiscal agents held for debt service	-	-	-	-	-
Cash held by others	-	-	-	-	-
Receivables, net of allowance for uncollectible:					
Taxes	-	-	-	1,285,270	191,880
Accounts	185	-	-	-	-
Rehabilitation loans	1,293,315	-	-	-	-
Developer loans	-	-	-	-	-
Special Assessments	-	-	-	-	-
Due from other governments	1,348,454	-	-	-	-
Due from other funds	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	<u>2,641,954</u>	<u>2,377,168</u>	<u>-</u>	<u>1,285,270</u>	<u>191,880</u>
LIABILITIES					
Accounts payable	336,470	202,958	-	36,070	26,735
Contracts and retainage payable	-	-	-	-	-
Accrued employee compensation and benefits	3,280	-	-	-	-
Due to other funds	812,615	-	-	626,154	108,356
Deferred revenues	1,293,315	-	-	325,874	-
Matured principal payable	-	-	-	-	-
Matured interest payable	-	-	-	-	-
Total liabilities	<u>2,445,680</u>	<u>202,958</u>	<u>-</u>	<u>988,098</u>	<u>135,091</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	196,274	2,174,210	-	297,172	56,789
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>196,274</u>	<u>2,174,210</u>	<u>-</u>	<u>297,172</u>	<u>56,789</u>
Total liabilities and fund balances	<u>2,641,954</u>	<u>2,377,168</u>	<u>-</u>	<u>1,285,270</u>	<u>191,880</u>

CITY OF ALBUQUERQUE, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2012

	Special Revenue					
	CULTURE AND RECREATION PROJECTS	ALBUQUERQUE BIOLOGICAL PARKS PROJECTS	CITY HOUSING	AIR QUALITY	HEART ORDINANCE	OPERATING GRANTS
ASSETS						
Cash, investments and accrued interest	2,582,885	137,154	5,984,937	1,266,378	-	3,294,689
Cash with fiscal agents held for debt service	-	-	-	-	-	-
Cash held by others	-	-	161,148	-	-	-
Receivables, net of allowance for uncollectible:						
Taxes	-	-	-	-	-	-
Accounts:	1,683	-	-	-	-	-
Rehabilitation loans	-	121,281	-	93,071	-	-
Developer loans	-	-	-	-	-	393,746
Special Assessments	-	-	-	-	-	411,226
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	408,517	-	-	7,567,594
Advances to other funds	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Total assets	2,584,568	258,435	6,554,602	1,359,449	-	11,667,255
LIABILITIES						
Accounts payable	137,116	186,181	183,248	37,662	-	4,031,399
Contracts and retainage payable	-	-	-	-	-	-
Accrued employee compensation and benefits	179	555	50	4,919	-	34,398
Due to other funds	-	-	-	-	-	-
Deferred revenues	-	34,573	-	127,477	-	4,287,937
Matured principal payable	-	-	-	-	-	-
Matured interest payable	-	-	-	-	-	-
Total liabilities	137,295	221,309	183,298	170,058	-	8,353,734
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	2,447,273	37,126	6,371,304	1,189,391	-	3,313,521
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	2,447,273	37,126	6,371,304	1,189,391	-	3,313,521
Total liabilities and fund balances	2,584,568	258,435	6,554,602	1,359,449	-	11,667,255

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2012

	Special Revenue					
	METROPOLITAN REDEVELOPMENT	HOUSING AND NEIGHBORHOOD ECONOMIC DEVELOPMENT	LAW ENFORCEMENT PROTECTION	GAS ROAD TAX	CITY/COUNTY PROJECTS	FALSE ALARM ENFORCEMENT AND EDUCATION
ASSETS						
Cash, investments and accrued interest	3,494,214	4,527,644	4,144,182	-	-	-
Cash with fiscal agents held for debt service	-	-	-	-	-	-
Cash held by others	-	-	-	-	-	-
Receivables, net of allowance for uncollectible:						
Taxes	-	-	-	-	-	-
Accounts	-	-	-	-	-	-
Rehabilitation loans	-	-	-	-	-	-
Developer loans	1,375,596	3,992,382	-	-	-	-
Special Assessments	-	-	-	-	-	-
Due from other governments	-	-	-	642,994	-	-
Due from other funds	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Total assets	4,869,810	8,520,036	4,144,182	642,994	-	-
LIABILITIES						
Accounts payable	25,718	-	89,159	30,504	-	-
Contracts and retainage payable	-	-	-	-	-	-
Accrued employee compensation and benefits	-	-	277	9,218	-	-
Due to other funds	-	408,517	-	292,372	-	-
Deferred revenues	1,375,596	3,992,382	-	306,460	-	-
Matured principal payable	-	-	-	-	-	-
Matured interest payable	-	-	-	-	-	-
Total liabilities	1,401,314	4,400,899	89,436	638,554	-	-
FUND BALANCES						
Nonspendable	1,375,596	-	-	-	-	-
Restricted	2,092,900	-	-	4,440	-	-
Committed	-	4,119,127	4,054,746	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	3,468,496	4,119,127	4,054,746	4,440	-	-
Total liabilities and fund balances	4,869,810	8,520,036	4,144,182	642,994	-	-

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012

	Special Revenue				
	PHOTO ENFORCEMENT RED LIGHT	CITY/COUNTY FACILITIES	ACQUISITION & MANAGEMENT OF OPEN SPACE EXPENDITURES	URBAN ENHANCEMENT EXPENDITURES	SPECIAL REVENUE TOTAL
ASSETS					
Cash, investments and accrued interest	691,281	597,453	168,273	1,410,584	30,676,842
Cash with fiscal agents held for debt service	-	-	-	-	-
Cash held by others	-	-	-	-	161,148
Receivables, net of allowance for uncollectible:					
Taxes					
Accounts	14,927				1,477,150
Rehabilitation loans	-	20,756	2,300		254,203
Developer loans	-	-	-		1,687,061
Special Assessments	-	-	-		5,779,204
Due from other governments	-	-	-		9,559,042
Due from other funds	-	-	-		408,517
Advances to other funds	-	-	-		-
Prepaid items	-	-	-		-
Land held for resale	-	-	-		-
Total assets	706,208	618,209	170,573	1,410,584	50,003,167
LIABILITIES					
Accounts payable	70,732	250,375	31,649	47,118	5,723,094
Contracts and retainage payable	-	-	1,183	-	1,183
Accrued employee compensation and benefits	-	2,523	5,278	-	60,677
Due to other funds	-	-	-	-	2,248,014
Deferred revenues	-	-	-	-	11,743,614
Matured principal payable	-	-	-	-	-
Matured interest payable	-	-	-	-	-
Total liabilities	70,732	252,898	38,110	47,118	19,776,582
FUND BALANCES					
Nonspendable	-	-	-	-	1,375,596
Restricted	635,476	-	-	-	9,960,173
Committed	-	365,311	132,463	1,363,466	18,890,816
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	635,476	365,311	132,463	1,363,466	30,226,585
Total liabilities and fund balances	706,208	618,209	170,573	1,410,584	50,003,167

CITY OF ALBUQUERQUE, NEW MEXICO
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 June 30, 2012

Capital Projects						
	SPECIAL ASSESSMENTS CAPITAL	QUALITY OF LIFE	INFRASTRUCTURE TAX	IMPACT FEES	VEHICLE AND EQUIPMENT REPLACEMENT	CAPITAL PROJECTS TOTAL
ASSETS						
Cash, investments and accrued interest	949,132	47,410	50,363,369	10,406,641	1,050,011	62,716,563
Cash with fiscal agents held for debt service	-	-	-	-	-	-
Cash held by others	-	-	-	-	-	-
Receivables, net of allowance for uncollectible:						
Taxes	-	-	5,901,903	-	-	5,901,903
Accounts	-	-	-	-	-	-
Rehabilitation loans	-	-	-	-	-	-
Developer loans	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Total assets	949,132	47,410	56,165,272	10,406,641	1,050,011	68,618,466
LIABILITIES						
Accounts payable	-	396	-	411,486	49,628	4,205,968
Contracts and retainage payable	-	-	3,744,458	141,826	-	141,826
Accrued employee compensation and benefits	-	-	-	-	-	-
Due to other funds	-	-	1,022,317	-	-	1,022,317
Deferred revenues	-	-	3,062,133	9,856,983	-	12,919,116
Matured principal payable	-	-	-	-	-	-
Matured interest payable	-	-	-	-	-	-
Total liabilities	-	396	7,828,908	10,410,295	49,628	18,289,227
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	48,336,364	-	-	48,336,364
Committed	949,132	47,014	-	-	-	996,146
Assigned	-	-	-	-	1,000,383	1,000,383
Unassigned	-	-	-	-	-	(3,654)
Total fund balances	949,132	47,014	48,336,364	(3,654)	1,000,383	50,329,239
Total liabilities and fund balances	949,132	47,410	56,165,272	10,406,641	1,050,011	68,618,466

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012

	Debt Service				Permanent Funds			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	SALES TAX REFUNDING	FIRE DEBT SERVICE	SPECIAL ASSESSMENTS	DEBT SERVICE TOTAL	ACQUISITION AND MANAGEMENT OF OPEN SPACE	URBAN ENHANCEMENT	PERMANENT FUND TOTAL	
ASSETS								
Cash, investments and accrued interest	4,924,645	315	1,552,446	6,477,406	10,431,721	7,909,254	18,340,975	118,211,786
Cash with fiscal agents held for debt service	8,454,842	-	-	8,454,842	-	-	-	8,454,842
Cash held by others	-	-	-	-	-	-	-	161,148
Receivables, net of allowance for uncollectible:								
Taxes	-	-	-	-	-	-	-	7,379,053
Accounts	-	-	-	-	-	-	-	254,203
Rehabilitation loans	-	-	-	-	-	-	-	1,687,061
Developer loans	-	-	-	-	-	-	-	5,779,204
Special Assessments	-	-	1,155,299	1,155,299	-	-	-	1,155,299
Due from other governments	-	-	-	-	-	-	-	9,559,042
Due from other funds	-	-	-	-	-	-	-	408,517
Advances to other funds	6,065,000	12	-	6,065,000	-	-	-	6,065,000
Prepaid items	-	12	-	12	-	-	-	12
Land held for resale	-	-	-	-	10,086,398	-	10,086,398	10,086,398
Total assets	19,444,487	327	2,707,745	22,152,559	20,518,119	7,909,254	28,427,373	169,201,565
LIABILITIES								
Accounts payable	-	-	-	-	-	-	-	9,929,062
Contracts and retainage payable	-	-	-	-	-	-	-	143,009
Accrued employee compensation and benefits	-	-	-	-	-	-	-	60,677
Due to other funds	-	-	-	-	-	-	-	3,270,331
Deferred revenues	-	-	795,129	795,129	-	-	-	25,457,859
Matured principal payable	5,445,000	-	-	5,445,000	-	-	-	5,445,000
Matured interest payable	3,009,842	-	-	3,009,842	-	-	-	3,009,842
Total liabilities	8,454,842	-	795,129	9,249,971	-	-	-	47,315,780
FUND BALANCES								
Nonspendable	-	-	-	-	20,518,119	7,909,254	28,427,373	29,802,969
Restricted	7,989,645	327	-	7,989,972	-	-	-	66,286,509
Committed	3,000,000	-	1,912,616	4,912,616	-	-	-	24,799,578
Assigned	-	-	-	-	-	-	-	1,000,383
Unassigned	-	-	-	-	-	-	-	(3,654)
Total fund balances	10,989,645	327	1,912,616	12,902,588	20,518,119	7,909,254	28,427,373	121,885,785
Total liabilities and fund balances	19,444,487	327	2,707,745	22,152,559	20,518,119	7,909,254	28,427,373	169,201,565

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2012

Special Revenue

	COMMUNITY DEVELOPMENT	FIRE	RECREATION	LODGERS' TAX	HOSPITALITY TAX
REVENUES					
Taxes:					
Gross receipts taxes, local option	\$ -	\$ -	\$ -	\$ -	\$ -
Lodgers' and hospitality taxes	-	-	-	10,080,734	2,016,117
Licenses and permits	-	-	-	-	-
Intergovernmental	4,223,125	1,698,382	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest on investments	-	16,702	-	3,295	556
Special assessments	-	-	-	-	-
Miscellaneous	894,974	48,277	-	-	-
Total revenues	5,118,099	1,763,361	-	10,084,029	2,016,673
EXPENDITURES					
Current:					
General government	-	-	-	5,149,853	1,071,000
Public safety	-	650,537	-	-	-
Culture and recreation	-	-	1	-	-
Public works	993,949	-	-	-	-
Highways and streets	-	-	-	-	-
Health	-	-	-	-	-
Human services	1,888,537	-	-	-	-
Housing	1,951,877	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	100,380	104,172	-	-	-
Total expenditures	4,934,743	754,709	1	5,149,853	1,071,000
Excess (deficiency) of revenues over (under) expenditures	183,356	1,008,652	(1)	4,934,176	945,673
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	127,000
Transfers out	-	(204,240)	-	(6,279,000)	(1,248,000)
Premiums on bonds issued	-	-	-	-	-
Proceeds from refunding bonds	-	-	-	-	-
Payments to refunded bond escrow agents	-	-	-	-	-
Total other financing sources and (uses)	-	(204,240)	-	(6,279,000)	(1,121,000)
Net change in fund balance	183,356	804,412	(1)	1,344,824	(175,327)
Fund balance (deficit), July 1	12,918	1,369,798	1	1,641,996	232,116
Fund balance (deficit), June 30	196,274	2,174,210	-	2,977,172	56,789

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2012

	Special Revenue					
	CULTURE AND RECREATION PROJECTS	ALBUQUERQUE BIOLOGICAL PARKS PROJECTS	CITY HOUSING	AIR QUALITY	HEART ORDINANCE	OPERATING GRANTS
REVENUES						
Taxes:						
Gross receipts taxes, local option	-	-	-	-	-	-
Lodgers' and hospitality taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	3,051,260	34,999	22,560,974
Intergovernmental	505,936	6,234	-	-	-	-
Charges for services	-	261,633	-	-	35,000	-
Fines and forfeitures	15,864	3,971	42,840	5,141	-	27,365
Interest on investments	748,880	2,128,979	159,311	568	-	-
Special assessments	1,270,680	2,400,817	202,151	3,056,969	70,000	626,175
Miscellaneous	-	-	-	-	-	-
Total revenues						
	1,270,680	2,400,817	202,151	3,056,969	70,000	23,214,514
EXPENDITURES						
Current:						
General government	-	-	-	-	70,000	318,134
Public safety	-	-	-	-	-	5,884,079
Culture and recreation	786,648	2,404,159	-	-	-	119,333
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	733,387
Health	-	-	-	-	-	-
Human services	-	-	-	2,169,894	-	19,733,658
Housing	-	-	968,652	-	-	1,858,040
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	49,247	-	7,975	-	686,739
Total expenditures	786,648	2,453,406	968,652	2,177,869	70,000	29,333,370
Excess (deficiency) of revenues over (under) expenditures	484,032	(52,589)	(766,501)	879,100	-	(6,118,856)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	96,114	-	-	5,153,820
Premiums on bonds issued	-	-	-	-	-	-
Proceeds from refunding bonds	-	-	-	-	-	-
Payments to refunded bond escrow agents	-	-	-	-	-	-
Total other financing sources and (uses)						
	-	-	96,114	-	-	5,153,820
Net change in fund balance	484,032	(52,589)	(704,387)	879,100	-	(965,036)
Fund balance (deficit), July 1	1,963,241	89,715	7,041,691	310,291	-	4,278,557
Fund balance (deficit), June 30	2,447,273	37,126	6,337,304	1,189,391	-	3,313,521

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2012

	Special Revenue					
	METROPOLITAN REDEVELOPMENT	HOUSING AND NEIGHBORHOOD ECONOMIC DEVELOPMENT	LAW ENFORCEMENT PROTECTION	GAS ROAD TAX	CITY COUNTY PROJECTS	FALSE ALARM ENFORCEMENT AND EDUCATION
REVENUES						
Taxes:						
Gross receipts taxes, local option						
Lodgers' and hospitality taxes						
Licenses and permits						
Intergovernmental			665,800	4,287,335		
Charges for services			108,199			
Fines and forfeitures			2,416,750			
Interest on investments	36,208	32,218	26,899	2,107		189
Special assessments						
Miscellaneous	55,682	61,166	278,479	59,379		
Total revenues	<u>91,890</u>	<u>93,384</u>	<u>3,496,127</u>	<u>4,348,821</u>		<u>189</u>
EXPENDITURES						
Current:						
General government	251,069					
Public safety			2,487,858			
Culture and recreation						
Public works						
Highways and streets				5,228,852		
Health						
Human services						
Housing		895				
Debt service:						
Principal retirement						
Interest						
Capital outlay			443,811			
Total expenditures	<u>251,069</u>	<u>895</u>	<u>2,931,669</u>	<u>5,228,852</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(159,179)</u>	<u>92,489</u>	<u>564,458</u>	<u>(880,031)</u>		<u>189</u>
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers out			(389,000)	224,000		(609,095)
Premiums on bonds issued						
Proceeds from refunding bonds						
Payments to refunded bond escrow agents						
Total other financing sources and (uses)			<u>(389,000)</u>	<u>224,000</u>		<u>(609,095)</u>
Net change in fund balance	(159,179)	92,489	175,458	(656,031)		(608,906)
Fund balance (deficit), July 1	3,627,675	4,026,638	3,879,288	660,471		608,906
Fund balance (deficit), June 30	<u>\$ 3,468,496</u>	<u>\$ 4,119,127</u>	<u>\$ 4,054,746</u>	<u>\$ 4,440</u>		<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO Page 4 of 6
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2012

	Special Revenue					SPECIAL REVENUE TOTAL
	PHOTO ENFORCEMENT RED LIGHT	CITY COUNTY FACILITIES	ACQUISITION & MANAGEMENT OF OPEN SPACE EXPENDITURES	URBAN ENHANCEMENT EXPENDITURES		
REVENUES						
Taxes:						
Gross receipts taxes, local option	-	-	-	-	-	-
Lodgers' and hospitality taxes	-	-	-	-	-	12,096,851
Licenses and permits	-	-	-	-	-	3,086,259
Intergovernmental	-	-	-	-	-	33,441,850
Charges for services	-	2,995,438	68,597	-	-	3,974,803
Fines and forfeitures	1,100,438	-	-	-	-	3,517,188
Interest on investments	7,660	(308)	6,360	11,118	-	238,186
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	1	-	-	5,061,871
Total revenues	1,108,098	2,995,130	74,958	11,118		61,417,008
EXPENDITURES						
Current:						
General government	-	3,258,993	-	-	-	10,119,049
Public safety	1,117,620	-	-	-	-	10,140,094
Culture and recreation	-	-	2,603,679	272,582	-	6,186,402
Public works	-	-	-	-	-	993,949
Highways and streets	-	-	-	-	-	5,962,239
Health	-	-	-	-	-	2,169,894
Human services	-	-	-	-	-	21,622,195
Housing	-	-	-	-	-	4,779,464
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,392,324
Total expenditures	1,117,620	3,258,993	2,603,679	272,582		63,365,610
Excess (deficiency) of revenues over (under) expenditures	(9,522)	(263,863)	(2,528,721)	(261,464)		(1,948,602)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(647,000)	-	1,554,912	52,280	-	7,208,126
Premiums on bonds issued	-	-	-	-	-	(9,376,335)
Proceeds from refunding bonds	-	-	-	-	-	-
Payments to refunded bond escrow agents	-	-	-	-	-	-
Total other financing sources and (uses)	(647,000)	(263,863)	1,554,912	52,280		(2,168,209)
Net change in fund balance	(656,522)	(263,863)	(973,809)	(209,184)		(4,116,811)
Fund balance (deficit), July 1	1,291,998	629,174	1,106,272	1,572,650		34,343,396
Fund balance (deficit), June 30	\$ 635,476	\$ 365,311	\$ 132,463	\$ 1,363,466		\$ 30,226,585

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2012

Capital Projects

	SPECIAL ASSESSMENTS CAPITAL	QUALITY OF LIFE	INFRASTRUCTURE TAX	IMPACT FEES	VEHICLE AND EQUIPMENT REPLACEMENT	CAPITAL PROJECTS TOTAL
REVENUES						
Taxes:						
Gross receipts taxes, local option	\$ -	\$ -	\$ 34,348,887	\$ -	\$ -	\$ 34,348,887
Lodgers' and hospitality taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest on investments	6,792	530	385,650	5,245	8,510	406,727
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	15,773	4,981,296	20,848	5,017,917
Total revenues	6,792	530	34,730,310	4,986,541	29,558	39,775,531
EXPENDITURES						
Current:						
General government	-	8,180	-	-	-	8,180
Public safety	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Housing	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	23,892	25,849,721	4,986,541	688,081	31,548,235
Total expenditures	-	32,072	25,849,721	4,986,541	688,081	31,556,415
Excess (deficiency) of revenues over (under) expenditures	6,792	(31,542)	8,900,589	-	(658,723)	8,217,116
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	500,000	500,000
Transfers out	-	-	(13,108,748)	-	-	(13,108,748)
Premiums on bonds issued	-	-	-	-	-	-
Proceeds from refunding bonds	-	-	-	-	-	-
Payments to refunded bond escrow agents	-	-	-	-	-	-
Total other financing sources and (uses)	-	-	(13,108,748)	-	500,000	(12,608,748)
Net change in fund balance	6,792	(31,542)	(4,208,159)	-	(158,723)	(4,391,632)
Fund balance (deficit), July 1	942,340	78,556	52,544,523	(3,654)	1,159,106	54,720,871
Fund balance (deficit), June 30	949,132	47,014	48,336,364	\$ (3,654)	\$ 1,000,383	\$ 50,329,239

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2012

	Debt Service				Permanent Funds			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	SALES TAX REFUNDING	FIRE DEBT SERVICE	SPECIAL ASSESSMENTS	DEBT SERVICE TOTAL	ACQUISITION AND MANAGEMENT OF OPEN SPACE	URBAN ENHANCEMENT	PERMANENT FUND TOTAL	
REVENUES								
Taxes:								
Gross receipts taxes, local option								
Lodgers' and hospitality taxes								
Licenses and permits								
Intergovernmental								
Charges for services								
Fines and forfeitures								
Interest on investments	464,025	253	11,082	475,360	76,576	57,201	133,777	3,517,188
Special assessments			574,927	574,927				1,254,050
Miscellaneous			477	477	19,875			574,927
Total revenues	464,025	253	586,486	1,050,764	96,451	57,201	153,652	10,100,140
EXPENDITURES								
Current:								
General government								
Public safety								
Culture and recreation					64,527		64,527	10,127,329
Public works								10,140,094
Highways and streets								6,250,929
Health								993,949
Human services								5,962,239
Housing								2,169,894
Debt service:								21,622,195
Principal retirement	6,777,891	48,095		6,825,986				6,825,986
Interest	5,919,500	52,831		5,972,331				5,972,331
Capital outlay		100,926			64,527		64,527	32,940,559
Total expenditures	12,697,391	(100,673)	586,486	(11,747,553)	31,924	57,201	89,125	107,784,869
Excess (deficiency) of revenues over (under) expenditures	(12,233,366)							(5,389,914)
OTHER FINANCING SOURCES (USES)								
Transfers in	12,085,000	101,000		12,186,000				19,894,126
Transfers out	(937,000)			(937,000)	(77,912)	(52,280)	(130,192)	(23,552,275)
Premiums on bonds issued	243,158			243,158				243,158
Proceeds from refunding bonds	3,780,000			3,780,000				3,780,000
Payments to refunded bond escrow agents	(3,994,688)			(3,994,688)				(3,994,688)
Total other financing sources and (uses)	11,176,370	101,000		11,277,370	(77,912)	(52,280)	(130,192)	(3,629,679)
Net change in fund balance	(1,056,896)	327	586,486	(470,083)	(45,988)	4,921	(41,067)	(9,019,593)
Fund balance (deficit), July 1	12,046,541		1,326,130	13,372,671	20,564,107	7,909,254	28,468,440	130,903,378
Fund balance (deficit), June 30	10,989,645	327	1,912,616	12,902,588	20,518,119	7,909,254	28,427,373	121,883,785

The notes to the financial statements are an integral part of this statement.

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2012

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2011	Current Year Actual	Project Budget Remaining June 30, 2012
Revenues:					
U.S. Dept. of Housing and Urban Development	\$ 37,594,043	26,536,906	11,057,137	4,223,125	\$ 6,834,012
Miscellaneous:					
Rehabilitation loan repayments	1,499,254	2,631,368	(1,132,114)	895,273	(2,027,387)
Other miscellaneous	-	858,656	(858,656)	(299)	(858,357)
Total miscellaneous	<u>1,499,254</u>	<u>3,490,024</u>	<u>(1,990,770)</u>	<u>894,974</u>	<u>(2,885,744)</u>
Total revenues	<u>39,093,297</u>	<u>30,026,930</u>	<u>9,066,367</u>	<u>5,118,099</u>	<u>3,948,268</u>
Expenditures:					
Current:					
Community Development	<u>10,556,963</u>	<u>7,599,057</u>	<u>2,957,906</u>	<u>1,094,328</u>	<u>1,863,578</u>
Human services:					
Mayor's office for senior citizens	4,207,406	3,156,990	1,050,416	1,981,189	(930,773)
Community development administration	2,765,233	2,609,830	155,403	(159,877)	315,280
Outside operating agencies	1,457,181	1,599,111	(141,930)	57,230	(199,160)
Miscellaneous	-	8,926	(8,926)	-	(8,926)
Total human services	<u>8,429,820</u>	<u>7,374,857</u>	<u>1,054,963</u>	<u>1,878,542</u>	<u>(823,579)</u>
Housing	<u>19,332,748</u>	<u>15,137,611</u>	<u>4,195,137</u>	<u>1,961,873</u>	<u>2,233,264</u>
Total expenditures	<u>38,319,531</u>	<u>30,111,525</u>	<u>8,208,006</u>	<u>4,934,743</u>	<u>3,273,263</u>
Deficiency of revenues over expenditures	773,766	(84,595)	858,361	183,356	675,005
Other financing sources:					
Operating transfers (out)	<u>61,823</u>	<u>-</u>	<u>61,823</u>	<u>-</u>	<u>61,823</u>
Total other financing sources	<u>61,823</u>	<u>-</u>	<u>61,823</u>	<u>-</u>	<u>61,823</u>
Net change in fund balance	<u>\$ 835,589</u>	<u>(84,595)</u>	<u>920,184</u>	<u>183,356</u>	<u>\$ 736,828</u>
Fund balance, July 1				<u>12,918</u>	
Fund balance, June 30				<u>196,274</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FIRE FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,307,000	\$ 1,307,000	\$ 1,698,382	\$ 391,382
Interest:				
Interest on investments	15,000	15,000	16,702	1,702
Miscellaneous	-	-	48,277	48,277
Total revenues	<u>1,322,000</u>	<u>1,322,000</u>	<u>1,763,361</u>	<u>441,361</u>
Expenditures:				
Current:				
Public safety:				
Fire special improvements	1,707,000	2,459,000	754,709	1,704,291
Total expenditures	<u>1,707,000</u>	<u>2,459,000</u>	<u>754,709</u>	<u>1,704,291</u>
Excess (deficiency) of revenues over expenditures	<u>(385,000)</u>	<u>(1,137,000)</u>	<u>1,008,652</u>	<u>2,145,652</u>
Other financing sources (uses):				
Operating transfers in (out)	(101,000)	(204,240)	(204,240)	-
Total other financing sources (uses)	<u>(101,000)</u>	<u>(204,240)</u>	<u>(204,240)</u>	<u>-</u>
Net change in fund balance	(486,000)	(1,341,240)	804,412	2,145,652
Fund balance, July 1	<u>1,369,798</u>	<u>1,369,798</u>	<u>1,369,798</u>	<u>-</u>
Fund balance, June 30	<u>\$ 883,798</u>	<u>\$ 28,558</u>	<u>\$ 2,174,210</u>	<u>\$ 2,145,652</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - RECREATION FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental:				
State cigarette tax	\$ -	\$ -	\$ -	\$ -
Interest:				
Interest on investments	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Current				
Culture and recreation	-	-	1	1
Total expenditures	-	-	1	1
Excess (deficiency) of revenues over expenditures	-	-	(1)	(1)
Other financing uses:				
Transfers out	-	-	-	-
Bond proceeds	-	-	-	-
Net change in fund balance	-	-	(1)	(1)
Fund balance, July 1	-	-	1	1
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGET AND ACTUAL - LODGERS' TAX FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes:				
Lodgers' tax	\$ 10,712,000	\$ 10,712,000	\$ 10,080,734	\$ (631,266)
Interest:				
Interest on investments	2,000	2,000	3,295	1,295
Total revenues	10,714,000	10,714,000	10,084,029	(629,971)
Expenditures:				
Current:				
General Government:				
Lodger's promotion	5,166,000	5,166,000	5,149,853	16,147
Total expenditures	5,166,000	5,166,000	5,149,853	16,147
Excess (deficiency) of revenues over expenditures	5,548,000	5,548,000	4,934,176	(613,824)
Other financing uses:				
Transfer to Sales Tax Debt Service Fund	(6,089,000)	(6,089,000)	(6,089,000)	-
Transfer to the General Fund	(190,000)	(190,000)	(190,000)	-
Total other financing uses:	(6,279,000)	(6,279,000)	(6,279,000)	-
Net change in fund balance	(731,000)	(731,000)	(1,344,824)	(613,824)
Fund balance, July 1	1,641,996	1,641,996	1,641,996	-
Fund balance, June 30	\$ 910,996	\$ 910,996	\$ 297,172	\$ (613,824)

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HOSPITALITY TAX FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes:				
Hospitality tax	\$ 2,142,000	\$ 2,142,000	\$ 2,016,117	\$ (125,883)
Interest:				
Interest on investments	1,000	1,000	556	(444)
Miscellaneous				
Miscellaneous				-
Total revenues	<u>2,143,000</u>	<u>2,143,000</u>	<u>2,016,673</u>	<u>(126,327)</u>
Expenditures:				
Current:				
General government:				
Lodger's promotion	1,071,000	1,071,000	1,071,000	-
Total expenditures	<u>1,071,000</u>	<u>1,071,000</u>	<u>1,071,000</u>	<u>-</u>
Excess of revenues over expenditures	1,072,000	1,072,000	945,673	(126,327)
Other financing uses:				
Operating transfers in	-	127,000	127,000	-
Operating transfers out	(1,121,000)	(1,248,000)	(1,248,000)	-
Total other financing sources (uses)	<u>(1,121,000)</u>	<u>(1,121,000)</u>	<u>(1,121,000)</u>	<u>-</u>
Net change in fund balance	(49,000)	(49,000)	(175,327)	(126,327)
Fund balance, July 1	232,116	232,116	232,116	-
Fund balance, June 30	<u>\$ 183,116</u>	<u>\$ 183,116</u>	<u>\$ 56,789</u>	<u>\$ (126,327)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CULTURE AND RECREATION PROJECTS FUND
YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2011</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2012</u>
Revenues:					
Culture and recreation:					
Library charges	\$ 935,000	\$ 1,192,362	\$ (257,362)	\$ 91,608	\$ (348,970)
Museum charges	2,594,000	2,281,187	312,813	321,717	(8,904)
Other	-	85,155	(85,155)	92,611	(177,766)
Total charges for services	<u>3,529,000</u>	<u>3,558,704</u>	<u>(29,704)</u>	<u>505,936</u>	<u>(535,640)</u>
Interest on investments	<u>358,950</u>	<u>515,785</u>	<u>(156,835)</u>	<u>15,864</u>	<u>(172,699)</u>
Other:					
Miscellaneous revenue	4,741,700	4,057,966	683,734	638,913	44,821
Contributions and donations	<u>1,391,817</u>	<u>1,864,781</u>	<u>(472,964)</u>	<u>109,967</u>	<u>(582,931)</u>
Total other revenues	<u>6,133,517</u>	<u>5,922,747</u>	<u>210,770</u>	<u>748,880</u>	<u>(538,110)</u>
Total revenues	<u>10,021,467</u>	<u>9,997,236</u>	<u>24,231</u>	<u>1,270,680</u>	<u>(1,246,449)</u>
Expenditures:					
Current:					
Culture and recreation	<u>10,319,467</u>	<u>8,033,996</u>	<u>2,285,471</u>	<u>786,648</u>	<u>1,498,823</u>
Excess (deficiency) of revenues over expenditures	(298,000)	1,963,240	(2,261,240)	484,032	(2,745,272)
Other financing sources:					
Transfers in	<u>355,000</u>	<u>-</u>	<u>355,000</u>	<u>-</u>	<u>355,000</u>
Total other financing sources (uses)	<u>355,000</u>	<u>-</u>	<u>355,000</u>	<u>-</u>	<u>355,000</u>
Net change in fund balance	<u>\$ 57,000</u>	<u>\$ 1,963,240</u>	<u>\$ (1,906,240)</u>	484,032	<u>\$ (2,390,272)</u>
Fund balance, July 1				<u>1,963,241</u>	
Fund balance, June 30				<u>\$ 2,447,273</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ALBUQUERQUE BIOLOGICAL PARK PROJECTS FUND
YEAR ENDED JUNE 30, 2012

	Project Budget	Prior Years' Actual	Project Budget Remaining July 1, 2011	Current Year Actual	Project Budget Remaining June 30, 2012
Revenues:					
Zoo and park admissions	\$ 1,627,000	\$ 1,362,147	\$ 264,853	\$ 261,633	\$ 3,220
Collecting trips	-	7,602	(7,602)	-	(7,602)
Total charges for services	<u>1,627,000</u>	<u>1,369,749</u>	<u>257,251</u>	<u>261,633</u>	<u>(4,382)</u>
Interest on investments	<u>220,500</u>	<u>205,249</u>	<u>15,251</u>	<u>3,971</u>	<u>11,280</u>
Other:					
Miscellaneous revenue	80,000	83,536	(3,536)	21,487	(25,023)
Contributions and donations	16,740,713	14,575,852	2,164,861	2,111,762	53,099
Sales of other property	244,000	242,437	1,563	1,964	(401)
Total other	<u>17,064,713</u>	<u>14,901,825</u>	<u>2,162,888</u>	<u>2,135,213</u>	<u>27,675</u>
Total revenues	<u>18,912,213</u>	<u>16,476,823</u>	<u>2,435,390</u>	<u>2,400,817</u>	<u>34,573</u>
Expenditures:					
Current:					
Culture and recreation	<u>17,390,255</u>	<u>14,865,107</u>	<u>2,525,148</u>	<u>2,453,406</u>	<u>71,742</u>
Total Expenditures	<u>17,390,255</u>	<u>14,865,107</u>	<u>2,525,148</u>	<u>2,453,406</u>	<u>71,742</u>
Excess (deficiency) of revenues over expenditures	<u>1,521,958</u>	<u>1,611,716</u>	<u>(89,758)</u>	<u>(52,589)</u>	<u>(37,169)</u>
Other financing uses:					
Transfers to capital acquisitions	<u>(1,522,000)</u>	<u>(1,522,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>(1,522,000)</u>	<u>(1,522,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (42)</u>	<u>\$ 89,716</u>	<u>\$ (89,758)</u>	<u>(52,589)</u>	<u>\$ (37,169)</u>
Fund balance, July 1				<u>89,715</u>	
Fund balance, June 30				<u>\$ 37,126</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CITY HOUSING FUND
YEAR ENDED JUNE 30, 2012

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2011	Current Year Actual	Project Budget Remaining June 30, 2012
Revenues:					
Interest on investments	\$ 1,364,507	\$ 1,214,514	\$ 149,993	\$ 42,840	\$ 107,153
CMO bond loan repayments	405,156	4,533,121	(4,127,965)	159,311	(4,287,276)
Affordable Housing Trust Fund	1,000,000	1,000,000	-	-	-
Proceeds from land sales	8,312,804	8,312,804	-	-	-
Total revenues	11,082,467	15,060,439	(3,977,972)	202,151	(4,180,123)
Expenditures:					
Current:					
Housing	10,916,069	9,474,613	1,441,456	968,652	472,804
Total expenditures	10,916,069	9,474,613	1,441,456	968,652	472,804
Excess (deficiency) of revenues over expenditures	166,398	5,585,826	(5,419,428)	(766,501)	(4,652,927)
Other financing sources (uses):					
Operating transfers in (out)	(166,398)	410,084	(576,482)	96,114	(672,596)
Total other financing sources (uses)	(166,398)	410,084	(576,482)	96,114	(672,596)
Net change in fund balance	\$ -	\$ 5,995,910	\$ (5,995,910)	(670,387)	\$ (5,325,523)
Fund balance, July 1				7,041,691	
Fund balance, June 30				<u>\$ 6,371,304</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - AIR QUALITY FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Licenses and permits:				
Authorized vehicle inspection fees	\$ 25,000	\$ 25,000	\$ 31,200	\$ 6,200
Certified vehicle inspection fees	10,000	10,000	18,400	8,400
Certified vehicle paper sales	1,250,000	1,250,000	1,274,400	24,400
Dust permits	240,000	240,000	277,360	37,360
Title V operating permits	1,157,000	1,157,000	1,405,347	248,347
Asbestos notification	40,000	40,000	44,553	4,553
Total licenses and permits	<u>2,722,000</u>	<u>2,722,000</u>	<u>3,051,260</u>	<u>329,260</u>
Interest:				
Interest on investments	50,000	50,000	5,141	(44,859)
Miscellaneous	-	-	568	568
Total revenues	<u>2,772,000</u>	<u>2,772,000</u>	<u>3,056,969</u>	<u>284,969</u>
Expenditures:				
Environmental Health:				
Title V operating permits	1,431,000	1,431,000	1,039,904	391,096
Vehicle inspections	1,074,000	1,074,000	1,024,646	49,354
Indirect overhead	125,000	125,000	113,319	11,681
Total expenditures	<u>2,630,000</u>	<u>2,630,000</u>	<u>2,177,869</u>	<u>452,131</u>
Excess (deficiency) of revenues over expenditures	<u>142,000</u>	<u>142,000</u>	<u>879,100</u>	<u>737,100</u>
Net change in fund balance	142,000	142,000	879,100	737,100
Fund balance, July 1	<u>310,291</u>	<u>310,291</u>	<u>310,291</u>	<u>-</u>
Fund balance, June 30	<u>\$ 452,291</u>	<u>\$ 452,291</u>	<u>\$ 1,189,391</u>	<u>\$ 737,100</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HEART ORDINANCE FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Licenses and permits	\$ -	\$ 70,000	\$ 69,999	\$ (1)
Interest:				
Interest on investments	-	-	1	1
Total revenues	<u>-</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Expenditures:				
Current:				
Health and Welfare	64,000	64,000	64,000	-
Indirect overhead	6,000	6,000	6,000	-
Total expenditures	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(70,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(70,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), June 30	<u>\$ (70,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - OPERATING GRANTS FUND
YEAR ENDED JUNE 30, 2012

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2011	Current Year Actual	Project Budget Remaining June 30, 2012
Revenues:					
Intergovernmental:					
Grants:					
Corporation for National and Community Services	\$ 4,084,797	4,060,534	24,263	291,671	\$ (267,408)
U.S. Department of Agriculture	63,914	1,716,574	(1,652,660)	13,316	(1,665,976)
U.S. Department of Housing and Urban development	58,877,310	58,311,397	565,913	2,963,635	(2,397,722)
U.S. Department of Labor	3,888,864	3,402,155	486,709	(5,982)	492,691
U.S. Environmental Protection Agency	12,475,800	13,027,429	(551,629)	953,048	(1,504,677)
Federal Aviation Administration	440,000	440,000	-	-	-
U.S. Department of Energy	-	387,106	(387,106)	-	(387,106)
U.S. Department of Energy - UCETC	-	110,198	(110,198)	-	(110,198)
U.S. Dept. Health and Human Services	37,122,607	37,953,656	(831,049)	2,975,072	(3,806,121)
U.S. Department of Homeland Security	-	1,094,147	(1,094,147)	(68,375)	(1,025,772)
U.S. Department of the Treasury	427,169	385,994	41,175	-	41,175
U.S. Department of Justice	33,461,793	28,477,888	4,983,905	3,130,753	1,853,152
U.S. Department of Education	-	106,805	(106,805)	-	(106,805)
U.S. Department of the Interior	25,295	-	25,295	-	25,295
Federal Emergency Management Agency	2,255,765	1,963,066	292,699	-	292,699
N.M. Dept. of Health - Social Services	6,636,987	1,574,856	5,062,131	116,038	4,946,093
N.M. Department of Public Safety	12,422,984	10,495,162	1,927,822	1,690,151	237,671
N.M. State Library	389,871	586,134	(196,263)	101,065	(297,328)
N.M. State Highway Department	17,392,678	16,300,871	1,091,807	600,291	491,516
N.M. Department of Transportation	10,746,353	9,973,256	773,097	206,607	566,490
N.M. State Office on Aging	57,301,646	59,534,783	(2,233,137)	6,222,721	(8,455,858)
N.M. Board of Finance	257,969	5,296	252,673	-	252,673
N.M. Dept. of Economic Development	2,950,000	3,258,754	(308,754)	-	(308,754)
N.M. Energy and Minerals Dept.	249,800	555,658	(305,858)	(10,700)	(295,158)
N.M. Local government Division	17,734,938	21,385,294	(3,650,356)	-	(3,650,356)
N.M. Office Cultural Office	75,910	75,555	355	13,700	(13,345)
N.M. Dept. of Health - Public Health	6,000	6,000	-	-	-
N.M. Dept. of Health - Substance Abuse	6,000	10,000	(4,000)	-	(4,000)
N.M. Children, Youth & Families Dept.	29,662,571	26,615,242	3,047,329	2,200,611	846,718
N.M. Youth Conservation Corp. Comm.	479,139	576,389	(97,250)	-	(97,250)
N.M. HIDTA	15,000	11,521	3,479	428,165	(424,686)
N.M. Fire Marshall	200,000	59,095	140,905	59,268	81,637
City of Rio Rancho	60,000	33,436	26,564	-	26,564
County Other	2,744,748	916,038	1,828,710	448,677	1,380,033
Sandoval County	-	-	-	24,436	(24,436)
County Aging	4,051,382	4,669,987	(618,605)	-	(618,605)
Total intergovernmental	316,507,290	308,080,276	8,427,014	22,354,168	(13,927,154)
Interest:					
Interest - Police Block Grant	468,138	718,255	(250,117)	27,365	(277,482)
Miscellaneous:					
Other miscellaneous	14,149,696	16,121,044	(1,971,348)	647,980	(2,619,328)
Rehabilitation loan repayments	1,556,385	1,956,821	(400,436)	185,001	(585,437)
Contributions and donations	585,636	448,367	137,269	-	137,269
Total miscellaneous	16,291,717	18,526,232	(2,234,515)	832,981	(3,067,496)
Total revenues	333,267,145	327,324,763	5,942,382	23,214,514	(17,272,132)

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - OPERATING GRANTS FUND
YEAR ENDED JUNE 30, 2012

	Project Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Expenditures:					
General government:					
Aviation	440,000	440,000	-	-	-
Planning-redevelopment	1,157,838	1,209,264	(51,426)	(147,801)	96,375
Planning-Mayor	-	341,984	(341,984)	-	(341,984)
Planning-Chief Administrative Officer	5,652,736	1,656,412	3,996,324	-	3,996,324
Council Services	45,000	40,645	4,355	-	4,355
General Services	-	2	(2)	-	(2)
Environmental Health	-	1,476	(1,476)	193	(1,669)
Finance and Administrative Services	90,378	719,689	(629,311)	-	(629,311)
Legal	-	37,404	(37,404)	-	(37,404)
Solid waste	6,539,103	5,651,477	887,626	451,211	436,415
Economic Development	182,800	355,000	(172,200)	-	(172,200)
Human Resources	-	-	-	14,531	(14,531)
Total general government	<u>14,107,855</u>	<u>10,453,353</u>	<u>3,654,502</u>	<u>318,134</u>	<u>3,336,368</u>
Public Safety:					
Fire	3,119,168	2,801,967	317,201	45,057	272,144
CAO - Emergency Management	8,013,441	10,816,257	(2,802,816)	1,105,944	(3,908,760)
Police	56,943,425	53,560,116	3,383,309	5,159,129	(1,775,820)
Total public safety	<u>68,076,034</u>	<u>67,178,340</u>	<u>897,694</u>	<u>6,310,130</u>	<u>(5,412,436)</u>
Culture and recreation:					
Library	508,746	804,894	(296,148)	142,804	(438,952)
Parks and Recreation	1,637,874	1,928,756	(290,882)	29,860	(320,742)
Total culture and recreation	<u>2,146,620</u>	<u>2,733,650</u>	<u>(587,030)</u>	<u>172,664</u>	<u>(759,694)</u>
Highways and streets	<u>12,776,800</u>	<u>11,707,157</u>	<u>1,069,643</u>	<u>733,387</u>	<u>336,256</u>
Environmental health	<u>26,189,835</u>	<u>26,714,029</u>	<u>(524,194)</u>	<u>1,958,295</u>	<u>(2,482,489)</u>
Human services	<u>264,812,644</u>	<u>256,388,710</u>	<u>8,423,934</u>	<u>19,840,760</u>	<u>(11,416,826)</u>
Total expenditures	<u>388,109,788</u>	<u>375,175,239</u>	<u>12,934,549</u>	<u>29,333,370</u>	<u>(16,398,821)</u>
Excess (deficiency) of revenues over expenditures	<u>(54,842,643)</u>	<u>(47,850,476)</u>	<u>(6,992,167)</u>	<u>(6,118,856)</u>	<u>(873,311)</u>
Other financing sources (uses):					
Transfers in	60,009,211	49,840,153	10,169,058	5,153,820	5,015,238
Transfers out	(3,240)	-	(3,240)	-	(3,240)
Total other financing sources	<u>60,005,971</u>	<u>49,840,153</u>	<u>10,165,818</u>	<u>5,153,820</u>	<u>5,011,998</u>
Net change in fund balances	<u>\$ 5,163,328</u>	<u>1,989,677</u>	<u>3,173,651</u>	<u>(965,036)</u>	<u>\$ 4,138,687</u>
Fund balances, July 1				<u>4,278,557</u>	
Fund balances, June 30				<u>3,313,521</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - METROPOLITAN REDEVELOPMENT FUND
YEAR ENDED JUNE 30, 2012

	Project Budget	Prior Years' Actual	Project Budget Remaining July 1, 2011	Current Year Actual	Project Budget Remaining June 30, 2012
Revenues:					
Taxes:					
Current property tax	\$ 6,247,297	\$ 6,905,585	\$ (658,288)	\$ -	\$ (658,288)
Charges for services					
Intergovernmental:					
Grants:					
US Economic Development Administration	1,000,000	1,000,000	-	-	-
Interest:					
Interest on investments	2,816,668	2,870,819	(54,151)	36,208	(90,359)
Miscellaneous:					
Rental of city property	740,355	785,920	(45,565)	25,045	(70,610)
Sale of real property	2,399,173	2,346,281	52,892	-	52,892
Miscellaneous parking revenue	31,898	31,898	-	-	-
Other miscellaneous	266,837	1,007,446	(740,609)	30,637	(771,246)
Total miscellaneous	3,438,263	4,171,545	(733,282)	55,682	(788,964)
Total revenues	13,502,228	14,947,949	(1,445,721)	91,890	(1,537,611)
Expenditures:					
Current:					
General Government	14,257,202	12,109,274	2,147,928	251,069	1,896,859
Excess (deficiency) of revenues over expenditures	(754,974)	2,838,675	(3,593,649)	(159,179)	(3,434,470)
Other financing sources:					
Operating transfers in	425,000	425,000	-	-	-
Total other financing sources	425,000	425,000	-	-	-
Net change in fund balance	\$ (329,974)	\$ 3,263,675	\$ (3,593,649)	(159,179)	\$ (3,434,470)
Fund balance, July 1				3,627,675	
Fund balance, June 30				\$ 3,468,496	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - HOUSING & NEIGHBORHOOD ECONOMIC DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2010</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2011</u>
Revenues:					
Interest:					
Interest	\$ 200,000	\$ 5,586,722	\$ (5,386,722)	\$ 32,218	\$ (5,418,940)
Miscellaneous:					
Housing and development	12,223,517	13,019,948	(796,431)	61,166	(857,597)
Total revenues	12,423,517	18,606,670	(6,183,153)	93,384	(6,276,537)
Expenditures:					
Current:					
Housing and development	12,423,517	13,844,228	(1,420,711)	895	(1,421,606)
Net change in fund balance	<u>\$ -</u>	<u>\$ 4,762,442</u>	<u>\$ (4,762,442)</u>	92,489	<u>\$ (4,854,931)</u>
Fund balance, July 1				4,026,638	
Fund balance, June 30				<u>\$ 4,119,127</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - LAW ENFORCEMENT PROTECTION FUND
YEAR ENDED JUNE 30, 2012

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2011	Current Year Actual	Project Budget Remaining June 30, 2012
Revenues:					
Intergovernmental:					
Insurance debt collections	\$ 5,566,200	\$ 4,680,547	\$ 885,653	\$ 665,800	\$ 219,853
Charges for services:					
Crime laboratory-Controlled substances and DWI tests	1,200,000	1,152,264	47,736	108,199	(60,463)
Fines and forfeits:					
Police-forfeited funds	10,990,000	11,901,734	(911,734)	2,416,750	(3,328,484)
Interest:					
Interest on Investments	-	825,830	(825,830)	26,899	(852,729)
Other:					
Miscellaneous	4,231,000	4,930,701	(699,701)	278,479	(978,180)
Total revenues	21,987,200	23,491,076	(1,503,876)	3,496,127	(5,000,003)
Expenditures:					
Current:					
General Government					
Public safety:					
Law enforcement protection funds act	5,566,200	4,221,216	1,344,984	833,842	511,142
Federal forfeitures program	7,205,000	6,907,172	297,828	1,068,221	(770,393)
Crime lab program	1,005,000	587,345	417,655	184,050	233,605
DWI forfeitures program	7,799,000	7,029,646	769,354	845,556	(76,202)
Total expenditures	21,575,200	18,745,379	2,829,821	2,931,669	(101,848)
Excess (deficiency) of revenues over expenditures	412,000	4,745,697	(4,333,697)	564,458	(4,898,155)
Other financing sources (uses):					
Operating transfers in	1,293,000	1,000,508	292,492	-	292,492
Operating transfers out	(2,253,000)	(1,866,917)	(386,083)	(389,000)	2,917
Total other financing sources (uses)	(960,000)	(866,409)	(93,591)	(389,000)	295,409
Net change in fund balance	\$ (548,000)	\$ 3,879,288	\$ (4,427,288)	175,458	\$ (4,602,746)
Fund balance, July 1				3,879,288	
Fund balance, June 30				\$ 4,054,746	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAS TAX ROAD FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental:				
State gasoline tax	\$ 5,000,000	\$ 5,000,000	\$ 4,287,335	\$ (712,665)
Interest on investments:				
Interest	-	-	2,107	2,107
Miscellaneous	-	-	59,379	59,379
Total revenues	<u>5,000,000</u>	<u>5,000,000</u>	<u>4,348,821</u>	<u>(651,179)</u>
Expenditures:				
Current:				
Highways and streets	5,039,000	5,039,000	4,991,716	47,284
Payments to General Fund for services	259,000	259,000	237,136	21,864
Total expenditures	<u>5,298,000</u>	<u>5,298,000</u>	<u>5,228,852</u>	<u>69,148</u>
Excess (deficiency) of revenues over expenditures	(298,000)	(298,000)	(880,031)	(582,031)
Other financing sources:				
Transfers in	-	-	224,000	224,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>224,000</u>	<u>224,000</u>
Net change in fund balance	(298,000)	(298,000)	(656,031)	(358,031)
Fund balance, July 1	<u>660,471</u>	<u>660,471</u>	<u>660,471</u>	<u>-</u>
Fund balance, June 30	<u>\$ 362,471</u>	<u>\$ 362,471</u>	<u>\$ 4,440</u>	<u>\$ (358,031)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CITY/COUNTY PROJECTS FUND
YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2011</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2012</u>
Revenues:					
Charges for services:					
Information System Services	\$ 1,347,000	1,167,734	179,266	-	\$ 179,266
Interest:					
Interest on investments	<u>155,000</u>	<u>64,194</u>	<u>90,806</u>	<u>-</u>	<u>90,806</u>
Total revenues	<u>1,502,000</u>	<u>1,231,928</u>	<u>270,072</u>	<u>-</u>	<u>270,072</u>
Expenditures:					
Current					
General Government	<u>733,000</u>	<u>654,142</u>	<u>78,858</u>	<u>-</u>	<u>78,858</u>
Total expenditures	<u>733,000</u>	<u>654,142</u>	<u>78,858</u>	<u>-</u>	<u>78,858</u>
Excess (deficiency) of revenues over expenditures	769,000	577,786	191,214	-	191,214
Other financing (uses):					
Transfers (out)	<u>(784,000)</u>	<u>(782,537)</u>	<u>(1,463)</u>	<u>-</u>	<u>(1,463)</u>
Total other financing sources (uses)	<u>(784,000)</u>	<u>(782,537)</u>	<u>(1,463)</u>	<u>-</u>	<u>(1,463)</u>
Net change in fund balance	<u>\$ (15,000)</u>	<u>(204,751)</u>	<u>189,751</u>	<u>-</u>	<u>\$ 189,751</u>
Fund balance, July 1				-	
Fund balance, June 30				<u>-</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FALSE ALARM ENFORCEMENT AND EDUCATION FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Interest on investments:				
Interest	\$ -	\$ -	\$ 189	\$ 189
Total revenues	<u>-</u>	<u>-</u>	<u>189</u>	<u>189</u>
Expenditures:				
Current:				
General government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>189</u>	<u>189</u>
Other financing uses:				
Transfers out	(775,000)	(775,000)	(609,095)	165,905
Net change in fund balance	(775,000)	(775,000)	(608,906)	166,094
Fund balance, July 1	<u>583,729</u>	<u>583,729</u>	<u>608,906</u>	<u>25,177</u>
Fund balance, June 30	<u>\$ (191,271)</u>	<u>\$ (191,271)</u>	<u>\$ -</u>	<u>\$ 191,271</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - PHOTO ENFORCEMENT RED LIGHT FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Licenses and permits:				
Photo Enforcement Revenues	\$ 2,860,000	\$ 2,860,000	1,100,438	\$ (1,759,562)
Interest	25,000	25,000	7,660	(17,340)
Total revenues	<u>2,885,000</u>	<u>2,885,000</u>	<u>1,108,098</u>	<u>(1,776,902)</u>
Expenditures:				
Current:				
Public Safety	2,891,000	2,891,000	1,115,386	1,775,614
Indirect overhead	14,000	14,000	2,234	11,766
Total expenditures	<u>2,905,000</u>	<u>2,905,000</u>	<u>1,117,620</u>	<u>1,787,380</u>
Excess of revenues over expenditures	<u>(20,000)</u>	<u>(20,000)</u>	<u>(9,522)</u>	<u>10,478</u>
Other financing uses:				
Transfers out	<u>(647,000)</u>	<u>(647,000)</u>	<u>(647,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(647,000)</u>	<u>(647,000)</u>	<u>(647,000)</u>	<u>-</u>
Net change in fund balance	(667,000)	(667,000)	(656,522)	10,478
Fund balance, July 1	<u>1,291,998</u>	<u>1,291,998</u>	<u>1,291,998</u>	<u>-</u>
Fund balance, June 30	<u>\$ 624,998</u>	<u>\$ 624,998</u>	<u>635,476</u>	<u>\$ 10,478</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CITY/COUNTY FACILITIES FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services:				
Charges for building rental	\$ 2,682,000	\$ 2,989,860	\$ 2,995,438	\$ 5,578
Interest	-	-	(308)	(308)
Total revenues	<u>2,682,000</u>	<u>2,989,860</u>	<u>2,995,130</u>	<u>5,270</u>
Expenditures:				
Current:				
General Government:				
City/County building	2,935,000	3,114,790	3,172,995	(58,205)
Indirect overhead	86,000	86,000	85,998	2
Total expenditures	<u>3,021,000</u>	<u>3,200,790</u>	<u>3,258,993</u>	<u>(58,203)</u>
Excess of revenues over expenditures	<u>(339,000)</u>	<u>(210,930)</u>	<u>(263,863)</u>	<u>(52,933)</u>
Other financing uses:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(339,000)	(210,930)	(263,863)	(52,933)
Fund balance, July 1	<u>629,174</u>	<u>629,174</u>	<u>629,174</u>	<u>-</u>
Fund balance, June 30	<u>\$ 290,174</u>	<u>\$ 418,244</u>	<u>\$ 365,311</u>	<u>\$ (52,933)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ACQUISITION AND MANAGEMENT OF OPEN SPACE EXPENDITURES FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services	77,000	77,000	68,597	(8,403)
Interest	-	-	6,360	6,360
Misc income	-	-	1	1
Total revenues	<u>77,000</u>	<u>77,000</u>	<u>74,958</u>	<u>(2,042)</u>
Expenditures:				
Current				
Culture and recreation	2,680,000	2,680,000	2,603,679	76,321
Total expenditures	<u>2,680,000</u>	<u>2,680,000</u>	<u>2,603,679</u>	<u>76,321</u>
Excess (deficiency) of revenues over expenditures	(2,603,000)	(2,603,000)	(2,528,721)	74,279
Other financing sources:				
Operating transfers in	2,277,000	2,277,000	1,554,912	(722,088)
Total other financing sources (uses)	<u>2,277,000</u>	<u>2,277,000</u>	<u>1,554,912</u>	<u>(722,088)</u>
Net change in fund balance	<u>(326,000)</u>	<u>(326,000)</u>	<u>(973,809)</u>	<u>(647,809)</u>
Fund balance, July 1	<u>1,106,272</u>	<u>1,106,272</u>	<u>1,106,272</u>	<u>-</u>
Fund balance, June 30	<u>\$ 780,272</u>	<u>\$ 780,272</u>	<u>\$ 132,463</u>	<u>\$ (647,809)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - URBAN ENHANCEMENT EXPENDITURES FUND
YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2011</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2012</u>
Revenues:					
Interest:					
Interest on investments	\$ 344,975	\$ 592,251	\$ (247,276)	\$ 11,118	\$ (258,394)
Miscellaneous:					
Other miscellaneous revenue	<u>-</u>	<u>18,818</u>	<u>(18,818)</u>	<u>-</u>	<u>(18,818)</u>
Total revenues	<u>344,975</u>	<u>611,069</u>	<u>(266,094)</u>	<u>11,118</u>	<u>(277,212)</u>
Expenditures:					
Current:					
Culture and recreation	<u>3,316,629</u>	<u>2,479,273</u>	<u>837,356</u>	<u>272,582</u>	<u>564,774</u>
Total expenditures	<u>3,316,629</u>	<u>2,479,273</u>	<u>837,356</u>	<u>272,582</u>	<u>564,774</u>
Excess (deficiency) of revenues over expenditures	<u>(2,971,654)</u>	<u>(1,868,204)</u>	<u>(1,103,450)</u>	<u>(261,464)</u>	<u>(841,986)</u>
Other financing sources:					
Operating transfers in	2,961,654	2,787,331	174,323	52,280	122,043
Operating transfers out	<u>-</u>	<u>(141,727)</u>	<u>141,727</u>	<u>-</u>	<u>141,727</u>
Total other financing sources (uses)	<u>2,961,654</u>	<u>2,645,604</u>	<u>316,050</u>	<u>52,280</u>	<u>263,770</u>
Net change in fund balance	<u>(10,000)</u>	<u>\$ 777,400</u>	<u>\$ (787,400)</u>	<u>(209,184)</u>	<u>\$ (578,216)</u>
Fund balance, July 1				<u>1,572,650</u>	
Fund balance, June 30				<u>\$ 1,363,466</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SALES TAX REFUNDING DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Interest on investments	\$ 100,000	\$ 100,000	\$ 29,535	\$ (70,465)
Interest on advance	-	-	434,490	434,490
Total revenues	100,000	100,000	464,025	364,025
Expenditures:				
Debt service:				
Principal	7,975,000	7,975,000	6,777,891	1,197,109
Interest	5,413,215	5,413,215	5,919,500	(506,285)
Bond issuance costs and other fees	106,785	246,606	-	246,606
Total expenditures	13,495,000	13,634,821	12,697,391	937,430
Excess (deficiency) of revenues over expenditures	(13,395,000)	(13,534,821)	(12,233,366)	1,301,455
Other financing sources:				
Proceeds of refunding bonds	-	5,340,169	3,780,000	(1,560,169)
Premiums on bonds issued	-	139,821	243,158	103,337
Payment to refunded bond escrow agent	-	(5,340,169)	(3,994,688)	1,345,481
Operating transfers in	14,728,000	15,345,000	12,085,000	(3,260,000)
Operating transfers out	-	(937,000)	(937,000)	-
Total other financing sources (uses)	14,728,000	14,547,821	11,176,470	(3,371,351)
Net change in fund balance	1,333,000	1,013,000	(1,056,896)	(2,069,896)
Fund balance, July 1	12,046,541	12,046,541	12,046,541	-
Fund balance, June 30	\$ 13,379,541	\$ 13,059,541	\$ 10,989,645	\$ (2,069,896)

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FIRE DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Interest:				
Interest on investments	\$ -	\$ -	\$ 253	\$ 253
Total revenues	-	-	253	253
Expenditures:				
Debt service:				
Principal	48,000	48,000	48,095	(95)
Interest	53,000	53,000	52,831	169
Total expenditures	101,000	101,000	100,926	74
Excess (deficiency) of revenues over expenditures	(101,000)	(101,000)	(100,673)	327
Other financing sources (uses):				
Transfers In	101,000	101,000	101,000	-
Total other financing sources (uses)	101,000	101,000	101,000	-
Net change in fund balance	-	-	327	327
Fund balance, July 1	-	-	-	-
Fund balance, June 30	\$ -	\$ -	\$ 327	\$ 327

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES COMPARED TO APPROPRIATIONS BY PURPOSE
BUDGET AND ACTUAL - QUALITY OF LIFE FUND
YEAR ENDED JUNE 30, 2012

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Quality of Life Fund					
Capital Outlay and Other:					
Balloon/Science Museum	\$ 25,005,700	\$ 24,978,431	\$ 27,269	\$ 7,746	\$ 19,523
Tingley Aqua Park /Botanical	36,620,000	36,595,631	24,369	24,327	42
Total Quality of Life Fund	\$ 61,625,700	\$ 61,574,062	\$ 51,638	\$ 32,073	\$ 19,565

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
QUALITY OF LIFE FUND
Year ended June 30, 2012

	Balloon Science Museum	Tingley Aqua Park Botanical	Sworn Police Personnel Program	Quarter-Cent Streets
Revenues:				
Interest on investments	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
General government	7,745	435	-	-
Capital outlay	-	23,892	-	-
Total expenditures	<u>7,745</u>	<u>24,327</u>	<u>-</u>	<u>-</u>
Other financing uses:				
Operating transfers out	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(7,745)	(24,327)	-	-
Fund balances (deficit), July 1	(70,309)	24,367	2,243	10,105
Fund balances (deficit), June 30	<u>\$ (78,054)</u>	<u>\$ 40</u>	<u>\$ 2,243</u>	<u>\$ 10,105</u>

Quarter Cent Storm Drain	Rio Grande Bosque RR	Miscellaneous	Total
\$ -	\$ -	\$ 530	\$ 530
-	-	530	530
-	-	-	8,180
-	-	-	23,892
-	-	-	32,072
-	-	-	-
-	-	-	-
-	-	530	(31,542)
(109)	(260)	112,519	78,556
\$ (109)	\$ (260)	\$ 113,049	\$ 47,014

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES COMPARED TO APPROPRIATIONS BY PURPOSE
BUDGET AND ACTUAL - INFRASTRUCTURE TAX FUND I AND II
YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2011</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2012</u>
Infrastructure Tax Fund					
Capital Outlay and Other:					
Streets	\$ 3,303,983	\$ 25,763,141	\$ (22,459,158)	\$ 3,495,982	\$ (25,955,140)
Maintenance	359,765,203	178,379,851	181,385,352	17,283,201	164,102,151
Trails	16,164,499	15,164,907	999,592	5,070,538	(4,070,946)
Transit	61,963,660	73,447,080	(11,483,420)	13,108,748	(24,592,168)
Total Infrastructure Tax Fund	<u>\$ 441,197,345</u>	<u>\$ 292,754,979</u>	<u>\$ 148,442,366</u>	<u>\$ 38,958,469</u>	<u>\$ 109,483,897</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - IMPACT FEES CAPITAL PROJECT FUND
YEAR ENDED JUNE 30, 2012

	<u>Project Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2010</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2011</u>
Revenues:					
Charges for services	\$ 30,452,247	\$ 32,778,082	\$ (2,325,835)	\$ 4,981,296	\$ (7,307,131)
Interest	\$ 1,031,933	\$ 1,907,661	(875,728)	\$ 5,245	(880,973)
Total revenues	<u>31,484,180</u>	<u>34,685,743</u>	<u>(3,201,563)</u>	<u>4,986,541</u>	<u>(8,188,104)</u>
Expenditures:					
Current					
Capital Outlay	<u>31,484,180</u>	<u>18,504,287</u>	<u>12,979,893</u>	<u>4,986,541</u>	<u>7,993,352</u>
Total expenditures	<u>31,484,180</u>	<u>18,504,287</u>	<u>12,979,893</u>	<u>4,986,541</u>	<u>7,993,352</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>16,181,456</u>	<u>(16,181,456)</u>	<u>-</u>	<u>(16,181,456)</u>
Other financing sources (uses):					
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 16,181,456</u>	<u>\$ (16,181,456)</u>	<u>-</u>	<u>\$ (16,181,456)</u>
Fund balances, July 1 (deficit)				<u>(3,654)</u>	
Fund balances, June 30				<u>(3,654)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - VEHICLE AND EQUIPMENT REPLACEMENT FUND
YEAR ENDED JUNE 30, 2012

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2011	Current Year Actual	Project Budget Remaining June 30, 2012
Revenues:					
Interest on investments	\$ 1,524,744	\$ 1,556,379	\$ (31,635)	\$ 8,510	\$ (40,145)
Other:					
Sales of property and equipment	1,099,500	1,110,378	(10,878)	-	(10,878)
Recoveries on damaged vehicles	345,582	352,791	(7,209)	8,488	(15,697)
Miscellaneous revenues	830,174	1,047,319	(217,145)	12,360	(229,505)
Total other revenues	<u>2,275,256</u>	<u>2,510,488</u>	<u>(235,232)</u>	<u>20,848</u>	<u>(256,080)</u>
Total revenues	<u>3,800,000</u>	<u>4,066,867</u>	<u>(266,867)</u>	<u>29,358</u>	<u>(296,225)</u>
Expenditures:					
Current					
Capital outlay:					
Vehicles and equipment	5,256,000	5,008,995	247,005	-	247,005
Computers	9,300,000	8,154,766	1,145,234	688,081	457,153
Total expenditures	<u>14,556,000</u>	<u>13,163,761</u>	<u>1,392,239</u>	<u>688,081</u>	<u>704,158</u>
Deficiency of revenues over expenditures	<u>(10,756,000)</u>	<u>(9,096,894)</u>	<u>(1,659,106)</u>	<u>(658,723)</u>	<u>(1,000,383)</u>
Other financing sources:					
Operating transfers in	15,762,000	15,262,000	500,000	500,000	-
Operating transfers out	<u>(5,006,000)</u>	<u>(5,006,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>10,756,000</u>	<u>10,256,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,159,106</u>	<u>\$ (1,159,106)</u>	<u>(158,723)</u>	<u>\$ (1,000,383)</u>
Fund balance, July 1				<u>1,159,106</u>	
Fund balance, June 30				<u>\$ 1,000,383</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - AIRPORT FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Charges for services	\$ 63,159,550	\$ 63,159,550	\$ 63,333,266	\$ 173,716
Passenger Facility Charge	11,400,000	11,400,000	10,740,970	(659,030)
Miscellaneous revenue	(259,800)	(259,800)	128,564	388,364
Interest on investments	188,000	188,000	229,700	41,700
Proceeds of refunding bonds	-	-	-	-
Transfer from non-restricted cash to cash restricted for debt service	25,500,000	25,500,000	25,500,000	-
Total revenues	99,987,750	99,987,750	99,932,500	(55,250)
Expenses:				
Aviation management and professional support	4,472,000	4,472,000	3,775,350	696,650
Aviation operation, maintenance and security	27,031,000	27,031,000	25,310,906	1,720,094
Airport capital and deferred maintenance	14,450,000	14,450,000	14,450,000	-
Payments for General Fund services	1,435,000	1,435,000	1,447,479	(12,479)
Transfer from non-restricted cash to cash restricted for debt service	25,500,000	25,500,000	25,500,000	-
Debt service	25,413,000	25,413,000	21,739,530	3,673,470
Payment to refunded bond escrow agent	-	-	-	-
Total expenses	98,301,000	98,301,000	92,223,265	6,077,735
Excess of revenues over (under) expenses	\$ 1,686,750	\$ 1,686,750	7,709,235	\$ 6,022,485
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			94,121	
Depreciation			(29,993,143)	
Amortization			(3,233)	
Loss on disposition of property and equipment			(64,265)	
Miscellaneous revenue				
Capital fund non-capitalized items			(1,956,087)	
Charges to conform to generally accepted accounting principles:				
Principal payment on bonds			19,886,666	
Transfer from non-restricted cash to cash restricted for acquisition of property and equipment			14,450,000	
Capital contributions			8,197,891	
Change in net assets			\$ 18,321,185	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - REFUSE DISPOSAL FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services	\$ 63,660,574	\$ 63,660,574	\$ 62,097,825	\$ (1,562,749)
Interest on investments	95,000	95,000	115,152	20,152
Miscellaneous revenue	385,000	1,135,000	1,796,501	661,501
Transfer from non-restricted cash to cash restricted for debt service	4,995,000	4,995,000	4,995,000	-
Total revenues	69,135,574	69,885,574	69,004,478	(881,096)
Expenses:				
Administrative services	4,617,000	4,617,000	4,446,014	170,986
Maintenance Services	4,718,000	4,718,000	4,337,366	380,634
Collections	18,167,000	18,251,167	18,248,013	3,154
Disposal	5,873,000	6,548,000	6,470,986	77,014
Recycling	4,085,000	4,085,000	3,181,126	903,874
Clean City	5,578,000	6,284,000	5,973,248	310,752
Transfer to Op Grants 265	128,000	128,000	24,465	103,535
Transfer from non-restricted cash to cash:				
restricted for debt service	4,995,000	4,995,000	4,995,000	-
restricted for capital acquisition	10,396,000	12,079,000	12,078,560	440
Payment for General Fund services	4,437,000	4,437,000	4,386,822	50,178
Billings expense-Albuquerque Bernalillo County Water Utility Authority	1,047,000	1,047,000	1,047,002	(2)
Debt service	4,995,000	4,995,000	4,977,514	17,486
Total expenses	69,036,000	72,184,167	70,166,116	2,018,051
Excess of revenues over (under) expenses	\$ 99,574	\$ (2,298,593)	(1,161,638)	\$ 1,136,955
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			75,501	
Gain or loss on disposition of property and equipment			308,208	
Depreciation			(4,508,554)	
Amortization			(3,283)	
Bad Debt			(141,700)	
Unrealized gain on investments				
Changes to conform to generally accepted accounting principles:				
Principal payment on bonds			4,628,381	
Transfer from non-restricted cash to cash restricted for capital acquisition			12,078,560	
Capitalized interest on long-term debt			14,904	
Capital outlay			(1,568,106)	
Change in net assets			9,722,273	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - TRANSIT FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Passenger revenues	\$ 7,983,833	\$ 7,983,833	\$ 8,494,698	\$ 510,865
Interest on investments	-	-	(3,839)	(3,839)
General operating assistance	19,620,000	19,620,000	19,620,000	-
Transfer from Transportation Infrastructure Tax Fund	12,241,000	12,241,000	13,108,748	867,748
Debt service transfer	4,282,000	4,282,000	4,667,542	385,542
State of New Mexico- Department of Transportation	-	-	-	-
County- shared operations	1,660,000	1,660,000	2,026,416	366,416
	<u>45,786,833</u>	<u>45,786,833</u>	<u>47,913,565</u>	<u>2,126,732</u>
Total revenues				
Expenses:				
ABQ ride	28,218,000	28,653,167	28,059,456	593,711
Paratransit services	5,526,000	5,526,000	5,708,429	(182,429)
Special events	252,000	256,000	254,750	1,250
Strategic support	2,747,000	2,612,000	2,606,080	5,920
Facility maintenance	1,981,000	2,069,000	1,884,925	184,075
Transfer from non-restricted cash to cash restricted for operating grants	729,000	601,000	601,000	-
Payment for General Fund services	2,011,000	2,011,000	2,304,671	(293,671)
Debt service	4,282,000	4,282,000	4,248,004	33,996
	<u>45,746,000</u>	<u>46,010,167</u>	<u>45,667,315</u>	<u>342,852</u>
Total expenses				
Excess of revenues over (under) expenses	<u>\$ 40,833</u>	<u>\$ (223,334)</u>	<u>2,246,250</u>	<u>\$ 2,469,584</u>
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			(7,986)	
Depreciation			(11,456,440)	
Amortization			(5,255)	
Bad debt recovery			412,156	
Miscellaneous income/ (Cash over and short)			3,067	
Operating grant revenue			732,200	
Operating grant expenses			(2,290,845)	
Loss on disposition of capital assets			(32,027)	
Transfer to/from Capital Acquisition Fund			-	
Transfer to/from other funds			(4,661,252)	
Payment for General Fund services			(676,389)	
Unrealized gains on investments			-	
Changes to conform to generally accepted accounting principles:				
Capital Contributions			10,949,877	
Transfer from non-restricted cash to cash restricted for operating grants			400,000	
Principal payment on debt, not reported			3,793,347	
Capital Outlay			-	
Change in net assets			<u>\$ (593,297)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
AIRPORT FUND
June 30, 2012

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Revenue Bonds			
2013	19,673,333	4,484,036	24,157,369
2014	20,010,000	3,870,689	23,880,689
2015	20,795,000	3,010,639	23,805,639
2016	12,945,000	2,297,047	15,242,047
2017	12,120,000	1,775,518	13,895,518
2018 - 2022	27,440,000	3,198,986	30,638,986
2023 - 2025	<u>4,995,000</u>	<u>335,082</u>	<u>5,330,082</u>
Total bonds	<u><u>\$ 117,978,333</u></u>	<u><u>\$ 18,971,996</u></u>	<u><u>\$ 136,950,329</u></u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
REFUSE DISPOSAL FUND
June 30, 2012

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Revenue Bonds			
2013	3,645,000	134,834	3,779,834
2014	905,000	20,928	925,928
Total Bonds	<u>4,550,000</u>	<u>155,762</u>	<u>4,705,762</u>
Notes Payable			
2013	983,381	104,785	1,088,166
2014	1,016,534	70,603	1,087,137
2015	1,051,913	34,076	1,085,989
2016	411,730	7,596	419,326
Total Notes Payable	<u>3,463,558</u>	<u>217,060</u>	<u>3,680,618</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
TRANSIT FUND
June 30, 2012

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Notes payable			
2013	1,139,920	175,165	1,315,085
2014	2,353,025	277,145	2,630,169
2015	2,454,091	176,079	2,630,169
2016	<u>2,296,011</u>	<u>70,672</u>	<u>2,366,683</u>
	<u>\$ 8,243,046</u>	<u>\$ 699,060</u>	<u>\$ 8,942,106</u>

CITY OF ALBUQUERQUE, NEW MEXICO
DESCRIPTION OF NONMAJOR ENTERPRISE FUNDS

GOLF COURSE FUND—To account for the operations of City-owned golf courses.

APARTMENTS FUND—To account for the operations of the City-owned apartments for low income persons.

HOUSING AUTHORITY FUND—To account for the operations of the City-owned houses for low income persons.

PARKING FACILITIES FUND—To account for the operations of the parking facilities owned by the City.

STADIUM FUND—To account for the operations of the City-owned baseball stadium.

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
JUNE 30, 2012

	<u>Golf Course Fund</u>	<u>Apartments Fund</u>
ASSETS		
Current assets:		
Cash, investments, and accrued interest	\$ 490,843	895,758
Cash with fiscal agents held for debt service	-	-
Cash held by others	-	1,301,111
Accounts receivable, net of allowance for uncollectible accounts	47,627	14,480
Prepaid expenses	-	26,140
Inventories of supplies	-	-
	<hr/>	<hr/>
Total current assets	538,470	2,237,489
Noncurrent assets:		
Restricted assets:		
Cash, investments, and accrued interest restricted for construction and debt service	86,362	870,687
Accounts receivable-developers	-	-
Escrow deposits	-	99,227
	<hr/>	<hr/>
Total restricted assets	86,362	969,914
Capital Assets		
Land	828,330	2,042,705
Buildings and improvements	8,366,376	18,549,011
Machinery and equipment	2,094,639	765,482
Other	-	-
Total capital assets before depreciation	11,289,345	21,357,198
Less accumulated depreciation and amortization	5,831,455	9,457,743
Capital assets, net of depreciation	5,457,890	11,899,455
Construction work in progress	-	-
	<hr/>	<hr/>
Total capital assets	5,457,890	11,899,455
Deferred Charges		
Capitalized bond issuance costs	-	209,527
Total deferred charges	-	209,527
	<hr/>	<hr/>
Total noncurrent assets	5,544,252	13,078,896
	<hr/>	<hr/>
Total assets	\$ 6,082,722	\$ 15,316,385

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Total
\$ 11,740,020	\$ -	\$ -	\$ 13,126,621
-	-	894,499	894,499
-	-	-	1,301,111
155,630	986,798	274,650	1,479,185
-	-	-	26,140
163,989	-	-	163,989
<u>12,059,639</u>	<u>986,798</u>	<u>1,169,149</u>	<u>16,991,545</u>
9,952,447	1,853,027	226,863	12,989,386
-	1,882,925	-	1,882,925
254,115	-	-	353,342
<u>10,206,562</u>	<u>3,735,952</u>	<u>226,863</u>	<u>15,225,653</u>
3,767,389	2,237,008	-	8,875,432
52,402,982	41,614,444	24,204,033	145,136,846
1,485,149	1,562,773	10,218	5,918,261
-	-	100,904	100,904
57,655,520	45,414,225	24,315,155	160,031,443
48,605,832	24,975,100	9,475,758	98,345,888
9,049,688	20,439,125	14,839,397	61,685,555
971,510	-	-	971,510
<u>10,021,198</u>	<u>20,439,125</u>	<u>14,839,397</u>	<u>62,657,065</u>
-	29,010	65,157	303,694
-	29,010	65,157	303,694
<u>20,227,760</u>	<u>24,204,087</u>	<u>15,131,417</u>	<u>78,186,412</u>
<u>\$ 32,287,399</u>	<u>\$ 25,190,885</u>	<u>\$ 16,300,566</u>	<u>\$ 95,177,957</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS-ENTERPRISE FUNDS
JUNE 30, 2012

	<u>Golf Course Fund</u>	<u>Apartment Fund</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 100,623	\$ 38,208
Accrued employee compensation and benefits	5,631	-
Accrued vacation and sick leave pay	142,630	-
Customer deposits and prepaid rents	-	13,825
Deferred revenue	-	-
Due to other funds	-	-
Due to other governments	-	-
Payable out of restricted assets:		
Current portion of bonds, notes payable and capital leases	-	345,000
Accrued interest	-	266,294
	<u>248,884</u>	<u>663,327</u>
Total current liabilities		
Noncurrent liabilities		
Liabilities payable from restricted assets:		
Tenant security deposits	-	132,112
	<u>-</u>	<u>132,112</u>
Total liabilities payable from restricted assets		
Long-term debt, excluding current portion:		
Revenue bonds (net of unamortized discounts), notes payable, and capital leases	-	10,105,000
	<u>-</u>	<u>10,105,000</u>
Total long-term debt		
Other:		
Accrued vacation and sick leave pay	92,164	-
Advances from other funds	-	-
	<u>92,164</u>	<u>-</u>
Total other liabilities		
Total noncurrent liabilities	<u>92,164</u>	<u>10,237,112</u>
Total liabilities	<u>341,048</u>	<u>10,900,439</u>
NET ASSETS		
Invested in capital assets, net of related debt	5,457,890	1,658,982
Restricted:		
Debt service	44,953	4,400,114
Construction	41,409	-
Housing vouchers	-	-
Unrestricted (deficit)	197,422	(1,643,150)
	<u>197,422</u>	<u>(1,643,150)</u>
Total net assets	<u>\$ 5,741,674</u>	<u>\$ 4,415,946</u>

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Total
\$ 275,974	\$ 146,912	\$ 16,853	\$ 578,570
9,184	5,144	359	20,318
31,940	167,299	8,783	350,652
-	2,238	-	16,063
-	-	6,089	6,089
954,809	105,056	136,596	1,196,461
31,095	-	-	31,095
105,694	-	700,000	1,150,694
-	-	194,499	460,793
<u>1,408,696</u>	<u>426,649</u>	<u>1,063,179</u>	<u>3,810,735</u>
<u>417,610</u>	<u>-</u>	<u>-</u>	<u>549,722</u>
<u>417,610</u>	<u>-</u>	<u>-</u>	<u>549,722</u>
<u>196,478</u>	<u>-</u>	<u>10,909,447</u>	<u>21,210,925</u>
<u>196,478</u>	<u>-</u>	<u>10,909,447</u>	<u>21,210,925</u>
127,754	-	13,858	233,776
-	6,065,000	-	6,065,000
<u>127,754</u>	<u>6,065,000</u>	<u>13,858</u>	<u>6,298,776</u>
<u>741,842</u>	<u>6,065,000</u>	<u>10,923,305</u>	<u>28,059,423</u>
<u>2,150,538</u>	<u>6,491,649</u>	<u>11,986,484</u>	<u>31,870,158</u>
9,719,026	14,403,135	3,295,107	34,534,140
-	56,245	226,966	4,728,278
-	4,480,561	-	4,521,970
9,802,440	-	-	9,802,440
<u>10,615,395</u>	<u>(240,705)</u>	<u>792,009</u>	<u>9,720,971</u>
<u>\$ 30,136,861</u>	<u>\$ 18,699,236</u>	<u>\$ 4,314,082</u>	<u>\$ 63,307,799</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 NONMAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
 YEAR ENDED JUNE 30, 2012

	<u>Golf Course Fund</u>	<u>Apartments Fund</u>
Operating revenues:		
Charges for services	<u>\$ 3,808,960</u>	<u>\$ 3,428,327</u>
Operating Expenses:		
Salaries and fringe benefits	1,987,944	-
Professional services	-	-
Utilities	1,066,705	523,184
Supplies	65,702	-
Travel	-	-
Fuels, repairs and maintenance	302,429	805,110
Contractual services	53,204	275,662
Other operating expenses	204,237	837,058
Depreciation	258,211	523,504
Bad Debt expense	-	-
	<u>3,938,432</u>	<u>2,964,518</u>
Total operating expenses		
Operating income (loss)	<u>(129,472)</u>	<u>463,809</u>
Non-operating revenues (expenses):		
Interest on investments	4,126	756
Gain (loss) on disposition of property and equipment	10,107	-
Federal housing grants	-	-
Housing assistance payments	-	-
Interest expense	-	(532,587)
Bond issue costs	-	(11,641)
Other	145,020	312,027
	<u>159,253</u>	<u>(231,445)</u>
Total non-operating revenues (expenses)		
Income (loss) before capital contributions and transfers	29,781	232,364
Transfers in	-	-
Transfers out	<u>(79,347)</u>	<u>(96,114)</u>
Change in net assets	(49,566)	136,250
Net assets, July 1	<u>5,791,240</u>	<u>4,279,696</u>
Net assets, June 30	<u>\$ 5,741,674</u>	<u>\$ 4,415,946</u>

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Total
\$ 2,096,205	\$ 4,223,631	\$ 1,808,707	\$ 15,365,830
3,634,355	1,984,798	127,580	7,734,677
46,548	-	51,665	98,213
734,616	376,840	473,212	3,174,557
-	88,617	272	154,591
-	54	-	54
486,168	285,413	108,027	1,987,147
1,239,725	440,631	33,076	2,042,298
1,080,807	466,274	61,919	2,650,295
1,267,946	1,087,258	936,654	4,073,573
39,102	-	-	39,102
<u>8,529,267</u>	<u>4,729,885</u>	<u>1,792,405</u>	<u>21,954,507</u>
<u>(6,433,062)</u>	<u>(506,254)</u>	<u>16,302</u>	<u>(6,588,677)</u>
10,865	14,150	2,718	32,615
-	-	-	10,107
27,867,345	-	-	27,867,345
(23,261,478)	-	-	(23,261,478)
(17,446)	(434,490)	(431,129)	(1,415,652)
-	(30,738)	107,853	65,474
193,291	(13,221)	-	637,117
<u>4,792,577</u>	<u>(464,299)</u>	<u>(320,558)</u>	<u>3,935,528</u>
(1,640,485)	(970,553)	(304,256)	(2,653,149)
-	2,551,000	143,000	2,694,000
-	(143,030)	-	(318,491)
(1,640,485)	1,437,417	(161,256)	(277,640)
<u>31,777,346</u>	<u>17,261,819</u>	<u>4,475,338</u>	<u>63,585,439</u>
<u>\$ 30,136,861</u>	<u>\$ 18,699,236</u>	<u>\$ 4,314,082</u>	<u>\$ 63,307,799</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
Year ended June 30, 2012

	Golf Course Fund	Apartments Fund
Cash flows from operating activities:		
Cash received from customers	\$ 3,775,266	\$ 3,426,925
Cash received from other funds for goods and services	-	-
Cash payments to employees for services	(2,058,896)	-
Cash payments to suppliers for goods and services	(677,326)	(1,905,123)
Cash payments to other funds for goods and services	(1,066,705)	(523,185)
Miscellaneous cash received	-	312,027
Net cash provided by (used for) operating activities	<u>(27,661)</u>	<u>1,310,644</u>
Cash flow from noncapital financing activities:		
Operating grants received	-	-
Housing assistance payments	-	-
Principal paid on advance from other funds	-	-
Interest paid on advance from other funds	-	-
Other	145,019	-
Transfers from other funds	-	-
Transfers to other funds	(79,347)	(96,114)
Net cash provided by (used for) noncapital financing activities	<u>65,672</u>	<u>(96,114)</u>
Cash flows from capital and related financing activities:		
Proceeds from loans	-	-
Principal paid on revenue bond maturities and refunded bonds	(325,000)	(335,000)
Interest and other expenses paid on revenue bond maturities	(10,888)	(539,287)
Acquisition and construction of capital assets	-	(28,889)
Net cash provided by (used for) capital and related financing activities	<u>(335,888)</u>	<u>(903,176)</u>
Cash flows from investing activities:		
Interest received on investments	4,126	756
Net cash provided by investing activities	<u>4,126</u>	<u>756</u>
Net increase (decrease) in cash and cash equivalents	(293,751)	312,110
Cash and cash equivalents, July 1	870,956	2,854,673
Cash and cash equivalents, June 30	<u>\$ 577,205</u>	<u>\$ 3,166,783</u>

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Totals
\$ 2,496,423	\$ 4,206,216	\$ 1,803,958	\$ 15,708,788
-	-	136,596	136,596
(3,774,657)	(2,072,405)	(132,198)	(8,038,156)
(2,868,568)	(900,546)	(352,815)	(6,704,378)
(779,938)	(588,577)	(494,627)	(3,453,032)
-	-	-	312,027
<u>(4,926,740)</u>	<u>644,688</u>	<u>960,914</u>	<u>(2,038,155)</u>
27,867,345	-	-	27,867,345
(23,261,478)	-	-	(23,261,478)
-	(2,825,000)	-	(2,825,000)
-	(434,490)	-	(434,490)
193,291	(13,221)	-	325,089
-	2,551,000	143,000	2,694,000
-	(143,030)	-	(318,491)
<u>4,799,158</u>	<u>(864,741)</u>	<u>143,000</u>	<u>4,046,975</u>
-	-	11,650,000	11,650,000
(92,905)	-	(12,054,189)	(12,807,094)
(14,198)	-	(531,077)	(1,095,450)
<u>(677,673)</u>	<u>(12,675)</u>	<u>-</u>	<u>(719,237)</u>
<u>(784,776)</u>	<u>(12,675)</u>	<u>(935,266)</u>	<u>(2,971,781)</u>
10,865	14,150	2,718	32,615
10,865	14,150	2,718	32,615
(901,493)	(218,578)	171,366	(930,346)
<u>22,848,075</u>	<u>2,071,605</u>	<u>949,996</u>	<u>29,595,305</u>
<u>\$ 21,946,582</u>	<u>\$ 1,853,027</u>	<u>\$ 1,121,362</u>	<u>\$ 28,664,959</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
Year ended June 30, 2012

	<u>Golf Course Fund</u>	<u>Apartments Fund</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (129,472)	\$ 463,808
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	258,211	523,504
Miscellaneous income (expense)	-	312,027
Bad debt expense	-	-
Decrease (increase) in assets:		
Receivables	(33,694)	(5,362)
Inventories of supplies	-	-
Prepaid expenses	-	(576)
Increase (decrease) in liabilities:		
Accounts payable	(51,754)	13,283
Accrued employee compensation and benefits	(70,952)	-
Construction contracts and miscellaneous payables	-	-
Customer deposits and prepaid rents	-	6,535
Due to other governments	-	-
Deferred revenue	-	(2,575)
Due to other funds	-	-
Net cash provided by (used for) operating activities	<u>\$ (27,661)</u>	<u>\$ 1,310,644</u>
Cash and cash equivalents at June 30 consist of:		
Current assets:		
Cash, investments, and accrued interest	\$ 490,843	\$ 895,758
Cash and investments with fiscal agents	-	-
Cash held by others	-	1,301,111
Restricted assets:		
Cash, investments, and accrued interest	86,362	870,687
Escrow deposits	-	99,227
Total cash and cash equivalents, June 30	<u>\$ 577,205</u>	<u>\$ 3,166,783</u>
Non cash transactions:		
Increase (decrease) in fair value of investments	\$ -	\$ -
Amortization of debt issuance costs	-	-

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Totals
\$ (6,433,062)	\$ (506,254)	\$ 16,302	\$ (6,588,678)
1,267,946	1,087,258	936,654	4,073,573
-	-	-	312,027
39,102	-	-	39,102
386,854	(19,653)	(10,838)	317,307
(1,100)	-	-	(1,100)
-	-	-	(576)
61,383	63,650	(119,271)	(32,709)
(45,322)	(87,607)	(4,618)	(208,499)
-	2,238	-	2,238
(140,302)	-	-	(133,767)
69,128	-	-	69,128
(75,603)	-	6,089	(72,089)
(55,764)	105,056	136,596	185,888
<u>\$ (4,926,740)</u>	<u>\$ 644,688</u>	<u>\$ 960,914</u>	<u>\$ (2,038,155)</u>
\$ 21,692,467	\$ -	\$ -	\$ 23,079,068
-	-	894,499	894,499
-	-	-	1,301,111
-	1,853,027	226,863	3,036,939
254,115	-	-	353,342
<u>\$ 21,946,582</u>	<u>\$ 1,853,027</u>	<u>\$ 1,121,362</u>	<u>\$ 28,664,959</u>
\$ (19,132)	\$ (179)	\$ 131	\$ (19,180)
-	(30,738)	(107,853)	(138,591)

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - GOLF COURSE FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:				
Charges for services	\$ 4,076,000	\$ 4,076,000	3,808,960	\$ (267,040)
Interest on Investments	-	-	4,126	4,126
Miscellaneous	85,000	85,000	155,127	70,127
	<u>4,161,000</u>	<u>4,161,000</u>	<u>3,968,213</u>	<u>(192,787)</u>
Total revenues				
Expenses:				
Affordable and quality golf	3,768,000	3,768,000	3,532,282	235,718
Payment for General Fund services	244,000	244,000	227,286	16,714
	<u>4,012,000</u>	<u>4,012,000</u>	<u>3,759,568</u>	<u>252,432</u>
Total expenses				
Excess of revenues under expenses	<u>\$ 149,000</u>	<u>\$ 149,000</u>	208,645	<u>\$ 59,645</u>
Revenues (expenses) not budgeted:				
Depreciation			(258,211)	
Change in net assets			<u>(49,566)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
 BUDGET AND ACTUAL - APARTMENTS FUND
 YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services:				
Apartment rents and fees	\$ 3,528,605	\$ 3,528,605	\$ 3,740,354	\$ 211,749
Interest on investments	-	-	756	756
Transfer from non-restricted cash to cash restricted for debt service	<u>1,001,000</u>	<u>1,001,000</u>	<u>1,001,000</u>	<u>-</u>
Total revenues	<u>4,529,605</u>	<u>4,529,605</u>	<u>4,742,110</u>	<u>212,505</u>
Expenses:				
Apartment operations	2,774,000	2,774,000	2,441,014	332,986
Transfer from non-restricted cash to cash restricted for debt service	1,001,000	1,001,000	1,001,000	-
Transfer to City Housing Fund	40,000	40,000	96,114	(56,114)
Debt Service	532,587	532,587	532,587	-
Fiscal agent fees	<u>468,413</u>	<u>468,413</u>	<u>-</u>	<u>468,413</u>
Total expenses	<u>4,816,000</u>	<u>4,816,000</u>	<u>4,070,715</u>	<u>745,285</u>
Excess of revenues over (under) expenses	<u>\$ (286,395)</u>	<u>\$ (286,395)</u>	671,395	<u>\$ 957,790</u>
Revenues (expenses) not budgeted:				
Amortized bond issue costs			(11,641)	
Depreciation expense			<u>(523,504)</u>	
Change in net assets			<u>\$ 136,250</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - PARKING FACILITIES FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services:				
Parking facilities	2,823,000	2,823,000	\$ 2,905,726	\$ 82,726
Parking meter collection	885,000	885,000	819,359	(65,641)
Parking fines	610,000	610,000	492,778	(117,222)
Rental of city property	4,000	4,000	5,768	1,768
Interest on investments	-	-	399	399
Miscellaneous revenue	-	-	25,738	25,738
Transfer from General Fund	2,551,000	2,551,000	2,551,000	-
Transfers from non-restricted cash to cash restricted for debt service	3,260,000	3,260,000	3,260,000	-
Total revenues	10,133,000	10,133,000	10,060,768	(72,232)
Expenses:				
Parking services	3,370,000	3,397,000	3,338,509	58,491
Transfer from non-restricted cash to cash restricted for debt service	3,260,000	3,260,000	3,260,000	-
Transfer to General Fund	461,000	461,000	459,823	1,177
Transfer to Sales Tax Refunding Debt Service Fund	3,260,000	3,260,000	3,259,490	510
Total expenses	10,351,000	10,378,000	10,317,822	60,178
Excess of revenues over (under) expenses	\$ (218,000)	\$ (245,000)	(257,054)	\$ (12,054)
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			13,751	
Depreciation			(1,087,258)	
Bond issue costs			(30,738)	
Changes to conform to generally accepted accounting principles:				
Miscellaneous Rev(Exp)			(38,959)	
Capital outlay			12,675	
Principal payment on advance			2,825,000	
Change in net assets			\$ 1,437,417	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - STADIUM FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services:				
Surcharge revenues	\$ 1,000,000	\$ 1,000,000	\$ 1,132,227	\$ 132,227
Stadium lease revenues	700,000	700,000	673,569	(26,431)
Rental of city property	-	-	2,911	2,911
Interest on investments	-	-	(312)	(312)
Premium on bonds sold	-	94,591	-	(94,591)
Proceeds of refund bond	-	-	-	-
Transfers from General Fund	143,000	143,000	143,000	-
Transfers from non-restricted cash to cash restricted for debt service	1,164,000	1,164,000	1,164,000	-
Total revenues	3,007,000	3,101,591	3,115,395	13,804
Expenses:				
Stadium services	831,000	831,000	834,336	(3,336)
Payment for General Fund services	20,000	24,000	21,415	2,585
Transfer from non-restricted cash to cash restricted for debt service	1,164,000	1,164,000	1,164,000	-
Debt service	1,163,000	12,907,591	12,652,812	254,779
Total expenses	3,178,000	14,926,591	14,672,563	254,028
Excess (deficiency) of revenues over expenses	\$ (171,000)	\$ (11,825,000)	(11,557,168)	\$ (240,224)
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			3,030	
Depreciation			(936,654)	
Changes to conform to generally accepted accounting principles:				
Payment to refund bond			11,629,536	
Principal payment on bonds			700,000	
Change in net assets			\$ (161,256)	

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
NONMAJOR PROPRIETARY FUNDS- ENTERPRISE FUNDS
 June 30, 2012

<u>Year ending June 30</u>	<u>Apartments</u>		<u>Housing Authority</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
Revenue bonds, loans, and capital lease				
2013	\$ 345,000	\$ 525,688	\$ 105,694	\$ 11,148
2014	360,000	511,588	110,426	6,417
2015	375,000	495,013	86,052	1,582
2016	395,000	475,766	-	-
2017	415,000	455,513	-	-
2018 - 2021	2,405,000	1,937,062	-	-
2022 - 2026	3,065,000	1,246,950	-	-
2027 - 2031	<u>3,090,000</u>	<u>342,925</u>	<u>-</u>	<u>-</u>
Total bonds, loans, and capital lease	<u>\$ 10,450,000</u>	<u>\$ 5,990,505</u>	<u>\$ 302,172</u>	<u>\$ 19,147</u>

Stadium		Combined		
<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$ 700,000	\$ 381,998	\$ 1,150,694	\$ 918,834	\$ 2,069,528
650,000	368,498	1,120,426	886,503	2,006,929
660,000	355,398	1,121,052	851,993	1,973,045
675,000	340,360	1,070,000	816,126	1,886,126
690,000	323,298	1,105,000	778,811	1,883,811
3,760,000	1,294,200	6,165,000	3,231,262	9,396,262
4,515,000	505,264	7,580,000	1,752,214	9,332,214
<u>-</u>	<u>-</u>	<u>3,090,000</u>	<u>342,925</u>	<u>3,432,925</u>
<u>\$ 11,650,000</u>	<u>\$ 3,569,016</u>	<u>\$ 22,402,172</u>	<u>\$ 9,578,668</u>	<u>\$ 31,980,840</u>

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CITY OF ALBUQUERQUE, NEW MEXICO
DESCRIPTION OF INTERNAL SERVICE FUNDS

COMMUNICATIONS FUND—To account for the cost of providing communication services to City departments.

EMPLOYEE INSURANCE FUND—To account for the cost of providing group health insurance to City employees.

FLEET MANAGEMENT FUND—To account for the cost of providing vehicle maintenance and motor pool services to City departments.

RISK MANAGEMENT FUND—To account for the cost of providing Workers' Compensation, tort, and other claims insurance coverage to City departments.

SUPPLIES INVENTORY MANAGEMENT FUND—To account for the cost of providing supplies, warehousing and inventory issuance services to City departments.

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2012

	<u>Communications Fund</u>	<u>Employee Insurance Fund</u>
ASSETS		
Current assets:		
Cash, investments, and accrued interest	\$ 1,174,282	\$ 14,009,591
Accounts receivable, net of allowance for uncollectibles	-	70,490
Prepaid expenses	-	-
Deposits	-	177,548
Due from other funds	-	352,918
Due from other governments	55,999	-
Inventories of supplies	23,697	-
	<hr/>	<hr/>
Total current assets	1,253,978	14,610,547
Capital assets		
Land	-	-
Buildings and improvements	-	-
Equipment	365,118	13,002
Total capital assets before depreciation	365,118	13,002
	<hr/>	<hr/>
Less accumulated depreciation	232,977	13,002
Total Capital Assets	132,141	-
	<hr/>	<hr/>
Other assets:		
Advance to other funds	-	-
Total other assets	-	-
	<hr/>	<hr/>
Total assets	1,386,119	14,610,547
LIABILITIES		
Current liabilities:		
Accounts payable	515,206	584,646
Accrued employee compensation	3,603	2,183
Accrued vacation and sick leave pay	78,785	35,197
Accrued fuel cleanup costs	-	-
Due to other governments	-	-
Current portion of claims and judgments payable	-	-
	<hr/>	<hr/>
Total current liabilities	597,594	622,026
Long-term obligations:		
Claims and judgments payable excluding current portion	-	-
Other post employment benefit obligation	-	11,390,128
Accrued vacation and sick leave pay	-	1,507
	<hr/>	<hr/>
Total long-term obligations	-	11,391,635
	<hr/>	<hr/>
Total liabilities	597,594	12,013,661
NET ASSETS		
Invested in capital assets, net of related debt	132,141	-
Unrestricted	656,384	2,596,886
	<hr/>	<hr/>
Total net assets	\$ 788,525	\$ 2,596,886
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

Fleet Management Fund	Risk Management Fund	Supplies Inventory Management Fund	Total
\$ 2,272,563	\$ 76,324,014	1,372,295	\$ 95,152,745
-	-	-	70,490
32,991	-	-	32,991
-	-	-	177,548
-	6,236	-	359,154
-	-	-	55,999
471,617	-	2,461,146	2,956,460
<u>2,777,171</u>	<u>76,330,250</u>	<u>3,833,441</u>	<u>98,805,387</u>
255,472	-	28,370	283,842
825,763	46,465	406,001	1,278,229
366,843	41,964	233,058	1,019,985
1,448,078	88,429	667,429	2,582,056
<u>1,000,557</u>	<u>80,996</u>	<u>577,851</u>	<u>1,905,383</u>
<u>447,521</u>	<u>7,433</u>	<u>89,578</u>	<u>676,673</u>
-	471,000	-	471,000
-	471,000	-	471,000
<u>3,224,692</u>	<u>76,808,683</u>	<u>3,923,019</u>	<u>99,953,060</u>
361,367	1,023,086	434,491	2,918,796
5,939	6,627	1,425	19,777
165,380	227,427	18,529	525,318
195,133	-	-	195,133
-	586,281	-	586,281
-	16,800,000	-	16,800,000
<u>727,819</u>	<u>18,643,421</u>	<u>454,445</u>	<u>21,045,305</u>
-	55,336,557	-	55,336,557
-	-	-	11,390,128
-	-	-	1,507
-	55,336,557	-	66,728,192
<u>727,819</u>	<u>73,979,978</u>	<u>454,445</u>	<u>87,773,497</u>
447,521	7,433	89,578	676,673
2,049,352	2,821,272	3,378,996	11,502,890
<u>\$ 2,496,873</u>	<u>\$ 2,828,705</u>	<u>3,468,574</u>	<u>\$ 12,179,563</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2012

	<u>Communications Fund</u>	<u>Employee Insurance Fund</u>
Operating revenues:		
Charges for services	<u>\$ 7,532,102</u>	<u>\$ 62,604,670</u>
Operating expenses		
Salaries and fringe benefits	1,241,332	668,572
Professional services	-	-
Utilities	90,552	6,479
Supplies	160,287	62,562
Travel	-	1,622
Fuels, repairs and maintenance	193,733	6,720
Contractual services	5,483,364	395,832
Claims and judgements	-	-
Insurance premiums	-	60,477,797
Other operating expenses	459,587	132,511
Depreciation	<u>63,747</u>	<u>-</u>
Total operating expenses	<u>7,692,602</u>	<u>61,752,095</u>
Operating income (loss)	<u>(160,500)</u>	<u>852,575</u>
Non-operating revenues (expenses):		
Interest on investments	5,690	62,904
Gain (loss) on disposition of equipment	-	-
Other	<u>(1,429)</u>	<u>32,045</u>
Total non-operating revenues (expenses)	<u>4,261</u>	<u>94,949</u>
Income (loss) before transfers	(156,239)	947,524
Transfers out	<u>-</u>	<u>-</u>
Change in net assets	(156,239)	947,524
Net assets, July 1	<u>944,764</u>	<u>1,649,362</u>
Net assets, June 30	<u><u>\$ 788,525</u></u>	<u><u>\$ 2,596,886</u></u>

The accompanying notes are an integral part of these financial statements

Fleet Management Fund	Risk Management Fund	Supplies Inventory Management Fund	Total
<u>\$ 14,040,969</u>	<u>\$ 31,008,170</u>	<u>\$ 1,125,305</u>	<u>\$ 116,311,216</u>
2,153,172	2,443,815	518,371	7,025,262
4,877	1,204,111	-	1,208,988
87,396	31,620	7,006	223,053
1,515,044	139,576	10,505	1,887,974
5,018	6,415	-	13,055
9,514,456	144,695	19,886	9,879,490
264,318	80,691	197,044	6,421,249
-	26,923,508	-	26,923,508
-	1,717,088	-	62,194,885
569,553	620,357	388,678	2,170,686
45,656	4,954	16,858	131,215
<u>14,159,490</u>	<u>33,316,830</u>	<u>1,158,348</u>	<u>118,079,365</u>
<u>(118,521)</u>	<u>(2,308,660)</u>	<u>(33,043)</u>	<u>(1,768,149)</u>
14,249	505,310	11,156	599,309
(36,852)	-	22,165	(14,687)
<u>-</u>	<u>742,840</u>	<u>80</u>	<u>773,536</u>
<u>(22,603)</u>	<u>1,248,150</u>	<u>33,401</u>	<u>1,358,158</u>
(141,124)	(1,060,510)	358	(409,991)
<u>-</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
(141,124)	(1,310,510)	358	(659,991)
<u>2,637,997</u>	<u>4,139,215</u>	<u>3,468,216</u>	<u>12,839,554</u>
<u>\$ 2,496,873</u>	<u>\$ 2,828,705</u>	<u>\$ 3,468,574</u>	<u>\$ 12,179,563</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
Year Ended June 30, 2012

	Communications Fund	Employee Insurance Fund
Cash flows from operating activities:		
Cash received from customers	\$ -	\$ -
Cash received from other funds for goods and services	7,476,103	64,466,055
Cash payments to employees for services	(1,265,779)	(693,412)
Cash payments to suppliers for goods and services	(5,956,735)	(57,843,724)
Cash payments to other funds for goods and services	(362,695)	-
Cash payments to claimants and beneficiaries	-	-
Miscellaneous cash received (paid)	(1,429)	(7,208)
Net cash provided by (used for) operating activities	\$ (110,535)	\$ 5,921,711
Cash flows from noncapital financing activities:		
Transfers to other funds	\$ -	\$ -
Net cash provided by (used for) noncapital financing activities	\$ -	\$ -
Cash flows from capital financing activities:		
Acquisition and construction of capital assets	\$ -	\$ -
Proceeds from sale of property and equipment	-	-
Net cash provided by (used for) capital financing	\$ -	\$ -
Cash flows from investing activities:		
Interest on investments	\$ 5,690	\$ 62,904
Net increase (decrease) in cash and cash equivalents	\$ (104,845)	\$ 5,984,615
Cash and cash equivalents, July 1	1,279,127	8,024,976
Cash and cash equivalents, June 30	\$ 1,174,282	\$ 14,009,591
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ (160,500)	\$ 852,575
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	63,747	-
Miscellaneous income (expense)	(1,429)	32,045
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	-	(39,253)
Due from other funds	(55,999)	1,861,385
Inventories of supplies	1,156	-
Prepaid expenses	-	-
Deposits	-	(30,941)
Increase (decrease) in liabilities:		
Accounts payable	66,937	253,098
Accrued employee compensation and benefits	(24,447)	(24,840)
Claims and judgements payable	-	-
Due to other governments	-	-
Other post employment benefit obligations	-	3,017,642
Accrued fuel cleanup costs	-	-
Net cash provided by (used for) operating activities	\$ (110,535)	\$ 5,921,711
Non cash transactions:		
Increase (decrease) in fair value of investments	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Fleet Management Fund	Risk Management Fund	Supplies Inventory Management Fund	Totals
\$ -	\$ -	\$ -	\$ -
14,040,969	32,481,035	1,125,305	119,589,467
(2,227,305)	(2,486,446)	(548,272)	(7,221,214)
(12,059,154)	(3,212,470)	(165,721)	(79,237,803)
(87,396)	(31,620)	(391,126)	(872,838)
-	(21,689,487)	-	(21,689,487)
-	-	80	(8,557)
<u>\$ (332,886)</u>	<u>\$ 5,061,012</u>	<u>\$ 20,266</u>	<u>\$ 10,559,568</u>
\$ -	\$ (250,000)	\$ -	\$ (250,000)
\$ -	\$ (250,000)	\$ -	\$ (250,000)
\$ (57,041)		\$ -	\$ (57,041)
1,230	-	22,165	23,395
<u>\$ (55,811)</u>	<u>\$ -</u>	<u>\$ 22,165</u>	<u>\$ (33,646)</u>
\$ 14,249	\$ 505,310	\$ 11,156	\$ 599,309
\$ (374,448)	\$ 5,316,322	\$ 53,587	\$ 10,875,231
2,647,011	71,007,672	1,318,708	84,277,494
<u>\$ 2,272,563</u>	<u>\$ 76,323,994</u>	<u>\$ 1,372,295</u>	<u>\$ 95,152,725</u>
\$ (118,521)	\$ (2,308,660)	\$ (33,043)	\$ (1,768,149)
45,656	4,954	16,858	131,215
-	-	80	30,696
-	-	-	(39,253)
-	143,764	-	1,949,150
98,542	-	(78,857)	20,841
(32,991)	252,866	-	219,875
-	-	-	(30,941)
(278,162)	375,846	145,129	562,848
(74,133)	29,120	(29,901)	(124,201)
-	5,234,021	-	5,234,021
-	586,281	-	586,281
26,723	-	-	3,017,642
<u>\$ (332,886)</u>	<u>\$ 4,318,192</u>	<u>\$ 20,266</u>	<u>\$ 9,816,748</u>
\$ (129)	\$ (11,257)	\$ (178)	\$ (11,564)

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - COMMUNICATIONS FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges for services	\$ 7,478,967	\$ 7,478,967	\$ 7,532,102	\$ 53,135
Interest on investments	-	-	5,690	5,690
	<u>7,478,967</u>	<u>7,478,967</u>	<u>7,537,792</u>	<u>58,825</u>
Total revenues				
Expenses:				
City Communications	7,021,000	7,026,000	7,356,712	(330,712)
Payment for General Fund Services	280,000	280,000	272,143	7,857
	<u>7,301,000</u>	<u>7,306,000</u>	<u>7,628,855</u>	<u>(322,855)</u>
Total expenses				
Excess of revenues over (under) expenses	<u>\$ 177,967</u>	<u>\$ 172,967</u>	(91,063)	<u>\$ (264,030)</u>
Revenues (expenses) not budgeted:				
Depreciation expense			(63,747)	
Miscellaneous income/loss on disposal of assets			<u>(1,429)</u>	
Change in net assets			<u>\$ (156,239)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - EMPLOYEE INSURANCE FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:				
Charges for services	\$ 57,979,000	\$ 57,979,000	\$ 62,495,665	\$ 4,516,665
Charges for services- other local governments	115,000	115,000	109,005	(5,995)
Miscellaneous	3,900,000	3,900,000	32,045	(3,867,955)
Interest on investments	<u>50,000</u>	<u>50,000</u>	<u>62,904</u>	<u>12,904</u>
Total revenues	<u>62,044,000</u>	<u>62,044,000</u>	<u>62,699,619</u>	<u>655,619</u>
Expenses:				
Insurances and Administration	60,136,000	60,136,000	58,594,727	1,541,273
Payment for General Fund Services	<u>140,000</u>	<u>140,000</u>	<u>139,726</u>	<u>274</u>
Total expenses	<u>60,276,000</u>	<u>60,276,000</u>	<u>58,734,453</u>	<u>1,541,547</u>
Excess of revenues over (under) expenses	<u>\$ 1,768,000</u>	<u>\$ 1,768,000</u>	<u>3,965,166</u>	<u>\$ 2,197,166</u>
Change to conform to generally accepted accounting principles:				
Other employee benefits			<u>(3,017,642)</u>	
Change in net assets			<u>\$ 947,524</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - FLEET MANAGEMENT FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services	\$ 14,782,318	\$ 14,498,136	\$ 14,040,969	\$ (457,167)
Interest on investments	25,000	25,000	14,249	(10,751)
 Total revenues	 14,807,318	 14,523,136	 14,055,218	 (467,918)
Expenses:				
Fleet management	14,048,000	13,912,985	13,644,443	268,542
Payments for general fund services	478,000	478,000	469,391	8,609
 Total expenses	 14,526,000	 14,390,985	 14,113,834	 277,151
 Excess of revenues over (under) expenses	 \$ 281,318	 \$ 132,151	 (58,616)	 \$ (190,767)
Expenses not budgeted:				
Depreciation			(45,656)	
Gain (Loss) on disposition of other property			(36,852)	
 Change in net assets			 \$ (141,124)	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - RISK MANAGEMENT FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:				
Charges for services	\$ 31,265,000	\$ 31,265,000	\$ 31,008,170	\$ (256,830)
Interest on investments	750,000	750,000	505,310	(244,690)
Total revenues	<u>32,015,000</u>	<u>32,015,000</u>	<u>31,513,480</u>	<u>(501,520)</u>
Expenses:				
Safety office	1,825,000	1,825,000	2,378,131	(553,131)
Tort and other claims	18,355,000	18,356,000	15,615,538	2,740,462
Workers' compensation claims	11,071,000	11,130,000	8,325,346	2,804,654
Transfer to general fund	785,000	785,000	845,937	(60,937)
Unemployment compensation	2,006,000	2,006,000	1,046,323	959,677
Employee equity	134,000	134,000	116,579	17,421
Total expenses	<u>34,176,000</u>	<u>34,236,000</u>	<u>28,327,854</u>	<u>5,908,146</u>
Excess of revenues over expenses	<u>\$ (2,161,000)</u>	<u>\$ (2,221,000)</u>	3,185,626	<u>\$ 5,406,626</u>
Expenses not budgeted:				
Contributions from other sources			742,840	
Depreciation			(4,954)	
Tort and other claims - reserve adjustment			(6,007,950)	
Worker's compensation claims - reserve adjustment			773,928	
Change in net assets			<u>\$ (1,310,510)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - SUPPLIES INVENTORY MANAGEMENT FUND
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services	980,000.00	980,000.00	1,125,305	145,305.00
Interest on investments	34,000.00	34,000.00	11,156	(22,844.00)
Miscellaneous	200.00	200.00	80	(120.00)
Total revenues	1,014,200.00	1,014,200.00	1,136,541	122,341.00
Expenses:				
Materials management	785,000.00	786,000.00	757,370	28,630.00
Payment for General Fund Services	366,000.00	366,000.00	384,120	(18,120.00)
Total expenses	1,151,000.00	1,152,000.00	1,141,490	10,510.00
Excess of revenues over (under) expenses	(136,800.00)	(137,800.00)	(4,949)	132,851.00
Revenues (expenses) not budgeted:				
Depreciation expense			(16,858)	
Gain on disposition of equipment			22,165	
Change in net assets			358	

CITY OF ALBUQUERQUE, NEW MEXICO AGENCY FUND

The City's Agency fund accounts for monies held by the City in a custodial capacity on behalf of third parties or other agencies.

CC Open & Ethical Elections – to account for monies moved from the Open and Ethical Elections Fund for providing public funding of elections.

Otter Exhibit – to account for gift received for the construction of the otter exhibit at the Rio Grande Zoological Park.

Museum – to account for donations received for the purchase of Museum artifacts.

NM Regional PPC Shooting – to account for monies received for the use of the shooting range.

Business Improvement District – to account for monies received from the assessment on properties located within the Downtown Albuquerque Business Improvement District established by City Ordinance No. 38-2000. Monies are to be spent in accordance with Management Committee improvement district plan.

Q13 Fire Fund – to account for monies received for the purchase of Thermo Imaging Camera for the AFD.

ABEC Philips Clawback – to account for Philips Corporation Industrial Revenue Bond clawback monies dedicated to the ABEC – Education Program.

Los Duranes Community Center – to account for monies received from T-Mobile to support activities and services provided at Los Duranes Community Center

T&C Mgt – 1720 Atrisco – to account for monies held for the deposit and future disbursement of insurance proceeds for an apartment complex at 1720 Atrisco that were destroyed by a fire in January 2012.

Summer Arts Institute – to account for monies received for the SAI program.

Summer Hire Program – to account for monies received from businesses to employ youth for the summer through the Mayor's Summer Youth Jobs Initiative.

Community Centers – to account for monies received from the New Mexico Athletic Commission for the Jack Candelaria Boxing Ring and equipment.

Bear Canyon Senior Center – to account for monies received to sponsor senior citizens instate trips and events.

North Valley Senior Center – to account for monies received to sponsor senior citizens instate trips and events.

Highland Senior Center – to account for monies received to sponsor senior citizens instate trips and events.

Senior Multi-service Center – to account for monies received to sponsor senior citizens instate trips and events.

Los Volcanes Senior Center – to account for monies received to sponsor senior citizens instate trips and events.

Palo Duro Senior Center – to account for monies received to sponsor senior citizens instate trips and events.

Manzano Mesa Senior Center – to account for monies received to sponsor senior citizens instate trips and events.

Albuquerque Conference on Aging – to account for monies received for the Senior Companion program.

DSA Advisory Council/Adult Fitness – to account for monies received to promote adult fitness events.

Bosque Restoration – to account for monies received for the restoration of the Rio Grande Bosque.

Energy Conference – to account for monies received to sponsor an energy conference.

Special Events Mayor – to account for monies generated from sponsorships at special events for the purpose of promoting community family event outings.

Veterans Advisory Mayor – to account for monies received for the cost to construct and install various separate memorials or monuments at the New Mexico Veterans Memorial park.

Mayor's Charity Ball (Chavez) – to account for monies received in support of the Mayor's Charity Ball.

Mayor's Charity Ball-2010+(Berry) - to account for monies received in support of the Mayor's Charity Ball.

Adopt A Park – to account for monies received for the purpose of landscape beautification of parks and medians.

Trees and Shrubs – to account for monies received from individuals or groups for the purchase of trees and shrubs as memorials.

Outdoor Recreation – to account for monies received for the purchase of equipment for the maintenance of out door recreation facilities.

New Mexico Games – to account for monies received for the New Mexico Games events sponsored by the City Parks and Recreation Department.

Unemployment Deduction – to account for monies received for unemployment compensation insurance costs.

D.A.R.E. – to account for donations received for the Drug Abuse Resistance Education project.

Police Evidence Unit – to account for the recording of funds deposited in the Albuquerque Police Department evidence room.

Recycle Coupons – to account for monies received paid by the Office of Senior Affairs from the City Solid Waste Department for distribution of trash bags.

Transit Department – to account for monies received for the Uptown Sector Plan project and to assist the Uptown Transportation Management Organization.

Miscellaneous – to account for monies received for various miscellaneous purposes.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CHANGES IN AGENCY FUND ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
ASSETS				
Cash, investments, and accrued interest	4,556,700	3,439,935	(1,990,609)	6,006,026
Receivables	244,887	1,078,889	(1,023,833)	299,943
Total assets	4,801,587	4,518,824	(3,014,442)	6,305,969
LIABILITIES				
Accounts payable	246,931	184,819	(129,408)	302,342
Funds held for others	4,554,656	3,024,994	(1,576,024)	6,003,626
Total liabilities	4,801,587	3,209,813	(1,705,432)	6,305,968

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

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CHANGES IN FUNDS HELD FOR OTHERS
AGENCY FUND
YEAR ENDED JUNE 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
CC Open & Ethical Elections	-	1,483,941	27	1,483,914
Otter Exhibit	45,818	-	-	45,818
Museum	118,211	13,705	71,497	60,419
NM Regional PPC Shooting	30,573	25,156	937	54,792
Business Improvement District #1	11,242	604,998	625,555	(9,315)
Miscellaneous	12,306	-	-	12,306
Q13 Fire Fund	10,782	-	-	10,782
ABEC-Phillips Clawback	1,438,788	-	82,989	1,355,799
Los Durances CC-T-Mobile	6,909	-	-	6,909
T&C Mgt - 1720 Atrisco	-	817,025	-	817,025
Summer Arts Institute	2,896	-	-	2,896
Summer Hire Program	5,026	-	-	5,026
Community Centers	6,973	-	-	6,973
Bear Canyon Senior Center	12,879	6,035	9,192	9,722
North Valley Senior Center	13,011	2,359	303	15,067
Highland Senior Center	7,211	2,711	1,575	8,347
Senior Multi-service Center	18,039	12,733	3,220	27,552
Los Volcanes Senior Center	6,159	3,490	988	8,661
Palo Duro Senior Center	18,424	7,308	3,210	22,522
Manzano Mesa Senior Center	13,883	2,399	34	16,248
ABQ Conf on Aging Trust	10,587	-	-	10,587
DSA Advisory Council	44,364	3,269	2,655	44,978
Bosque Restoration	283	-	-	283
Energy Conference	450	-	-	450
Special Events - Mayor	6,099	-	-	6,099
Veterans Advisory-Mayor	369	-	-	369
Mayor's Charity Ball (Chavez)	10,995	-	10,995	-
Mayor's Charity Ball - 2010+ (Berry)	12,423	-	12,423	-
Adopt-A-Park	61,697	-	-	61,697
Trees and Shrubs	45,096	12,656	39	57,713
Outdoor Recreation	90,283	10,189	7,767	92,705
New Mexico Games	379	-	-	379
Unemployment Deduction	742,618	-	742,618	-
D.A.R.E.	7,170	-	-	7,170
Police Evidence Unit	1,720,220	12,020	-	1,732,240
Recycle Coupons	1,707	-	-	1,707
Transit Department	20,786	5,000	-	25,786
Total agency fund	4,554,656	3,024,994	1,576,024	6,003,626

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FINANCIAL SECTION

OTHER SUPPLEMENTARY SCHEDULES

Capital Assets Used in the Operation of Governmental Funds

Schedule of Transfers between Funds

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CAPITAL ASSETS AT COST - BY FUND
June 30, 2012

	2012
General Fixed Assets:	
Land	296,170,766
Right of Way	1,145,191,667
Buildings	402,157,722
Infrastructure	1,896,715,882
Improvements other than buildings	571,551,817
Equipment	151,104,650
Construction work in progress	75,197,759
Total General Fixed Assets	4,538,090,263
Investment in General Fixed Assets from:	
Acquisitions prior to July 1, 1978	58,976,231
Acquisitions after July 1, 1978:	
General Fund	(10,659,208)
Special Revenue Funds	264,834,570
Acquisition and Management of Open Space Nonexpendable Trust Fund	6,980,471
Investments from earnings of the Urban Enhancement Expendable Trust Fund	76,049
Capital Projects Funds	4,217,857,590
Net transfers from Enterprise Funds	861,430
Net transfers to Internal Service Funds	(836,870)
Total investment in General Fixed Assets	4,538,090,263

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CAPITAL ASSETS AT COST - BY FUNCTION AND ACTIVITY
June 30, 2012

Function and Activity	Land	Right of Way	Infra-structure	Buildings	Improvements Other Than Buildings	Equipment	Total
Acquisitions prior to July 1, 1985	48,694,532	642,294,313	343,942,123	30,104,221	92,799,538	6,531,496	1,164,366,223
Total unidentified purposes	50,000	-	2,413,864	8,367,173	3,244,451	(13,427,725)	647,763
Acquisitions after June 30, 1985:							
General government:							
City clerk/records	-	-	-	-	-	33,515	33,515
City council	-	-	-	-	3,950	191,918	195,868
Finance and management	-	-	-	-	2,349,248	5,505,404	7,854,652
Legal services	2,886	-	-	-	-	481,521	484,407
Mayor/CAO	-	-	-	-	2,233	1,080,319	1,082,552
Internal audit	-	-	-	-	-	38,160	38,160
Personnel	-	-	-	-	-	(1,578)	(1,578)
Labor management	-	-	-	-	-	33,875	33,875
Open space	881,926	-	-	-	-	80,517	962,443
Planning	586,238	-	(275,154)	95	143,550	1,936,727	2,391,456
General services	6,040,106	-	1,330,293	29,745,315	27,164,609	13,473,708	77,754,031
City/county building	-	-	-	9,593,549	6,071,926	222,570	15,888,045
Central telephone system	-	-	-	-	-	1,258,415	1,258,415
Total general government	7,511,156	-	1,055,139	39,338,959	35,735,516	24,335,071	107,975,841
Public safety:							
Fire	983,265	-	12,168	24,404,169	4,859,976	24,641,735	54,901,313
Police	4,318,253	-	-	29,526,630	14,661,030	53,303,970	101,809,883
Corrections	-	-	-	2,670,006	175,602	718,393	3,564,001
Police Fire	-	-	-	3,873,032	168,696	811,636	4,853,364
Total public safety	5,301,518	-	12,168	60,473,837	19,865,304	79,475,734	165,128,561
Culture and recreation:							
Library	1,995,085	-	7,861,497	14,434,633	31,310,169	4,438,341	60,039,725
Museum	10,544,588	-	2,680,703	39,007,893	17,046,668	1,466,229	70,746,081
Parks and recreation	101,002,254	-	10,674,608	81,168,933	216,015,417	15,286,486	424,147,698
Open space	39,267,113	-	1,177,999	-	4,469,006	1,323,828	46,237,946
Zoo/BioPark	1,006,059	-	686,927	9,829,110	33,316,708	2,085,947	46,924,751
Convention center	5,029,268	-	-	19,906,408	49,521,098	814,876	75,271,650
Total culture and recreation	158,844,367	-	23,081,734	164,346,977	351,679,066	25,415,707	723,367,851
Public works:							
Housing code administration	-	-	-	-	-	4,040	4,040
Redevelopment	265,366	-	-	-	-	4,918	270,284
Municipal development	-	-	-	-	2,199	3,545,472	3,547,671
Engineering	1,192,212	-	-	-	-	113,922	1,306,134
Planning	4,473	-	-	-	-	188,939	193,412
Storm drainage maintenance	7,788,181	95,279,003	644,317,121	5,903,963	5,504,905	702,938	759,496,111
Geographic information system	-	-	-	-	173,441	34,300	207,741
Total public works	9,250,232	95,279,003	644,317,121	5,903,963	5,680,545	4,594,529	765,025,393

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CAPITAL ASSETS AT COST - BY FUNCTION AND ACTIVITY
 June 30, 2012

Function and Activity	Land	Right of Way	Infra- Structure	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
Highways and streets:							
Transportation/Street maint.	49,040,164	407,618,351	876,865,174	11,452,851	39,905,714	10,901,969	1,395,784,223
Traffic engineering	293,676	-	-	-	6,681,251	173,098	7,148,025
Total highways and streets	49,333,840	407,618,351	876,865,174	11,452,851	46,586,965	11,075,067	1,402,932,248
Health:							
Consumer protection	-	-	-	-	-	59,413	59,413
Environmental services	-	-	178,594	3,570,121	465,642	2,383,147	6,597,504
Animal control services	96,243	-	-	1,374,241	440,866	154,864	2,066,214
Environmental health admin.	-	-	-	(1,958)	196,662	2,083,707	2,278,411
Resources management	-	-	-	-	-	16,404	16,404
Total health	96,243	-	178,594	4,942,404	1,103,170	4,697,535	11,017,946
Human services:							
Human rights	-	-	-	40,370	1,000	(2,103)	39,267
Human services	5,962,428	-	497,628	21,109,939	2,992,299	5,373,384	35,935,678
Office of senior affairs	1,481,146	-	(211,202)	43,378,498	6,786,352	2,312,138	53,746,932
Housing/community development	9,645,304	-	4,563,539	12,698,530	5,077,611	723,817	32,708,801
Total human services	17,088,878	-	4,849,965	77,227,337	14,857,262	8,407,236	122,430,678
Total general fixed assets allocated to functions	247,426,234	502,897,354	1,550,359,895	363,686,328	475,507,828	158,000,879	3,297,878,518
Total general fixed assets in service	296,170,766	1,145,191,667	1,896,715,882	402,157,722	571,551,817	151,104,650	4,462,892,504
Construction work in progress							75,197,759
Other							-
Total general fixed assets							4,538,090,263

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CHANGES IN CAPITAL ASSETS AT COST- BY FUNCTION AND ACTIVITY
Year ended June 30, 2012

Function and Activity	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Acquisitions prior to July 1, 1985	1,164,366,223	-	-	1,164,366,223
Total unidentified purposes	(404,831)	1,052,594	-	647,763
Acquisitions after June 30, 1985:				
General government:				
City clerk/records	33,515	-	-	33,515
City council	195,868	-	-	195,868
Finance and management	10,443,150	663,154	3,251,652	7,854,652
Legal services	190,961	294,731	1,285	484,407
Mayor/CAO	1,073,470	12,582	3,500	1,082,552
Internal audit	38,160	-	-	38,160
Personnel	767	-	2,345	(1,578)
Labor management	33,875	-	-	33,875
Open space	962,443	-	-	962,443
Planning	2,177,145	214,311	-	2,391,456
General services	72,155,409	5,598,622	-	77,754,031
City/county building	15,874,366	13,679	-	15,888,045
Central telephone system	1,258,415	-	-	1,258,415
Total general government	<u>104,437,544</u>	<u>6,797,079</u>	<u>3,258,782</u>	<u>107,975,841</u>
Public safety:				
Fire	56,292,214	722,982	2,113,883	54,901,313
Police	102,197,459	2,502,853	2,890,429	101,809,883
Corrections	3,564,001	-	-	3,564,001
Police/Fire	4,853,364	-	-	4,853,364
Total public safety	<u>166,907,038</u>	<u>3,225,835</u>	<u>5,004,312</u>	<u>165,128,561</u>
Culture and recreation:				
Library	59,049,465	990,260	-	60,039,725
Museum	70,096,032	650,049	-	70,746,081
Parks and recreation	407,823,458	16,909,159	584,919	424,147,698
Open space	46,262,608	(24,662)	-	46,237,946
Zoo/BioPark	45,064,305	2,041,572	181,126	46,924,751
Convention center	75,271,650	-	-	75,271,650
Total culture and recreation	<u>703,567,519</u>	<u>20,566,378</u>	<u>766,045</u>	<u>723,367,851</u>
Public works:				
Housing code administration	4,040	-	-	4,040
Redevelopment	270,284	-	-	270,284
Municipal development	1,502,081	2,045,590	-	3,547,671
Engineering	1,306,134	-	-	1,306,134
Planning	220,633	-	27,221	193,412
Storm drainage/maintenance	748,442,233	11,053,878	-	759,496,111
Geographic information system	207,741	-	-	207,741
Total public works	<u>751,953,146</u>	<u>13,099,468</u>	<u>27,221</u>	<u>765,025,393</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CHANGES IN CAPITAL ASSETS AT COST - BY FUNCTION AND ACTIVITY
Year ended June 30, 2012

Function and Activity	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Highways and streets:				
Transportation/Street maintenance	1,332,622,759	63,366,990	205,526	1,395,784,223
Traffic engineering	7,148,025	-	-	7,148,025
Total highways and streets	<u>1,339,770,784</u>	<u>63,366,990</u>	<u>205,526</u>	<u>1,402,932,248</u>
Health:				
Consumer protection	59,413	-	-	59,413
Environmental services	6,971,769	(2,262)	372,003	6,597,504
Animal control services	2,400,089	(21,501)	312,374	2,066,214
Environmental health and administration	2,153,116	125,295	-	2,278,411
Resources management	16,404	-	-	16,404
Total health	<u>11,600,790</u>	<u>101,532</u>	<u>684,377</u>	<u>11,017,946</u>
Human services:				
Human rights	39,267	-	-	39,267
Human services	35,616,185	461,798	142,305	35,935,678
Office of senior affairs	49,251,319	4,923,280	427,667	53,746,932
Housing/community development	23,864,580	8,844,221	-	32,708,801
Total human services	<u>108,771,350</u>	<u>14,229,299</u>	<u>569,972</u>	<u>122,430,678</u>
Construction work in progress	<u>74,799,122</u>	<u>72,565,427</u>	<u>72,166,790</u>	<u>75,197,759</u>
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general fixed assets	<u>4,425,768,685</u>	<u>195,004,602</u>	<u>82,683,025</u>	<u>4,538,090,263</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF TRANSFERS BETWEEN FUNDS
For the year ended June 30, 2012

Interfund transfers were as follows:

From	To	
General Fund	Hospitality Tax Fund	\$ 127,000
General Fund	Operating Grants Fund	4,825,115
General Fund	Gas Road Tax Fund	224,000
General Fund	Capital Acquisitions Fund	1,770,432
General Fund	Parking Facilities Fund	2,551,000
General Fund	Transit Fund	19,626,290
General Fund	Stadium Fund	143,000
General Fund	Vehicle & Equipment Replacement Fund	500,000
General Fund	Open Space Acq & Mgmt - Operating Fund	1,477,000
General Fund	Sales Tax Refunding Fund	4,798,000
Fire Fund	Operating Grants Fund	103,240
Fire Fund	Fire Debt Service Fund	101,000
Lodgers Tax Fund	General Fund	190,000
Lodgers Tax Fund	Sales Tax Refunding Fund	6,089,000
Hospitality Tax Fund	Capital Acquisitions Fund	50,000
Hospitality Tax Fund	Sales Tax Refunding Fund	1,198,000
Law Enforcement Protection Fund	General Fund	389,000
False Alarm Enforcement and Education Fund	General Fund	609,095
Photo Enforcement Fund	General Fund	647,000
Transportation Infrastructure Tax Fund	Transit Fund	13,108,748
Sales Tax Refunding Fund	Capital Acquisitions Fund	937,000
Parking Facilities Fund	General Fund	143,030
Refuse Disposal Operating Fund	General Fund	1,274,000
Refuse Disposal Operating Fund	Operating Grants Fund	24,465
Refuse Disposal Operating Fund	General Fund	1,126,683
Transit Fund	Operating Grants Fund	201,000
Transit Fund	General Fund	353,969
Apartments Operating Fund	City Housing Fund	96,114
Golf Fund	General Fund	79,347
Risk Management Fund	General Fund	250,000
Open Space Acq & Mgmt - Principal Fund	Open Space Acq & Mgmt - Operating Fund	77,912
Urban Enhancement Trust - Principal Fund	Urban Enhancement Trust - Operating Fund	52,280
		<u>\$ 63,142,720</u>

	<u>Transfers Out</u>	<u>Transfers In</u>
Statement of Revenues, Expenditures, and Changes in Fund Balances		
All Governmental Funds	\$ (59,594,112)	\$ 27,713,682
Statement of Revenues, Expenses, and Changes in Net Assets		
All Proprietary Funds		
Enterprise funds	(3,298,608)	35,429,038
Internal Service funds	(250,000)	-
Total transfers	<u>\$ (63,142,720)</u>	<u>\$ 63,142,720</u>

Included in the above transfers are Payments in Lieu of Taxes (PILOT) to the General Fund from the following funds:

Parking Facilities Fund	\$ 143,030
Refuse Disposal Fund	1,126,683
Transit Fund	353,969
Golf Course Fund	79,347
Total PILOT	<u>\$ 1,703,029</u>

STATISTICAL INFORMATION

CITY OF ALBUQUERQUE, NEW MEXICO
STATISTICAL SECTION

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

Page

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

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Revenue Capacity – These schedules contain information to help the reader assess the City’s most significant local revenue source, the gross receipt and property tax.

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Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

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

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Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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City of Albuquerque, New Mexico
 Net Assets by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

Schedule I

	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	\$ 504,054,856	\$ 557,927,627	\$ 2,411,458,952	\$ 2,634,062,347	\$ 2,624,259,680	\$ 2,653,410,465	\$ 2,886,536,263	\$ 2,955,769,681	\$ 2,985,380,232	\$ 3,007,048,501
Restricted	192,032,124	211,593,171	181,042,023	166,750,878	172,430,062	254,250,734	241,549,703	180,727,862	191,078,480	203,150,213
Unrestricted	50,236,928	76,175,065	103,128,677	33,578,099	187,943,375	205,403,368	188,115,252	193,064,675	145,380,268	147,877,323
Total governmental activities net assets	\$ 746,323,908	\$ 845,695,863	\$ 2,695,629,652	\$ 2,834,391,324	\$ 2,984,633,117	\$ 3,113,064,567	\$ 3,316,201,218	\$ 3,329,562,218	\$ 3,321,838,980	\$ 3,358,076,037
Business-type activities										
Invested in capital assets, net of related debt	\$ 651,138,659	\$ 197,589,791	\$ 237,142,685	\$ 296,141,191	\$ 297,136,715	\$ 319,277,730	\$ 315,727,828	\$ 334,240,885	\$ 355,080,860	\$ 364,036,500
Restricted	76,854,521	77,463,968	82,966,714	71,543,791	70,846,509	99,633,119	107,027,280	105,841,637	83,455,356	93,547,112
Unrestricted	87,987,411	36,600,635	35,122,994	25,461,317	45,545,113	27,456,585	58,854,656	57,528,047	71,111,079	71,336,080
Total business-type activities net assets	\$ 815,980,591	\$ 311,654,394	\$ 355,232,393	\$ 393,146,299	\$ 413,528,337	\$ 446,367,434	\$ 481,609,764	\$ 497,610,569	\$ 509,647,295	\$ 528,919,692
Primary government										
Invested in capital assets, net of related debt	\$ 1,155,193,515	\$ 755,517,418	\$ 2,648,601,637	\$ 2,930,203,538	\$ 2,921,396,395	\$ 2,972,688,195	\$ 3,202,264,091	\$ 3,290,010,566	\$ 3,340,461,092	\$ 3,371,085,001
Restricted	268,886,645	289,057,139	264,008,737	238,294,669	243,276,571	353,883,853	348,576,983	286,569,499	274,533,836	296,697,325
Unrestricted	138,224,339	112,775,700	138,251,671	59,039,416	233,488,488	232,859,953	246,969,908	250,592,722	216,491,347	219,213,403
Total primary government net assets	\$ 1,562,304,499	\$ 1,157,350,257	\$ 3,050,862,045	\$ 3,227,537,623	\$ 3,398,161,454	\$ 3,559,432,001	\$ 3,797,810,982	\$ 3,827,172,787	\$ 3,831,486,275	\$ 3,886,995,729

Note: The City implemented GASB 34 as of Fiscal Year 2002.

City of Albuquerque, New Mexico
 Changes in Net Assets
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities:										
General government										
Public Safety	\$ 53,021,966	\$ 65,199,614	\$ 67,551,970	\$ 77,107,681	\$ 83,362,320	\$ 88,046,445	\$ 95,379,281	\$ 77,446,398	\$ 80,433,694	\$ 77,927,419
Culture and recreation	186,205,866	196,502,048	209,967,573	233,410,622	213,014,961	213,394,360	244,206,961	250,073,745	243,380,110	240,015,231
Public works/municipal Development	71,782,754	66,765,905	82,108,879	77,297,328	83,397,788	101,823,409	95,918,979	98,138,890	104,794,499	96,719,041
Health and human services	9,857,177	15,949,001	13,684,172	37,768,785	41,735,971	45,546,687	41,421,571	42,369,643	42,275,832	42,275,832
Housing and community development	61,943,139	59,675,888	63,842,585	63,902,832	70,592,142	75,159,649	76,066,790	75,677,676	73,005,072	72,234,531
Housing and streets	3,994,279	3,394,615	6,196,786	3,071,733	5,330,545	6,284,061	4,285,536	9,516,515	10,080,892	4,935,189
Highways and streets	22,197,884	18,252,379	11,985,023	22,805,534	37,234,930	38,416,273	39,736,171	46,158,809	41,778,253	41,778,253
Interest on long-term debt	15,275,693	15,949,892	13,815,019	18,970,735	17,329,247	17,504,836	15,775,066	14,192,497	14,064,968	14,875,661
Total governmental activities expenses	424,278,755	441,688,942	469,250,007	534,333,650	538,638,599	602,984,477	611,470,397	607,151,435	614,459,908	590,761,157
Business-type activities:										
Airport	60,643,039	60,846,366	54,644,728	59,904,463	62,265,198	63,872,083	66,069,318	63,408,983	66,720,599	64,400,327
Refuse disposal	37,131,656	39,444,987	41,369,980	45,080,158	47,897,085	53,557,883	51,775,307	48,717,084	47,902,071	51,971,557
Housing Authority	25,796,567	-	37,948,533	40,960,678	47,972,405	49,530,565	33,493,993	32,823,808	30,159,407	31,808,191
Transit	109,545,515	31,401,160	-	-	47,972,405	-	55,936,200	53,820,695	53,938,575	54,967,799
Other non-major business-type activities	44,107,381	40,724,540	41,878,871	42,721,505	43,868,850	16,104,553	15,859,656	15,382,640	15,555,029	14,747,865
Total business-type activities expenses	277,224,158	172,417,063	175,852,112	188,666,804	202,003,538	213,656,170	225,124,474	214,159,210	214,275,681	217,864,239
Total primary government expenses	701,502,913	614,105,995	645,102,119	723,000,454	740,642,137	816,650,447	834,594,871	821,304,645	828,735,589	808,625,396
Program Revenues										
Charges for services										
General government	\$ 35,131,516	\$ 42,675,819	\$ 42,576,261	\$ 42,539,075	\$ 39,936,676	\$ 35,997,143	\$ 33,706,139	\$ 33,487,741	\$ 32,628,136	\$ 35,218,812
Public Safety	26,536,911	25,956,317	29,652,627	29,001,098	5,346,710 (2)	17,633,271	14,670,995	14,047,361	10,841,345	8,758,246
Other	14,291,111	15,229,558	14,921,613	15,040,659	22,251,900	14,531,275	15,648,299	14,734,462	15,307,488	17,664,679
Operating grants and contributions	28,724,252	32,925,778	29,915,795	37,115,148	32,039,118	33,841,812	31,933,150	34,045,040	34,971,751	29,540,423
Capital grants and contributions	9,930,175	2,381,212	1,026,552	1,092,767	216,178	8,600,682	-	-	22,742,337	22,742,337
Total governmental activities program revenues	114,439,965	119,168,684	118,052,848	124,793,767	99,794,582	110,607,183	95,957,683	96,314,604	116,391,057	113,924,497
Business-type activities:										
Charges for services										
Airport	59,325,022	60,664,848	64,046,597	68,416,707	68,214,647	74,229,742	70,916,909	70,434,129	69,620,917	74,074,236
Refuse	41,182,770	44,248,398	45,551,715	46,541,085	50,530,182	52,489,420	52,955,760	52,345,632	61,435,325	62,097,834
Other	154,697,701	20,084,614	19,498,189	18,744,313	19,621,192	21,211,082	22,312,992	21,184,003	23,835,232	23,660,538
Operating grants and contributions	24,770,592	25,249,911	24,750,772	24,348,775	26,027,625	29,081,729	27,118,913	28,538,994	30,147,543	27,867,345
Capital grants and contributions	38,909,321	12,002,142	29,891,981	30,407,851	20,522,706	25,520,864	40,125,835	20,575,033	7,528,148	19,147,688
Total business-type activities program revenues	318,885,406	163,049,903	183,739,254	188,538,731	184,847,072	202,532,837	213,427,409	192,977,791	192,567,165	207,047,701
Total primary government program revenues	433,325,371	282,218,587	301,792,102	313,332,498	284,641,654	313,140,020	309,385,092	289,292,395	308,958,222	320,972,198

City of Albuquerque, New Mexico
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Net (Expense)/Revenue										
Governmental activities	\$ (309,838,790)	\$ (322,520,258)	\$ (351,197,159)	\$ (409,539,883)	\$ (438,844,017)	\$ (492,387,394)	\$ (515,512,714)	\$ (510,816,831)	\$ (498,068,851)	\$ (476,836,660)
Business-type activities	41,661,248	(9,367,150)	7,887,142	(208,073)	(17,156,466)	(11,123,333)	(9,697,065)	(21,175,419)	(21,708,516)	(10,817,038)
Total primary government net (expense)/revenue	\$ (268,177,542)	\$ (331,887,408)	\$ (343,310,017)	\$ (409,747,956)	\$ (456,000,483)	\$ (503,510,727)	\$ (525,209,779)	\$ (532,012,250)	\$ (519,777,367)	\$ (487,653,698)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes	\$ 86,393,546	\$ 88,253,706	\$ 92,546,664	\$ 101,600,303	\$ 108,090,517	122,348,148	126,974,613	133,748,091	133,171,398	134,970,278
Franchise taxes	18,119,767	18,449,049	20,138,467	19,290,495	19,439,256	20,035,776	19,436,954	20,510,529	24,296,180	26,771,801
Sales taxes	121,984,293	132,257,178	163,250,264	187,323,240	187,007,560	179,652,240	151,311,541	131,356,792	144,932,348	151,098,767
Other taxes	8,326,069	8,730,347	9,019,206	11,991,553	12,959,738	13,402,819	12,252,706	11,993,968	12,146,822	12,096,851
Unrestricted NM shared taxes and fees	152,305,829	161,755,908	167,875,410	180,991,062	197,343,767	198,743,231	186,640,709	179,798,473	182,903,523	183,031,096
Unrestricted grants and contributions	11,471,037	15,281,939	29,230,347	34,041,732	38,863,931	45,241,380	19,485,714	23,653,996	6,309,436	8,737,623
Payments in lieu of taxes		5,110,928	4,769,764	5,202,860	5,111,853	5,018,751	4,921,566	5,182,185	59,130	53,231
Unrestricted investment earnings	8,594,542	4,353,858	12,469,788	14,039,015	19,994,223	30,665,992	11,793,621	9,813,405	2,689,722	3,412,577
Miscellaneous	15,559,876	13,917,869	15,759,659	27,167,544	30,737,892	50,543,429	224,307,828	40,495,040	29,101,131	22,931,923
Transfers between gov't and business type	(15,943,671)	(25,625,107)	(25,933,600)	(33,346,329)	(31,062,927)	(35,132,896)	(38,475,887)	(32,354,648)	(29,078,967)	(32,130,430)
Gain(loss) on disposition of capital assets			(45,363,094)							
Total governmental activities	407,011,288	422,385,675	443,762,875	548,301,555	589,085,810	620,818,844	718,649,365	524,197,831	506,530,723	513,073,717
Business-type activities:										
Unrestricted investment earnings	2,506,826	124,945	1,697,541	3,051,453	4,022,531	3,937,365	1,188,169	554,815	799,058	535,264
Miscellaneous	15,943,671	25,625,107	(1,267,740)	33,346,329	2,453,046	4,892,169	5,275,339	4,266,761	3,867,217	5,323,865
Transfers between gov't and business type		(538,744,820)			31,062,927	35,132,896	38,475,887	32,354,648	29,078,967	32,130,430
Gain(loss) on disposition of capital assets										
Total business-type activities	18,450,497	(512,994,768)	26,363,401	38,121,979	37,538,504	43,962,430	44,939,395	37,176,224	33,745,242	37,989,559
Total primary government	\$ (249,727,045)	\$ (834,282,083)	\$ (719,647,016)	\$ (371,446,377)	\$ (418,461,979)	\$ (460,548,297)	\$ (480,270,384)	\$ (494,836,026)	\$ (486,032,125)	\$ (449,664,139)
Changes in Net Assets										
Governmental activities	97,172,498	99,865,417	92,565,716	138,761,672	150,241,793	128,431,450	203,136,651	13,361,000	8,461,872	36,337,057
Business-type activities	60,111,745	(322,361,918)	34,250,543	37,913,996	20,382,038	32,839,097	35,242,330	16,900,805	12,036,726	27,172,521
Total primary government	\$ 157,284,243	\$ (422,496,501)	\$ 126,816,259	\$ 176,675,578	\$ 170,623,831	\$ 161,270,547	\$ 238,378,981	\$ 29,361,805	\$ 20,498,598	\$ 63,409,578

(1) In Fiscal Year 2004, Joint Water and Sewer became the Albuquerque Bernalillo County Water Utility Authority a Component Unit of the City.

(2) In Fiscal Year 2007, the City turned over operation of the Metropolitan Detention Center to Bernalillo County.

Note: The City implemented GASB 34 as of Fiscal Year 2002.

City of Albuquerque, New Mexico
 Governmental Activities
 Tax Revenues by Source
 Last Ten Fiscal Years

Schedule 3

Fiscal Year	State Shared Gross Receipt Tax	Gasoline Tax	State Shared Cigarette Tax	State Shared Motor Vehicle Tax	Local Option Gross Receipt Tax	Property Tax	Franchise Tax	Hospitality Tax	Lodgers' Tax	Total
2003	\$ 143,950,677	\$ 6,744,579	\$ 587,209	\$ 1,106,151	\$ 121,984,293	\$ 86,393,546	\$ 18,119,767	\$ -	\$ 8,326,069	\$ 387,212,291
2004	\$ 156,188,748	\$ 6,761,988	\$ 604,817	\$ 1,267,037	\$ 132,257,178	\$ 88,253,706	\$ 18,449,049	\$ -	\$ 8,730,347	\$ 412,512,870
2005	\$ 162,685,510	\$ 7,024,191	\$ 542,098	\$ 1,426,523	\$ 163,250,264	\$ 92,546,664	\$ 18,353,990	\$ 1,784,477	\$ 9,019,206	\$ 456,632,923
2006	\$ 176,647,546	\$ 7,274,479	\$ 504,955	\$ 1,397,094	\$ 184,643,805	\$ 101,600,383	\$ 19,290,495	\$ 1,995,823	\$ 9,995,729	\$ 503,350,309
2007	\$ 187,215,960	\$ 8,150,721	\$ 453,447	\$ 1,523,639	\$ 187,007,560	\$ 108,690,517	\$ 19,439,256	\$ 2,162,060	\$ 10,797,678	\$ 525,440,838
2008	\$ 188,764,768	\$ 7,808,161	\$ 471,844	\$ 1,698,458	\$ 179,652,214	\$ 122,348,148	\$ 20,035,776	\$ 2,300,469	\$ 11,502,350	\$ 534,582,188
2009	\$ 175,737,324	\$ 7,897,649	\$ 422,616	\$ 1,562,016	\$ 151,311,541	\$ 126,974,613	\$ 19,436,954	\$ 2,042,117	\$ 10,210,589	\$ 495,595,419
2010	\$ 168,133,352	\$ 7,741,431	\$ 378,298	\$ 1,787,714	\$ 131,356,792	\$ 133,748,091	\$ 20,510,529	\$ 1,999,261	\$ 9,994,707	\$ 475,650,175
2011	\$ 171,728,908	\$ 7,426,531	\$ 28,288	\$ 1,862,253	\$ 144,932,348	\$ 133,171,398	\$ 24,296,180	\$ 2,025,377	\$ 10,121,445	\$ 495,592,728
2012	\$ 174,905,828	\$ 6,499,511	\$ 311	\$ 1,829,664	\$ 151,098,767	\$ 134,970,278	\$ 26,771,801	\$ 2,016,117	\$ 10,080,734	\$ 508,173,011

(1) The City implemented the Hospitality tax in fiscal year 2005.

(2) Effective in fiscal year 2011, the State eliminated the distributions of cigarette tax revenue to the City.

City of Albuquerque, New Mexico
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Years				
	2003	2004	2005	2006	2007
General Fund					
Reserved	\$ 28,163,764	\$ 30,741,358	\$ 42,706,312	\$ 5,644,988	\$ 8,402,072
Unreserved	14,961,437	33,737,288	42,717,703	81,705,583	76,244,763
Total general fund	\$ 43,125,201	\$ 64,478,646	\$ 85,424,015	\$ 87,350,571	\$ 84,646,835
All Other Governmental Funds					
Reserved	\$ 64,982,499	\$ 62,655,779	\$ 55,841,404	\$ 63,006,291	\$ 57,381,957
Unreserved reported in:					
Special revenue funds	19,120,526	21,466,100	25,522,271	26,911,919	38,795,673
Debt service funds	5,013,003	4,042,465	3,406,977	-	-
Capital projects funds	16,991,567	27,703,336	32,575,154	151,940,533	149,976,227
Total all other governmental funds	\$ 106,107,595	\$ 115,867,680	\$ 117,345,806	\$ 241,858,743	\$ 246,153,857
General Fund					
Nonspendable				\$ 36,576	\$ 27,989
Restricted				1,339,307	-
Committed				38,709,667	41,400,000
Assigned				-	-
Unassigned				13,139,649	17,796,410
Reserved	\$ 4,696,560	\$ -	\$ 1,019,224	-	-
Unreserved	53,989,007	43,264,535	44,145,165	-	-
Total general fund	\$ 58,685,567	\$ 43,264,535	\$ 45,164,389	\$ 53,225,199	\$ 59,224,399
All Other Governmental Funds					
Nonspendable				\$ 30,164,127	\$ 29,802,969
Restricted				253,637,110	292,125,514
Committed				24,556,599	24,799,578
Assigned				1,159,106	1,000,383
Unassigned				(3,654)	(3,654)
Reserved	\$ 78,199,524	\$ 101,524,245	\$ 72,775,674		
Unreserved reported in:					
Special revenue funds	42,728,336	36,221,184	28,303,639		
Debt service funds	-	-	-		
Capital projects funds	256,465,833	233,459,918	178,833,235		
Total all other governmental funds	\$ 377,393,693	\$ 371,205,347	\$ 279,912,548	\$ 309,513,288	\$ 347,724,790

City of Albuquerque, New Mexico
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
 (modified accrual basis, in thousands of dollars)

	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	232,317	252,644	289,570	323,403	336,354	339,487	317,507	301,882	314,819	325,370
Licenses, fees and permits	14,436	16,026	17,801	17,768	16,027	13,455	10,442	10,038	10,410	12,166
Intergovernmental	216,174	229,799	251,326	272,027	269,415	277,794	240,261	236,466	246,943	246,368
Charges for services	45,683	51,428	51,414	54,219	47,381	47,932	48,526	49,897	47,866	51,046
Fines and penalties	715	901	1,157	1,374	10,719	13,341	13,336	6,200	6,631	6,200
Interest earnings	7,946	4,082	12,297	10,390	15,667	15,940	9,538	8,797	2,255	2,911
Special Assessments	7,163	5,871	5,148	3,818	2,429	1,926	1,912	908	767	575
Collections on real estate contracts receivable										
Other revenues	15,709	15,056	11,263	23,757	28,612	25,777	14,813	13,138	19,187	14,567
Total revenues	540,143	575,807	639,976	706,756	726,604	735,652	653,662	630,143	648,923	656,634
Expenditures										
General government	54,193	67,988	68,849	71,552	97,887	90,803	80,192	75,293	74,351	75,028
Public safety	178,933	191,486	216,212	228,853	189,609	214,301	222,609	229,141	223,325	228,727
Cultural and recreation	52,891	8,208	63,385	68,451	68,479	71,449	72,487	73,987	72,768	74,058
Public works/Municipal development	6,385	54,925	9,190	30,817	34,230	36,831	31,040	31,542	30,712	29,650
Health and human services	61,230	59,237	65,940	65,971	69,390	71,627	72,031	68,826	67,160	67,320
Housing and community development	22,074	17,292	21,765	3,074	5,330	6,366	4,299	9,765	10,136	4,779
Capital outlay	112,738	132,615	174,569	181,778	168,185	139,951	146,583	138,018	161,665	130,465
Debt service										
Principal	44,764	67,896	95,492	84,621	80,400	78,752	70,246	77,524	33,210	56,441
Interest	13,582	14,781	13,907	17,744	15,785	15,796	15,999	15,469	15,209	16,944
Fees and other charges	1,427	2,085	2,306	889	924	1,335	814	1,215	860	604
Total expenditures	548,217	616,513	731,615	753,750	730,219	727,211	716,300	720,781	709,396	684,016
Excess of revenues under expenditures	(8,074)	(40,706)	(91,639)	(46,994)	(3,615)	8,441	(62,638)	(90,638)	(60,473)	(27,382)
Other Financing Sources/(Uses)										
Transfers in	51,176	48,713	54,088	60,167	50,785	49,658	31,832	52,565	25,290	27,714
Transfers out	(66,850)	(71,143)	(79,753)	(93,244)	(81,579)	(84,541)	(70,058)	(80,402)	(64,119)	(59,594)
Premiums on bonds issued									6,746	10,784
Payments to escrow agent			(61,023)			(16,183)		(40,535)		(11,330)
Proceeds from refunding			61,147			16,655		41,274		30,185
Proceeds from borrowing	16,522	149,719	133,350	37,000	36,000	131,249	82,657	24,940	136,403	73,834
Total other financing sources/(uses)	848	124,289	107,809	3,923	5,206	96,838	44,431	(2,158)	114,320	71,593
Net change in fund balances	(7,226)	83,583	16,170	(43,071)	1,591	105,279	(18,207)	(92,796)	53,847	44,211
Debt service as a percentage of noncapital expenditures	13.73%	17.52%	20.05%	18.05%	17.28%	16.33%	15.28%	16.34%	12.65%	13.37%

Note: Prior to 2002 debt service expenditures were not reported as principal or interest, therefore a breakdown is not available.
 Note: Expenditures in FY2006 and FY2007 were changed to agree to the final Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds

City of Albuquerque, New Mexico
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Real Property		Other Property		Exemptions		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Centrally Assessed	Personal/Livestock	Residential Property	Commercial Property				
2003	5,527,990,929	2,679,078,770	361,189,032	378,159,626	(2)	(3)	7,619,420,780	(1)	26,866,121,192	28.36%
2004	5,779,478,341	2,764,775,655	332,740,564	419,066,231	(249,209,374)	(1,077,788,203)	7,883,833,602	11.53	27,916,098,471	28.24%
2005	6,182,702,442	2,883,665,171	314,998,373	387,884,498	(290,547,121)	(1,121,680,068)	8,285,493,156	11.54	29,337,088,541	28.24%
2006	6,645,055,388	3,490,233,530	324,655,661	380,585,156	(324,693,906)	(1,159,063,422)	9,307,580,592	11.49	32,554,143,348	28.59%
2007	7,269,163,333	3,455,322,706	342,401,308	382,554,459	(354,473,556)	(1,178,475,587)	10,949,766,038	11.080	34,382,708,126	28.67%
2008	8,015,865,525	4,041,061,548	367,219,331	434,366,502	(375,626,598)	(1,215,646,430)	11,581,011,823	11.148	40,776,494,354	28.36%
2009	8,635,943,668	4,129,499,573	374,068,647	439,060,732	(392,119,005)	(1,516,627,863)	12,299,076,660	11.113	43,115,823,105	28.40%
2010	9,036,506,588	4,557,471,140	325,907,636	437,683,730	(406,557,331)	(1,591,003,466)	11,920,466,310	11.113	42,262,213,616	28.53%
2011	8,865,248,519	4,413,339,766	383,474,990	411,253,859	(423,022,911)	(1,635,392,025)	11,951,429,844	11.180	42,262,213,616	28.53%
2012	8,933,863,530	4,445,884,101	391,592,916	389,402,170	(443,606,876)	(1,765,705,997)	11,951,429,844	11.410	42,262,213,616	28.10%

Source: Bernalillo County Abstract of Property Reported For Taxation

Note: Bernalillo County assesses property at 33.3% of assessed valuation in accordance with Sections 7-37-7 and 7-37-7.1 NMSA 1978. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

- (1) Weighted average of residential rate and non-residential (commercial) rate based on percentage of each type to total assessed value.
- (2) Residential exemptions are Head of Household (\$2,000) and Veteran (\$4,000) and low income age (65 years old with less than \$18,500 in income).
- (3) Non-residential exemptions are granted for agriculture property and for Industrial and Municipal Revenue Bonds.

City of Albuquerque, New Mexico
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 7

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>	<u>Amount</u>	<u>Percentage of Levy (1)</u>
2003	85,059,627	81,327,454	95.61%	84,706,359	99.58%
2004	87,872,587	84,534,872	96.20%	87,445,381	99.51%
2005	92,507,491	89,148,702	96.37%	91,489,307	98.90%
2006	102,290,447	99,100,903	96.88%	102,311,300	100.02%
2007	109,792,820	106,845,546	97.32%	109,220,312	99.48%
2008	121,750,532	117,075,560	96.16%	121,182,579	99.53%
2009	128,698,136	122,483,590	95.17%	125,672,518	97.65%
2010	137,620,118	128,323,241	93.24%	132,348,718	96.17%
2011	136,017,057	128,514,760	94.48%	132,969,224	97.76%
2012	137,680,758	130,707,502	94.94%	135,440,218	98.37%

Source: Bernalillo County Treasurer's Reports for the Year ended June 30 and Bernalillo County Tax Calculation Certification by tax year.

(1) Percentage of Levy collected to date is based on the revised taxes levied for each fiscal year based on adjustments made to the property tax rolls by the Bernalillo County Assessor's Office.

City of Albuquerque, New Mexico
Taxable Sales by Category
Current Year and Ten Years Ago

Schedule 8

Tax Remitter	Fiscal Year 2012			Fiscal Year 2002		
	Taxable sales (\$Millions)	Rank	Percentage of Total	Taxable sales (\$Millions)	Rank	Percentage of Total
Retail Trade(1)	6,109.7	1	42.29%	\$ 4,345	1	39.65%
All Other Sectors	6,089.9	2	43.09%	\$ 4,190	2	37.51%
Construction	1,007.6	3	7.25%	1,251	3	11.87%
Wholesale Trade	384.2	4	3.35%	631	4	5.52%
Finances, Insurance and Real Estate	339.0	5	2.14%	270	6	2.66%
Manufacturing	283.0	6	1.87%	284	5	2.80%
Total Taxable Gross Receipts	\$ 13,977		100%	\$ 11,016		100%

(1) Retail Trade includes Eating and Drinking Establishments

City of Albuquerque, New Mexico
Direct and Overlapping Tax Rates
 Last Ten Fiscal Years

Schedule 9

Fiscal Year	Total Tax Levy(1)	City	Bernalillo County	State of New Mexico	Abq. Public Schools	Central NM Community College(2)	Flood Control Authority	Hospital	Conservancy District
2003	45.571	11.161	8.635	1.765	8.503	2.628	0.943	6.500	5.436
2004	44.701	11.153	8.532	1.123	7.883	3.174	0.937	6.500	5.399
2005	46.668	11.154	9.549	1.520	8,497	3.175	0.936	6.500	5.337
2006	46.160	11.149	9.536	1.028	8,493	3.174	0.934	6.500	5.346
2007	44.367	11.080	8.369	1.234	8,415	3.069	0.920	6.317	4.963
2008	44.766	11.148	8.575	1.291	8,489	3.184	0.936	6.487	4.655
2009	46.170	11.113	8.464	1.250	10,582	3.151	0.926	6.429	4.255
2010	46.535	11.180	8.697	1.150	10,637	3.187	0.937	6.500	4.247
2011	46.958	11.410	8.500	1.530	10,656	3.271	0.931	6.400	4.260
2012	47.285	11.410	8.825	1.530	10,656	3.273	0.931	6.400	4.260

Source: Bernalillo County Treasurer's Office

(1) Weighted average residential and non-residential property.

(2) Previously Technical Vocational Institute

City of Albuquerque, New Mexico
Direct and Overlapping Gross Receipts (Sales) Tax Rates
Last Ten Fiscal Years

Schedule 10

<u>Fiscal Year</u>	<u>Tax Rate Imposed on City Residents by:</u>				<u>Total Rate in City</u>	<u>Effective City Rate³</u>
	<u>State</u>	<u>Less: State Credit</u>	<u>City</u>	<u>County</u>		
2003						
7/1/02-12/31/02	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
1/1/03-6/30/03	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
2004						
7/1/03-12/31/03	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
1/1/04-6/30/04	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
2005						
7/1/04-12/31/04	5.0000	(0.5000)	1.3125	0.2500	6.0625	2.5375
1/1/05-6/30/05	5.0000	--	1.3125	0.4375	6.7500	2.5375
2006						
7/1/05-12/31/05	5.0000	--	1.3125	0.4375	6.7500	2.5375
1/1/06-6/30/06	5.0000	--	1.3125	0.4375	6.7500	2.5375
2007						
7/1/06-12/31/06	5.0000	--	1.3125	0.5625	6.8750	2.5375
1/1/07-6/30/07	5.0000	--	1.1875	0.6875	6.8750	2.4125
2008						
7/1/07-12/31/07	5.0000	--	1.1875	0.6875	6.8750	2.4125
1/1/08-6/30/08	5.0000	--	1.1875	0.6875	6.8750	2.4125
2009						
7/1/08-12/31/08	5.0000	--	1.0625	0.6875	6.7500	2.2875
1/1/09-6/30/09	5.0000	--	1.0625	0.6875	6.7500	2.2875
2010						
7/01/09-12/31/09	5.0000	--	1.0625	0.8125	6.8750	2.2875
1/1/10-6/30/10	5.0000	--	0.8125	0.8125	6.6250	2.0375
2011						
7/1/10-12/31/10	5.1250		1.0625	0.8125	7.0000	2.2875
1/1/11-6/30/11	5.1250		1.0625	0.8125	7.0000	2.2875
2012						
7/1/11-12/31/11	5.1250		1.0625	0.8125	7.0000	2.2875
1/1/12-6/30/12	5.1250		1.0625	0.8125	7.0000	2.2875

Source: New Mexico Taxation & Revenue Department

Notes:

1. City and County local option gross receipts tax rates can be changed only on January 1 and July 1 each year.
2. Some County local option gross receipts tax rates can be imposed County-wide within the City limits.
3. From the state rate, 1.225% of the taxable gross receipts within a municipality is distributed to the municipality.

City of Albuquerque, New Mexico
Principal Property Tax Payers
Current Year and Ten Years Ago

Schedule 11

2012(Tax Year 2011)

2002

Name of Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Name of Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
PNM Electric	107,345,619	1	0.90%	Qwest (US West)	93,979,081	1	1.27%
Qwest (US West)	83,162,518	2	0.70%	PNM Electric	67,963,691	2	0.92%
Comcast of NM Inc.	36,246,382	3	0.30%	PNM Gas Services	21,353,110	3	0.29%
New Mexico Gas Company	30,686,942	4	0.26%	Simon Property Group Ltd (Cottonwood Mall)	20,997,900	4	0.28%
Southwest Airlines	21,039,335	5	0.18%	Southwest Airlines	20,889,660	5	0.28%
Verizon Wireless (VAW) LLC	18,435,881	6	0.15%	Heitman Properties of N.M.	18,672,633	6	0.25%
Simon Property Group Ltd (Cottonwood Mall)	15,960,737	7	0.13%	Time Warner Telecom/GST Communications	15,926,730	7	0.21%
Coronado Center LLC	14,528,492	8	0.12%	Crescent Real Estate (Hyatt Hotel)	15,782,623	8	0.21%
AHS Albuquerque Regional Medical Center	12,049,803	9	0.10%	AT&T Communications	13,016,437	9	0.18%
Lovelace Health Systems Inc.	11,680,375	10	0.10%	Alltel Communications	12,399,557	10	0.17%
Total	351,136,084		2.04%		300,981,422		4.06%

Total taxable valuation 11,951,429,844

7,419,129,950

Sources: Bernalillo County Treasurer's Office

Note: The City implemented GASB 34 as of Fiscal Year 2002.

City of Albuquerque, New Mexico
Ratio of Outstanding Debt
Last Ten Fiscal Years

Schedule 12

Fiscal Year	Governmental Activities				Business Type Activities			
	General Obligation Bonds	Sales Tax Bonds	Special Assessment Bonds	Fire Fund Bonds/Notes	Airport Revenue Bonds	Refuse Revenue Bonds/Notes	Transit Loan	Non-Major Bonds/Notes
2003	\$ 160,055,000	\$ 156,478,688	\$ 13,421,510	\$ -	\$ 211,750,000	\$ 33,635,000	\$ -	\$ 55,975,000
2004	262,605,000	153,172,800	16,680,492	-	233,660,000	30,795,000	-	54,675,000
2005	296,560,917	147,252,116	12,655,943	-	226,030,000	27,820,000	-	53,504,263
2006	276,205,000	141,556,299	7,674,819	-	216,220,000	24,710,000	-	50,417,914
2007	235,765,000	137,405,000	5,413,784	-	205,070,000	26,180,627	20,000,000	49,199,311
2008	292,620,000	130,900,000	3,738,005	-	210,865,000	24,822,636	19,076,252	44,403,086
2009	297,968,000	129,265,000	2,239,093	-	176,365,000	20,759,792	16,185,551	25,756,484
2010	257,880,000	121,625,000	2,239,093	-	156,600,000	16,695,806	14,154,588	24,749,158
2011	323,805,000	117,165,000	-	1,403,058	136,939,167	12,451,278	12,036,392	23,164,189
2012	349,260,000	129,030,000	-	1,393,530	117,978,334	8,013,558	8,243,046	22,100,000

Fiscal Year	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)	Population (2)	Personal Income (3)
2003	\$ 631,315,198	2.96%	1,332	474,070	\$ 21,311,000,000
2004	751,588,292	3.37%	1,551	484,643	22,279,000,000
2005	763,823,239	3.20%	1,541	495,531	23,857,000,000
2006	716,784,032	2.78%	1,415	506,384	25,814,000,000
2007	679,033,722	2.45%	1,317	515,396	27,679,000,000
2008	726,424,979	2.48%	1,392	521,999	29,307,000,000
2009	668,538,920	2.21%	1,265	528,687	30,247,000,000
2010	593,943,645	1.89%	1,093	543,302	31,450,000,000
2011	626,964,084	1.92%	1,149	545,852	32,701,710,000
2012	636,018,468	1.91%	1,151	552,804	33,326,312,661

(1) Population and personal income data used to calculate Per Capita and % of Personal Income are from Bureau of Business & Economic Research, UNM (BBER).
(1) 2011 Population data is from the twenty-third United States Census.
(3) Personal Income for Fiscal Years 2012 is estimated based on annual growth rate of 1.91%

Note: The City implemented GASB 34 as of Fiscal Year 2002.

City of Albuquerque, New Mexico
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds Outstanding	Actual Taxable Value	Percentage of Actual Taxable Value of Property to Bonds Outstanding	G.O. Bonds Per Capita	Population (1)
2003	160,055,000	7,619,420,780	2.10%	337.62	474,070
2004	262,605,000	7,883,833,602	3.33%	541.85	484,643
2005	296,555,000	8,285,493,156	3.58%	598.46	495,531
2006	276,205,000	9,307,580,592	2.97%	545.45	506,384
2007	235,765,000	9,858,168,778	2.39%	457.44	515,396
2008	292,620,000	10,949,766,038	2.67%	560.58	521,999
2009	297,968,000	11,581,011,823	2.57%	563.60	528,687
2010	257,880,000	12,299,076,660	2.10%	474.65	543,302
2011	323,805,000	11,920,466,310	2.72%	593.21	545,852
2012	349,260,000	11,951,429,844	2.92%	631.80	552,804

(1) Population data used to calculate Per Capita is from Bureau of Business & Economic Research, UNM (BBER).

City of Albuquerque, New Mexico
Direct and Overlapping Governmental Activities Debt

<u>Governmental Agency</u>	<u>G.O. Debt</u>	<u>Tax Year 2009 Assessed Valuation</u>	<u>Percent Applicable to City</u>	<u>Net Overlapping</u>
City of Albuquerque	\$347,155,000	\$11,951,429,843	100.00%	\$347,155,000
Albuquerque Public Schools	545,980,000	14,703,596,631	81.28%	443,785,410
Albuquerque Metropolitan Arroyo Flood Control Authority	37,375,000	13,399,911,689	89.19%	33,334,898
Central New Mexico Community College	33,575,000	16,446,237,946	72.67%	24,398,848
Bernalillo County	99,330,000	14,452,760,775	82.69%	82,139,014
State of New Mexico	355,500,000	52,846,098,496	22.62%	80,398,240
Total Direct & Overlapping General Obligation (G.O.) Bond Debt				<u>\$1,011,211,411</u>
Gross G.O. Bonded Debt (includes general purpose and storm sewer bonds)				<u>\$347,155,000</u>
Net G.O. Bonded Debt				<u>\$347,155,000</u>

Source: City of Albuquerque Treasury Dept.

City of Albuquerque, New Mexico
 Legal Debt Margin
 Last Ten Fiscal Years

	Fiscal Years				
	2003	2004	2005	2006	2007
Debt Limit					
Total net debt applicable to limit	\$ 304,953,000	\$ 315,502,000	\$ 331,571,000	\$ 372,303,224	\$ 394,326,751
Legal Debt Margin	<u>\$ 112,885,000</u>	<u>\$ 214,995,000</u>	<u>\$ 238,375,917</u>	<u>\$ 223,770,000</u>	<u>\$ 266,936,751</u>
	<u>\$ 192,068,000</u>	<u>\$ 100,507,000</u>	<u>\$ 93,195,083</u>	<u>\$ 148,533,224</u>	<u>\$ 127,390,000</u>
Total net debt applicable to the limite as a percentage of debt limit	37%	68%	72%	60%	68%

	Fiscal Years				
	2008	2009	2010	2011	2012
Debt Limit					
Total net debt applicable to limit	\$ 437,990,642	\$ 463,240,473	\$ 491,963,066	\$ 476,818,652	\$ 478,057,194
Legal Debt Margin	<u>\$ 246,435,000</u>	<u>\$ 249,060,000</u>	<u>\$ 236,120,032</u>	<u>\$ 286,700,000</u>	<u>\$ 310,940,000</u>
	<u>\$ 191,555,642</u>	<u>\$ 214,180,473</u>	<u>\$ 255,843,034</u>	<u>\$ 190,118,652</u>	<u>\$ 167,117,194</u>
Total net debt applicable to the limite as a percentage of debt limit	56%	54%	48%	60%	65%

Debt Limit (1)
 Debt applicable to limit: General Obligation Bonds - General Purpose Only
 Legal debt margin

(1) The State of New Mexico limits the amount of general purpose obligation indebtedness of the City to 4% of the assessed value of taxable property within the City.

City of Albuquerque, New Mexico
Pledged Revenue Coverage
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	<u>Airport Bonds</u>				<u>Refuse Bonds</u>					
	<u>Revenues</u>	<u>Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Debt Service Coverage</u>	<u>Revenues</u>	<u>Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Debt Service Coverage</u>		
2003	59,604	22,059	37,545	18,940	2.01	41,001	31,166	9,835	4,326	2.27
2004	60,891	24,288	36,603	16,091	2.30	43,521	33,263	10,258	4,390	2.34
2005	64,287	24,616	39,671	18,750	2.14	44,888	34,227	10,661	5,122	2.08
2006	66,397	25,600	40,797	21,166	1.96	48,144	28,805	19,339	5,134	3.77
2007	67,969	27,618	40,351	25,257	1.63	54,143	42,013	12,130	5,131	2.36
2008	75,256	29,846	45,410	25,875	1.78	57,088	46,595	10,493	5,090	2.06
2009	65,997	30,195	35,802	26,855	1.33	57,163	44,943	12,220	4,981	2.45
2010	67,824	29,541	38,284	26,649	1.44	54,068	43,329	10,738	4,945	2.17
2011	65,776	29,827	35,949	26,209	1.38	62,172	45,337	16,835	4,988	3.38
2012	67,686	30,649	37,037	24,883	1.49	63,766	46,399	17,367	4,978	3.49
								<u>Golf Course Revenue Bonds</u>		

Fiscal Year	<u>Sales Tax Revenue Bonds</u>				<u>Golf Course Revenue Bonds</u>					
	<u>Revenues</u>	<u>Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Debt Service Coverage</u>	<u>Revenues</u>	<u>Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Debt Service Coverage</u>		
2003	177,634		177,634	9,802	18.12	3,980	3,435	545	347	1.57
2004	193,783		193,783	9,549	20.29	3,820	3,594	226	345	0.66
2005	201,610		201,610	10,658	18.92	3,938	3,499	439	348	1.26
2006	216,205		216,205	11,764	18.38	4,234	3,485	749	348	2.15
2007	234,161		234,161	13,105	17.87	3,979	4,001	(22)	344	(0.06)
2008	234,503		234,503	10,226	22.93	4,285	4,143	142	343	0.41
2009	222,477		222,477	10,472	21.24	4,688	3,788	900	345	2.61
2010	210,663		210,663	12,624	16.69	4,218	3,694	524	342	1.53
2011	215,704		215,704	10,305	20.93	3,937	3,902	35	347	0.10
2012	218,897		218,897	12,697	17.24	NA	NA	NA	NA	NA

* Golf Course Fund has paid off all Revenue Bonds in FY2011

The City has issued the above revenue bonds in the past, where the City pledges income derived from certain assets or operating income to pay debt service.

City of Albuquerque, New Mexico
Principal Employers
Current Year and Ten Years Ago

Schedule 17

Employer	2012		2002		Rank	Employers	Employer	Employees	Rank	Percentage of Total Albuquerque MSA Employment	
	Employees	Rank	Employees	Rank						Albuquerque MSA Employment	Albuquerque MSA Employment
Albuquerque Public Schools	14,810	1	15,375	1	1	University of New Mexico	15,375	1	3.99%	4.24%	
University of New Mexico	14,644	2	11,600	2	2	Albuquerque Public Schools	11,600	2	3.95%	3.20%	
Sandia National Labs	8,930	3	9,783	3	3	Kirtland Air Force Base (Civilian)	9,783	3	2.41%	2.70%	
Presbyterian	8,217	4	7,700	4	4	Sandia National Laboratories	7,700	4	2.22%	2.12%	
Kirtland Air Force Base (Civilian)	6,095	5	6,539	5	5	Kirtland Air Force Base (Military)	6,539	5	1.64%	1.80%	
UNM Hospital	5,959	6	6,429	6	6	City of Albuquerque	6,429	6	1.61%	1.77%	
City of Albuquerque	5,854	7	5,542	7	7	Presbyterian Health Care Services	5,542	7	1.58%	1.53%	
State of New Mexico	5,590	9	5,500	8	8	Intel	5,500	8	1.51%	1.52%	
Kirtland Air Force Base (Military)	4,520	8	5,348	9	9	State of New Mexico	5,348	9	1.22%	1.48%	
Lovelace Health System	4,000	10	4,068	10	10	UNM Hospital	4,068	10	1.08%	1.12%	
Total	78,619		77,884						21.19%	21.49%	

Source: Albuquerque Economic Development, Sandia National Labs, City of Albuquerque Annual Information Statement 2012 and 2002, and NM Department of Workforce Solutions

City of Albuquerque, New Mexico
 Economic Statistics
 Last Ten Fiscal Years

Schedule 18

Fiscal Year	City of Albuquerque		Metropolitan Statistical Area							Unemployment Rate*
	Population	MSA Population	Personal Income Billions \$	Per Capita Personal Income	Civilian Labor Force	Civilian Employment	Average Wage/Salary Per Job			
2003	475,511	766,154	22	29,025	379,099	#	359,002	33,799	5.3%	
2004	486,319	780,865	24	30,303	383,328	#	362,304	34,955	5.5%	
2005	497,543	798,722	25	31,724	389,323	#	369,149	36,423	5.2%	
2006	508,486	817,973	27	33,470	396,772	#	379,431	37,686	4.4%	
2007	517,162	834,685	29	34,528	403,638	#	389,460	39,094	3.5%	
2008	523,240	846,582	30	35,608	406,704	#	391,475	40,233	3.7%	
2009	529,219	857,903	30	35,329	406,519	#	382,394	41,229	5.9%	
2010	545,852	(3)	31	34,929	401,306	#	369,481	41,673	7.9%	
2011	552,804	898,642	31	35,007	398,935	#	366,422	41,367	8.1%	
2012	NA	NA	NA	NA	397,559	#	367,660	NA	7.5%	

Sources:

Income and wage/salary from Bureau of Economic Analysis-except where noted
 Population from Census Bureau
 Average Wage/Salary per Job- from Bureau of Economic Analysis
 Labor Force Employment and Unemployment from Bureau of Labor Statistics

* Albuquerque Metropolitan Statistical Area. Includes Bernalillo, Sandoval, and Valencia counties prior to 2004. As of 2004, it also includes Torrance County.

(3) April 2010 Census

NA - Not Available

City of Albuquerque, New Mexico
Demographic Statistics

Schedule 19

<u>Education (1) -</u>	<u>Number</u>	<u>Percent</u>
<u>Adequate Yearly Progress and Designations Under No Child Left Behind</u>		
<u>Statewide</u>		
Total Schools received AYP status and designation	831 *	100%
Total number of schools that made Adequate Yearly Progress	113 *	13.6%
Elementary Schools (includes K-5, K-6, K-8)	25 *	3.0%
Middle Schools	7 *	0.8%
High Schools	30 *	3.6%
Alternative Schools	51 *	6.1%
Total number of schools that did not make Adequate Yearly Progress	718 *	86.4%
Elementary Schools (includes K-5, K-6, K-8)	280 *	33.7%
Middle Schools	104 *	12.5%
High Schools	133 *	16.0%
Alternative Schools	201 *	24.2%

<u>School Enrollment (1)</u>	<u>Enrollment</u>	
<u>Albuquerque School District</u>		
Person enrolled in school	165,341	100.00%
Elementary schools (including Kindergarten)	46,360	28.04%
Mid-high schools	20,710	12.53%
High schools	27,251	16.48%
Private, alternative, and parochial schools	12,740 *	7.71%
Community College of New Mexico - Central NM Community College	29,180	17.65%
University of New Mexico - Albuquerque Campus	29,100	17.60%
Percent completed High School	63.4%	

<u>Household by Type (3)</u>		
<u>Albuquerque City</u>		
Total households	224,445	100.0%
Family households	132,856	59.2%
with children under 18 years	59,952	26.7%
Married-couple family	84,535	37.7%
with children under 18 years	32,369	14.4%
Female householder, no husband present	33,474	14.9%
with children under 18 years	20,983	9.3%
Nonfamily households	91,589	40.8%
Average household size	2.44	
Average family size	3.16	

<u>Housing Characteristics (2)</u>		
<u>Albuquerque City</u>		
Total housing units	241,315	
Occupied housing units	224,445	93.0%
Owner-occupied housing units	131,724	54.6%
Renter-occupied housing units	92,721	38.4%
Vacant housing units	16,870	7.0%

<u>Medians (2)</u>	
<u>Albuquerque City</u>	
Population age	35.5
Family income	\$54,825
Monthly housing cost - mortgage	\$1,337
Monthly housing cost - renting	\$734

<u>National Comparison of Selected Characteristics (3)</u>	<u>National Rank</u>	<u>Poverty Rate</u>
<u>Statewide comparing to nationwide</u>		
Population living below the poverty level	2	20.9%
Children under 18 years below poverty level	3	29.4%
<u>Percent</u>		
Households with one or more people under 18	29	32.0%
Population 18 years and older who are veterans	7	11.4%
Population 25 years and older who have completed high school	45	83.2%
Population 25 years and over how have completed a Bachelor's degree	37	25.6%
Percent of People 25 Years and Over Who Have Completed an Advanced Degree	16	11.1%

* School AYP and enrollment on Private, alternative, and parochia schools are based on 2011 number. 2012 data is not available yet.

- (1) New Mexico Department of Education
- (2) 2011 American Community Survey 1-Year Estimates (U.S. Census Bureau)
- (3) April 2010 Census

City of Albuquerque, New Mexico
Full-time Equivalent City Employees by Function/Program
Last Ten Fiscal Years

Schedule 20

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Animal Welfare	0	0	0	0	0	142 (14)	141	135	135	134
Aviation	254	261	260	262	269	275	276	276	276	277
Chief Administrative Officer Department	47	55	57	59	40	35	33	33	35	35
Convention Center	46	37	0 (2)	0	0	0	0	0	0	0
Council Services	18	18	21	21	27	27	28	28	26	26
Cultural Services	375	322	362	390	400	411	376	349	338	333
Economic Development	0	0	0	0	10 (7)	11	11	8	8	7
Environmental Health	171	163	185	196	237	96	88	88	83	82
Family and Community Services	379	369	416	429	428	444	416	402	380	366
Finance and Administrative Services	306	190 (1)	230	328 (4)	343 (8)	343	311	301	297	299
Fire	602	604	665	675	692 (9)	692	708	707	696	695
Human Resources	42	41	41	42	45	45	39	36	34	34
Legal	63	73	77	80	107 (10)	110	106	85	60	56
Mayor Department	9	7	7	7	7	7	7	7	6	6
Metropolitan Detention Center	485	495	510	503	0 (11)	0	0	0	0	0
Municipal Development	0	201 (5)	278	524 (5)	543	541	526	511	461	437
Office of Internal Audit	11	11	12	14	14	14	14	12	9	7
Office of Inspector General	0	0	0	0	0	0	0	0	3 (15)	3
Office of City Clerk	0	0	0	0	0	0	0	0	11 (16)	11
Parks and Recreation	300	285	273	264	296 (12)	297	292	282	313	300
Planning	161	168	182	182	191	191	180	156	155	150
Police	1,311	1,330	1,363	1,488	1,566	1,566	1,564	1,537	1,530	1,509
Public Works	841	792	282 (3)	0 (6)	0	0	0	0	0	0
Senior Affairs	92	92	93	95	99	99	102	102	111	108
Solid Waste	403	405	414	418	432	445	450	427	433	420
Transit Operations	512	476	528	531	589 (13)	591	584	595	587	
Total	6,428	6,395	6,256	6,508	6,335	6,382	6,252	6,077	5,987	5,854

- (1) Twenty-nine Capital Implementation Program FTEs, 62 Buildings FTEs, and 20 City/County Building FTEs were transferred to the Municipal Development Category.
- (2) Effective February 1, 2004 management of the Convention Center was awarded to an individual firm and the oversight of the management contract was transferred to the Department of Finance and Administrative Services.
- (3) The New Mexico Legislature adopted legislation creating the Albuquerque Bernalillo County Water Utility Authority (ABWUA). In FY 2005 the City transferred all functions, appropriations, money, records, equipment, property, and personnel to the ABWUA.
- (4) Twenty-nine FTEs were added for the new City 311 call center and 54 Fleet management FTEs were transferred from Public Works to DFAS.
- (5) The Department of Municipal Development was created by the passage of R-03-304 to assure that capital projects would be completed efficiently and in a timely manner.
- (6) The remaining functions of the Public Works Department was transferred to the Municipal Development Department. Public Works is no longer a City Department.
- (7) Economic Development is new department
- (8) Fifteen Finance & Administrative Services FTEs were added for the implementation of the Enterprise Resource Planning (ERP)/E-government system.
- (9) Seventeen Finance & Administrative Services FTEs were added for the implementation of the Enterprise Resource Planning (ERP)/E-government system.
- (10) Ten FTEs from the City Clerk Division moved from CAO's office to Legal
- (11) The operations of the Metropolitan Detention Center were transferred to Bernalillo County
- (12) Parks & Recreation was approved and budgeted additional FTE for new park acreage and medians coming on line, for the new median activity, Abq Golf Training Center that was purchased in FY/07, and for dog parks.
- (13) Fifty-eight FTEs increase expanded Rapid Ride motorcoach and security personnel
- (14) Creation of Animal Welfare Department
- (15) The Office of Inspector General was created mid-year FY/11 with three positions from the Office of Internal Audit.
- (16) The approved FY/11 budget establishes the Office of the City Clerk. The City Clerk is moved from the Legal Department with a total of 12 positions. Other position changes include one intra-year position and two deleted positions in FY/11.

Note: The City implemented GASB 34 as of Fiscal Year 2002.

City of Albuquerque, New Mexico
Operating Indicators by Function/Program
Last Ten Fiscal Years

Schedule 21

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Aviation										
Passengers enplaned/deplaned	6,007,000	6,225,455	6,351,680	6,563,579	6,489,548	6,801,486	5,993,217	5,762,000	5,742,432	5,133,959
Number of flights	130,475	121,797	125,055	120,158	116,206	125,280	107,711	100,143	100,180	97,135
Cultural and Recreation										
Library computer use	*	229,257	290,930	313,189	415,635	487,887	566,736	654,525	629,867	659,807
Library materials borrowed	3,404,772	3,620,494	4,178,204	4,326,904	4,422,245	4,712,397	4,862,599	4,945,413	4,578,070	3,991,066
Library visits	1,767,502	1,705,622	2,089,730	2,154,040	2,324,698	2,442,118	2,498,927	2,745,930	2,526,208	2,353,753
BioPark annual attendance	957,321	973,407	1,039,513	1,111,893	1,048,067	1,096,934	1,172,547	1,176,353	1,218,862	1,235,842
Explora annual attendance	60,820	219,378	214,977	190,485	205,055	210,161	221,478	222,315	232,831	234,385
Albuquerque Museum attendance	104,595	170,072	99,473	147,159	112,359	166,447	111,503	124,848	125,406	121,379
Park acres maintained	2,408	2,468	2,514	2,661	2,722	2,776	2,856	2,921	3,088	3,151
Open space acres	26,786	27,513	28,056	28,223	28,373	28,486	28,803	28,837	28,903	28,932
Municipal Development										
Street miles maintained	4,141	4,102	4,118	4,318	4,437	4,450	4,525	4,579	4,580	4,596
Street miles resurfaced/crack-seal	297	248	202	202	290	263	189	188	155	132
Potholes repaired	1,280	2,741	3,528	5,889	3,499	3,500	2,476	3,360	3,608	3,578
Curb miles swept	51,925	19,764	58,471	49,616	51,823	46,057	50,251	40,946	44,813	40,000
Facility maintained	130	133	145	145	168	172	193	179	179	192
Facility sq. ft. area maintained (mil.)	1.94	1.98	2.00	2.00	2.23	2.32	2.41	2.20	2.15	2
Planning										
Inspections - code compliance	37,758	35,973	63,933	51,566	52,511	81,706	68,808	62,462	69,306	38,189
Inspections - permits	192,020	201,932	236,052	244,117	182,438	131,258	149,428	70,616	56,807	69,185
Plans reviewed (building safety)	7,530	8,280	9,108	6,317	5,660	4,008	4,946	3,059	2,429	2,970
Public Safety - Fire										
Emergency responses	69,170	68,271	69,877	73,242	92,206	81,747	77,602	83,380	78,094	78,921
Fires extinguished (residential)	*	201	136	138	138	145	146	136	134	144
Fires extinguished (non-residential)	*	191	114	127	115	87	70	110	93	101
Fires extinguished (wildland)	*	36	11	21	6	6	6	5	7	12
Hazardous materials incidents	1,496	1,002	884	952	1,071	949	919	1,020	795	837
Rescue calls	68	43	46	69	74	58	59	54	43	50
Code enforcement inspections	11,027	11,135	11,200	6,990	3,662	3,842	4,203	5,019	4,938	5,167
Public Safety - Police										
Offense reports processed	79,009	94,406	111,796	120,565	101,560	106,503	67,058	55,874	96,785	101,148
Accident reports processed	25,736	29,330	33,892	32,556	30,556	27,281	24,748	23,456	23,341	23,000
Calls Answered	1,284,531	1,176,022	1,156,696	1,180,367	964,494	844,282	844,839	852,061	823,802	870,276
Felony arrests	*	8,216	10,451	10,501	11,326	10,794	11,335	15,787	14,476	14,281
Misdemeanor arrests	*	12,195	24,379	19,773	24,179	22,778	23,745	24,597	27,239	22,922
Solid Waste										
Refuse collected (tons)	406,827	423,640	440,541	439,359	452,097	435,020	402,692	392,491	396,834	423,546
Recyclables processed (tons)	18,550	19,705	21,849	18,379	10,963	16,367	17,104	17,347	14,130	7,715
Miles litter/weeds cleaned	17,665	20,014	72,507	80,657	75,317	11,993	18,020	28,463	20,465	9,886
Graffiti sites cleaned	32,367	30,939	33,424	38,230	41,588	77,251	73,571	67,083	62,264	23,851
Transit - Bus										
ABQRide ridership	6,834,508	6,863,216	7,249,621	8,450,000	9,386,450	10,402,919	10,760,341	11,177,097	11,907,798	12,800,000
Revenue Miles	3,925,000	3,546,000	4,138,000	4,790,000	4,660,000	5,110,000	5,029,000	5,180,000	5,223,000	5,320,000

Source: City of Albuquerque Annual Performance Plan.
Note: Some data are based estimated, projected, or preliminary information
* Data not available or information was not captured or recorded in a comparable format.
Note: The City implemented GASB 34 as of Fiscal Year 2002.

City of Albuquerque, New Mexico
Capital Assets by Function
Last Ten Fiscal Years

Function/Program	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government:										
Bus Lines-minibuses	140	151	151	144	144	160	160	160	160	*
Landfill	1	1	1	1	1	1	1	1	1	1
Refuse Convenience Centers	3	3	3	3	3	3	3	3	3	3
Water mains (miles)	580	610	611	611	612	615	618	618	618	*
Treatment capacity (thousands)										
Public Safety:										
Law Enforcement Center	1	1	1	1	1	1	1	1	1	1
Police Area Command Centers	5	5	5	5	5	6	6	6	6	6
Police Substations	12	12	12	12	12	12	12	12	12	12
Fire Stations	23	23	23	23	23	23	23	23	23	23
Higways and Streets:										
Streets maintained (miles)	4,141	4,102	4,118	4,264	4,437	4,470	4,525	4,579	4,590	4,512
ROW acres					7,383	7,383	7,383	7,383	7,383	*
Bridges (railroad, river, roads)	31	31	31	31	31	150	150	150	150	52
Urban trails maintained (miles)	55	59	60	66	126	128	113	117	133	137
Traffic signals	557	565	571	573	586	593	595	601	605	611
School flashing beacons	112	112	112	117	117	278	280	302	305	306
Storm lift stations	14	14	14	14	14	14	14	14	14	14
Storm drainage bridges	192	193	193	193	193	41	50	50	50	195
Dams/Dentention basin	14	14	14	14	14	110	110	110	110	110
Cultural and Recreation:										
Open space acreage	26,786	27,513	28,056	28,223	28,326	28,786	28,803	28,810	28,903	28,942
Park acres	2,408	2,468	2,514	2,661	2,769	2,776	2,856	2,921	3,088	3,151
Playgrounds	138	140	143	145	145	171	160	168	171	172
Baseball/softball parks	7	7	7	6	6	6	7	7	7	7
Golf courses	4	4	4	4	4	4	4	4	4	4
Swimming pools	12	12	12	12	12	14	12	12	12	12
Tennis courts	32	32	32	32	36	136	134	134	134	134
Community centers	24	24	24	24	24	24	24	24	24	23
Museums/Zoos/Cultural Centers	10	10	10	10	10	10	10	10	10	10
Libraries	17	17	17	17	17	17	17	17	17	17

Source: City of Albuquerque Annual Performance Plan, department records and Infrastructure records.
 Note: Some data are based on estimated, projected, or preliminary information
 * Data not available or information was not captured or was not recorded in a comparable format.

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SINGLE AUDIT INFORMATION

Schedule of Expenditures of Federal Awards

Notes to the Schedule of Expenditures of Federal Awards

**Reconciliation of Schedule of Expenditures of Federal Awards to
Financial Statements**

Financial Data Schedule – Albuquerque Public Housing Authority

**Report on Internal Control over Financial Reporting And on
Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Governmental
Auditing Standards***

**Report on Compliance with Requirements That Could Have a
Direct and Material Effect on Each Major Program and on
Internal Control over Compliance in Accordance with OMB
Circular A-133**

Schedule of Findings and Questioned Costs

Status of Prior Year Audit Findings

CITY OF ALBUQUERQUE, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Period of July 1, 2011 through June 30, 2012

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>U.S. Department of Agriculture</u>					
Farmers' Market Promotion Program					
Direct					
Growers in NM Mid-Rio Grande Valley	12-25-G-1175	10.168	9/30/2010	9/30/2012	\$ 13,316
Child and Adult Care Food Program					
Pass Through					
Child and Adult Care Food Program	0278	10.558	10/1/2010	9/30/2011	71,953
Child and Adult Care Food Program	0278	10.558	10/1/2011	9/30/2012	348,587
					<u>420,540</u>
Summer Food Service Program for Children (Child Nutrition Cluster)					
Pass Through					
Summer Food Service Program FY11/12	3037	10.559	10/1/2011	9/30/2012	712,017
Summer Food Service Program FY11/12	3037	10.559	10/1/2009	9/30/2011	583,826
					<u>1,295,843</u>
Total U.S. Department of Agriculture					<u>\$ 1,729,699</u>
<u>U.S. Department of Commerce</u>					
Investments for Public Works & Economic Development					
WESST Enterprise Center	08-01-04126.01	11.300	9/8/2010	9/8/2015	\$ 448,394
Total U.S. Department of Commerce					<u>\$ 448,394</u>
<u>U.S. Department of Housing and Urban Development</u>					
Community Development Block Grants/Entitlement Grants					
Direct					
Community Development Block Grant 2012	B-12-MC-35-0001	14.218	1/1/2012	Completion	\$ 796,151
Community Development Block Grant 2011	B-11-MC-35-0001	14.218	1/1/2011	Completion	1,504,572
Community Development Block Grant 2010	B-10-MC-35-0001	14.218	1/1/2010	Completion	838,838
Community Development Block Grant 2009	B-09-MC-35-0001	14.218	1/1/2009	Completion	736,099
Community Development Block Grant 2008	B-08-MC-35-0001	14.218	1/1/2008	Completion	151,028
Community Development Block Grant 2007	B-07-MC-35-0001	14.218	1/1/2007	Completion	(20,600)
Community Development Block Grant 2005	B-05-MC-35-0001	14.218	1/1/2005	Completion	613
					<u>4,006,701</u>
Neighborhood Stabilization					
Pass Through					
Neighborhood Stabilization Program	09-NSP-2-G-03	14.228	7/29/2009	6/20/2013	156,949
Emergency Solutions Grant Program					
Direct					
Emergency Shelter Grant Program	S-11-MC-350001	14.231	1/1/2011	Completion	184,094
Emergency Shelter Grant Program	S-10-MC-35-0001	14.231	1/1/2010	Completion	4,873
					<u>188,967</u>
Supportive Housing Program					
Direct					
Supportive Housing Program	NM0018B6B001104	14.235	5/1/2012	4/30/2013	30,603
Supportive Housing Program	NM0017B6B001104	14.235	5/1/2012	4/30/2013	174,725
Supportive Housing Program	Admin Component	14.235	4/1/2011	4/30/2012	86,882
Supportive Housing Program	NM0017B6B001003	14.235	5/1/2011	4/30/2012	731,622
Supportive Housing Program	NM0018B6B001003	14.235	5/1/2011	4/30/2012	184,059
					<u>1,207,891</u>
Shelter Plus Care					
Direct					
Shelter Plus Care	NM0014C6B001104	14.238	5/1/2012	4/30/2013	132,751
Shelter Plus Care	NM0015C6B001104	14.238	5/1/2012	4/30/2013	56,924
Shelter Plus Care	Admin Component	14.238	5/1/2012	4/13/2012	243
Shelter Plus Care	Admin Component	14.238	4/1/2010	3/31/2011	6,707
Shelter Plus Care	NM0014C6B001003	14.238	5/1/2011	4/30/2011	902,814
Shelter Plus Care	NM0015C6B001003	14.238	4/1/2011	3/31/2012	260,939
					<u>1,360,378</u>

CITY OF ALBUQUERQUE, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Period of July 1, 2011 through June 30, 2012

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period From	To	Expenditures/ Adjustments
<u>U.S. Department of Housing and Urban Development continued</u>					
HOME Investment Partnerships Program					
Direct					
Home	M-11-MC-35-0209	14.239	1/1/2011	Completion	102,485
Home	M-10-MC-35-0209	14.239	1/1/2010	Completion	106,672
Home	M-08-MC-35-0209	14.239	1/1/2008	Completion	328,056
Home	M-06-MC-35-0209	14.239	1/1/2006	Completion	75,640
					612,853
Section 8 Moderate Rehabilitation (Section 8 Project Based Cluster)					
Direct					
Single Room Occupancy	NM001SR-0004	14.249	7/1/2011	6/30/2012	67,389
American Recovery Act of 2009					
Direct					
Homeless Prevention and Rapid Re-Housing	S09_MY-35-0001	14.257	8/1/2009	7/31/2012	118,572
Public and Indian Housing					
Direct					
Low Rent Operating Subsidy	NM00100000012D_512D	14.850	1/1/2012	12/31/2012	1,033,638
Low Rent Operating Subsidy	NM00100000011D_511D	14.850	1/1/2011	12/31/2011	1,812,160
					2,845,798
Lower Income Housing Assistance Program					
Direct					
Section 8 Moderate Rehabilitation (Section 8 Project Based Cluster)	NM001MR-0002	14.856	7/1/2011	6/30/2012	21,695
Section 8 Housing Choice Vouchers					
Direct					
Section 8-Housing Choice Voucher	NM001VO	14.871	7/1/2011	6/30/2012	25,367,289
Public Housing Capital Fund					
Direct					
Public Housing Capital Fund Program	NM02P00150111	14.872	8/3/2011	8/2/2015	299,237
Public Housing Capital Fund Program	NM02P00150110	14.872	7/15/2010	7/14/2014	21,896
Public Housing Capital Fund Program	NM02P00150108	14.872	6/13/2009	6/12/2012	427,788
					748,921
Mainstream Vouchers					
Direct					
Section 8-Housing Choice Voucher 5-year Main Stream	NM001DV0001	14.879	7/1/2011	6/30/2012	225,561
Total U.S. Department of Housing and Urban Development					\$ 36,928,964
<u>U.S. Department of Justice</u>					
Direct					
US Marshall's Reimbursement Program	2011-US- Marshal	16.000	12/1/2010	6/30/2011	\$ 831
Law Enforcement Assistance Narcotics & Dangerous Drugs					
US Marshall's Reimbursement Program					
2011 DEA Task Force Agreement	2012SWIFTUSMARSH FY2011DEATASKFORCE	16.001	11/18/2011	9/30/2012	10,322
		16.001	1/1/2011	12/31/2011	64,466
					74,788
Law Enforcement Assistance FBI Crime Laboratory					
FBI Regional Computer Forensics Lab. National Program	A0A003628	16.301	11/1/2009	9/30/2014	12,549
Violence Against Women Formula Grants					
Pass through					
S.T.O.P Violence Against Women	2010-WF-AX-0047	16.588	7/1/2011	6/30/2012	38,455
Bulletproof Vest Partnership Program					
Direct					
Bulletproof Vest Partnership Grant	2011BOBX11059842	16.607	9/21/2011	8/31/2013	8,423
Project Safe Neighborhoods					
Pass Through					
Project Safe Neighborhood	11-PSN-APD-SFY12	16.609	10/1/2011	6/30/2012	6,171
NM Gang Task Force 10K	2011NMGTF10K	16.609	1/4/2011	6/30/2012	2,520
					8,691

CITY OF ALBUQUERQUE, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Period of July 1, 2011 through June 30, 2012

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period From	To	Expenditures/ Adjustments
<u>U.S. Department of Justice continued</u>					
Public Safety Partnerships & Community Policing Grants					
Direct					
COPS Technology Grant 2008	2008-CK-WX-0553	16.710	12/26/2007	12/25/2013	1,522,024
COPS-Technology Grant	2010-CK-WY-0033	16.710	9/30/2010	9/30/2013	53
COPS-Technology Grant	2009-CK-WY-0441	16.710	3/11/2009	9/10/2013	164,723
COPS-Technology Grant	2008-CK-WX-0554	16.710	12/26/2007	6/25/2012	15,327
					1,702,127
Gang Resistance Education and Training					
Gang Resistance Education and Training (Great)	2010-JV-FX-0011	16.737	10/1/2010	1/31/2012	62,997
Edward Byrne Memorial Justice Assistance Grant Program (JAG Program Cluster)					
Direct					
Edward Byrne Memorial Justice Assistance	2011-DJ-BX-3379	16.738	10/1/2010	9/30/2014	279,309
Edward Byrne Memorial Justice Assistance	2010-DJ-BX-0329	16.738	10/1/2009	9/30/2013	212,380
Edward Byrne Memorial Justice Assistance	2009-DJ-BX-0267	16.738	10/1/2008	9/30/2012	13,235
					504,924
Pass Through					
NM Gang & Terrorism Task Force	11-JAF-REGI-SFY12	16.738	7/1/2011	6/30/2012	66,573
DNA Backlog Reduction Program					
Direct					
DNA Backlog Reduction	11-DNABK-NMDIS-SFY12	16.741	10/1/2011	3/31/2013	41,184
Forensic DNA Backlog Reduction Program	2010-DN-BX-K107	16.741	10/1/2010	12/31/2012	102,350
					143,534
Paul Coverdell Forensic Sciences Improvement Grant Program					
Direct					
Paul Coverdell Forensic Science Improvement Grant	2011-PC-APD-SFY12	16.742	10/1/2011	9/30/2012	5,426
Paul Coverdell Forensic Science Improvement Grant	2010-PC-APD_SFY11	16.742	10/1/2010	8/31/2012	9,019
					14,445
2009 Congressionally Recommended Awards					
Direct					
FAC Forensic Interview Training/Crisis Support	2009-D1-BX-0283	16.753	10/1/2009	12/31/2012	106,260
Recovery Act - Edward Byrne Memorial					
Justice Assistance Grant (JAG)-Local Government (JAG Program Cluster)					
Direct					
2009 Recover Act Byrne Jag Formula Grant	2009-SB-B9-1052	16.804	3/1/2009	6/30/2013	715,493
Total U.S. Department of Justice					\$ 3,460,090
<u>U.S. Department of Labor</u>					
WIA Adult Program					
Pass Through					
NMWC- Employee Training	CT-11_013SE	17.258	8/12/2011	6/30/2012	\$ 1,908
NMWC- Employee Training	CT-11-020SE	17.258	8/12/2011	6/30/2012	1,908
NMWC- Employee Training	CT-11-029	17.258	8/12/2011	6/30/2012	10,715
					14,531
Total U.S. Department of Labor					\$ 14,531
<u>U.S. Department of Transportation</u>					
Airport Improvement Program					
Direct					
Wildlife Hazard Assessment	3-35-0003-036-2010	20.106	9/17/2010	Completion	\$ 36,127
VALE- Solar Phase I (Parking Structure)	3-35-0003-037-2010	20.106	8/24/2010	Completion	9,034
VALE- Solar Phase II	3-35-0003-038-2011	20.106	3/17/2011	Completion	1,770,803
Reconstruction South General Aviation Apron	3-35-0003-039-2011	20.106	8/25/2011	Completion	5,634,540
DE II - Relocate Airfield Electrical Vault	3-35-0002-016-2010	20.106	9/17/2010	Completion	74,394
Double Eagle II E-ALP	3-35-0002-017-2011	20.106	9/7/2011	Completion	211,378
Rehabilitate Taxiway Lighting System	3-35-0003-035-2010	20.106	9/17/2010	Completion	456,777
					8,193,053

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2011 through June 30, 2012

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments	
			From	To		
<u>U.S. Department of Transportation continued</u>						
Highway Planning and Construction						
Pass Through						
Youth Partnership Program FY12	P12AC00212/7570-YN12	YPE	20.205	4/26/2012	6/30/2013	8,362
I-25 & I-40 Landscaping	TPE-040-3(190)159 / D12289		20.205	9/4/2009	9/30/2014	1,673,862
Signal Control	CAQ-TPU-7601(9) / D09328		20.205	3/14/2000	9/30/2014	1,337,198
Bear Canyon Arroyo Trail	CAQ-TPU-7701(51) / D10869		20.205	8/20/2004	9/30/2014	2,635,401
Bicycle Travel Demand Management Program	CAQ-7701(43)/J00671		20.205	8/3/2001	9/30/2014	112,217
Ten21 Bicycle/Pedestrian Safety	CAQ-7701(12) Contr No. 9819		20.205	6/20/2005	Completion	30,450
Academy Road Bike Lanes	TPU-4064 (1) 00/D12311		20.205	5/8/2008	9/30/2014	10,601
North Diversion Channel Crossings	TPU-7701(58)/D12693		20.205	3/13/2009	9/30/2015	1,320,999
ABQ Great Streets, Central, Girard, & 12th & Menaul	CAQ-7600(14)/D12751		20.205	7/2/2009	9/30/2013	203,205
Unser & Central Intersection Reconstruction	L3410 / D13083		20.205	4/30/2010	9/30/2014	197,928
Great Streets Facility Plan	D13428		20.205	4/6/2011	9/30/2015	435,500
NM528/Alameda & Balloon Museum	D13438		20.205	5/24/2011	9/30/2015	398,534
Central Traffic & Pedestrian Improvements	D13410		20.205	2/28/2011	9/30/2015	60,853
AMPA Wide Bicycle TDM	D13437		20.205	5/24/2011	9/30/2015	4,387
Lead & Coal Ave Bike Lanes	4095 / D13062		20.205	4/19/2010	9/30/2014	10,686,598
McMahon & Universe Blvd Extension	A300270 / D13028		20.205	3/3/2010	9/30/2014	184,900
Coors Corridor Study from Bridge to NM528	L3210 / D13084		20.205	4/30/2010	9/30/2014	254,185
Regional East-West Trail/Bear Canyon Arroyo	D13450		20.205	7/19/2011	9/30/2015	973,000
Rio Grande & Candelaria Roundabout	A300650 / D13418		20.205	3/11/2011	9/30/2015	119,626
						20,647,806
Federal Highway Admin. Planning Construction						
Pass Through						
Rideshare/TDM FY12	MOO1139		20.205	7/1/2011	6/30/2012	773,246
2009 American Recovery Act						
Direct						
Signal Control	ECO-7601(9) / D12831		20.205	8/26/2009	9/30/2012	6,638
Federal Transit Capital Investment Grants (Federal Transit Cluster)						
Direct						
High Capacity/Rapid Transit Project	NM-03-0025	20.500	11/23/1999	Completion	109,390	
Rapid Ride Earmarks - New Starts Funds	NM-03-0055	20.500	5/5/2008	Completion	159,837	
Vans, Facility Rehab.	NM-04-0003	20.500	10/1/2006	Completion	2,710,271	
					2,979,498	
Federal Transit Formula Grants (Federal Transit Cluster)						
Direct						
WSTF, Buses, Planning, Yale, Park & Ride	NM-90-X065	20.507	3/1/2002	Completion	14,785	
Montano Intermodal Facility	NM-04-0018	20.507	10/1/2010	Completion	56,618	
Buses, Technology, Planning	NM-90-X078	20.507	10/1/2006	Completion	5,244,850	
					5,316,253	
Federal Transit Formula Grants / ARRA (Federal Transit Cluster)						
Direct						
ARRA Kiosks, Fare Box, Bus Shelters	NM-96-X001	20.507	6/1/2009	9/30/2015	3,554,428	
New Freedom Program						
Pass Through						
New Freedom Smart Travel	5317	20.521	10/1/2010	Completion	127,709	
State and Community Highway Safety (Highway Safety Cluster)						
Pass Through						
Sel. Traffic Enforce. (100 Days/Nights of Summer)	12-PT-DS-002	20.600	6/21/2012	9/30/2012	161	
Drug Recognition Expert	12-AF-K8-P23	20.600	10/1/2011	9/30/2013	78,733	
					78,894	
Safety Incentives to Prevent Operation of Motor (Highway Safety Cluster)						
Vehicles by Intoxicated Persons						
Sel. Traffic Enforce. (100 Days/Nights of Summer)	11-63-DS-002	20.605	6/1/2011	9/30/2011	53,145	

CITY OF ALBUQUERQUE, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Period of July 1, 2011 through June 30, 2012

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>U.S. Department of Transportation continued</u>					
Minimum Penalties for Repeat Offenders for Driving While Intoxicated					
Pass Through					
Operation DWI	12-AL-654-002	20.608	10/1/2011	9/30/2012	223,769
DWI Drunk Buster Overtime Enforcement	12-AL-64 P10	20.608	10/1/2011	9/30/2013	75,000
Operation DWI	11-AL-64-002	20.608	10/1/2010	9/30/2011	167,269
Drug Recognition Expert	10-AL-K8-P07	20.608	10/1/2009	9/30/2011	5,746
					471,784
Total U.S. Department of Transportation					\$ 42,202,454
<u>U.S. Department of National Endowment for the Arts Agency</u>					
National Endowment for the Arts					
Promotion of the Arts Grants to Organizations & Individuals					
Direct					
NEA- Challenge America	12-7800-7080	45.024	1/1/2012	12/31/2012	\$ 12,270
Total U.S. Department of National Endowment for the Arts Agency					\$ 12,270
<u>U.S. Environmental Protection Agency</u>					
Air Pollution Control Program Support					
Direct					
FY12 Air Pollution	A-00615812-0	66.001	10/1/2011	9/30/2012	\$ 210,807
FY11 Air Pollution	A-00615810-1	66.001	10/1/2010	9/30/2011	475,582
					686,389
Surveys, Studies, Research, Investigations and Special Purpose Activities Relating to Clean Air Act					
Direct					
Ncore Air Monitoring Program	00F48801	66.034	4/1/2012	3/31/2013	7,039
PM Fine Monitoring	PM-9667801-0	66.034	4/1/2008	3/31/2012	136,182
					143,221
National Clean Diesel Emissions Reduction Program					
Pass Through					
NM Clean Diesel ARRA Grant	NM-ARRA/DERA-10-01	66.039	3/3/2010	6/30/2011	38,502
EPA Office of Air and Radiation					
Using Landfill Gas as a Renewable Energy	AF-83453501-0	66.041	7/1/2010	7/31/2013	1,099
Total U.S. Environmental Protection Agency					\$ 869,211
<u>U.S. Department of Energy</u>					
Energy Efficiency & Conservation Block Grant / ARRA					
Direct					
Energy Efficiency & Conservation Block Grant	DE-EE0000680	81.128	10/26/2009	10/25/2012	\$ 996,120
Total U.S. Department of Energy					\$ 996,120
<u>U.S. Department of Health and Human Services</u>					
Special Programs for the Aging Title III, Part D					
Disease Prevention and Health Promotion Services					
2012 Older American Program/ Title III, Part D	12-624-4000-0001	93.043	7/1/2011	6/30/2012	\$ 32,035
Special Programs for the Aging Title III, Part B (Aging Cluster)					
Grants for Supportive Services and Senior Centers					
Pass Through					
2012 Older American Program/ Title III, Part B	12-624-4000-0001	93.044	7/1/2011	6/30/2012	216,112
Special Programs for the Aging Title III, Part C (Aging Cluster)					
Nutrition Services					
Pass Through					
2012 Older American Program/ Title III, Part C	12-624-4000-0001	93.045	7/1/2011	6/30/2012	32,588

CITY OF ALBUQUERQUE, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Period of July 1, 2011 through June 30, 2012

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>U.S. Department of Health and Human Services continued</u>					
Special Programs for the Aging Title III, Part E					
National Family Caregiver Support					
Pass Through					
2012 Older American Program/ Title III, Part E	12-624-4000-0001	93.052	7/1/2011	6/30/2012	241,560
Substance Abuse and Mental Health Services					
Direct					
Albuquerque Heading Home Project	HUD111023504-01	93.243	9/29/2011	9/28/2013	230,322
Head Start					
Direct					
Early Head Start FY 12	06CH7016/10	93.600	7/1/2011	6/30/2012	2,677,656
Early Head Start FY 11	06CH7016/09	93.600	7/1/2010	6/30/2011	37,064
					2,714,720
2009 ARRA-Communities Putting Prevention to Work					
Chronic Disease Self-Management Program					
Pass Through					
Chronic Disease Self Management	14296	93.725	1/3/2012	6/30/2012	20,500
Chronic Disease Self Management	12347	93.725	7/1/2010	12/31/2011	26,500
					47,000
Total U.S. Department of Health and Human Services					\$ 3,514,337
<u>Corporation for National and Community Services</u>					
Retired and Senior Volunteer Program					
Direct					
Retired Senior Volunteer Program	12-624-4000-0053	94.002	7/1/2011	6/30/2012	\$ 33,167
Foster Grandparent Program (Foster/Grandparent Senior Companion Cluster)					
Direct					
Foster Grandparent	12-624-4000-0011	94.011	7/1/2011	6/30/2012	167,016
Senior Companion Program (Foster/Grandparent Senior Companion Cluster)					
Direct					
Senior Companion Program	12-624-4000-0032	94.016	7/1/2011	6/30/2012	102,669
Total Corporation for National and Community Services					\$ 302,852
<u>Executive Office of the President</u>					
Office of National Drug Control Policy					
Direct					
High Intensity Drug Trafficking Areas Program	G010SN0013A	95.001	1/1/2010	12/31/2011	\$ 19,718
High Intensity Drug Trafficking Areas Program	G11SN0014A	95.001	1/1/2011	12/31/2012	425,178
					444,896
Total Executive Office of the President					\$ 444,896
<u>U.S. Department of Homeland Security</u>					
Direct					
Emergency Management Performance Grants					
Pass Through					
11 Emergency Management Performance	EMW-2011-EP-00051	97.042	1/1/2012	12/31/2012	\$ 39,472
10 Emergency Management Performance	2010-EP-EO-0022	97.042	7/1/2010	12/31/2011	56,563
					96,035
Homeland Security Grant Program					
Pass Through					
Homeland Security Grant	2009-SS-T0-0011	97.067	1/1/2011	1/1/2012	339,066
Homeland Security Grant	2009-SS--T9-000030-ABQ	97.067	10/1/2009	9/30/2010	287,721
Homeland Security Grant	2008-GE-T8-0030-Albuquerque	97.067	11/8/2008	12/31/2011	133,530
					760,317
National Explosives Detection Canine Team Program					
Direct					
TSA National Explosives Detection Canine Team	HSTS0208HCAN460	97.072	4/1/2008	3/31/2013	242,000
Total U.S. Department of Homeland Security					\$ 1,098,352
TOTAL					\$ 92,022,171

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2012

NOTE A SIGNIFICANT ACCOUNTING POLICY

The accompanying schedule of federal awards is prepared on the modified accrual basis of accounting. The schedule of federal awards includes expenditures of the City of Albuquerque.

NOTE B SUBRECIPIENTS OF GRANT AWARDS

Grantor Agency / Grant Title and Subrecipients	Grant Number- Federal or State	Federal CFDA Number	Pass-through Grant Amount
U.S. Department of Agriculture			
Farmers' Market Promotion Program			
Community Economics Lab	12-25-G-1175	10.168	\$ 13,316
Total U.S. Department of Agriculture			<u>\$ 13,316</u>
U.S. Department of Housing and Urban Development			
Community Development Block Grants/Entitlement Grants			
2012 Calendar Year Grant			
American Red Cross	B-12-MC-35-0001	14.218	\$ 397,711
Greater Albuquerque Housing Partnership	B-12-MC-35-0001	14.218	19,252
Sawmill Community Land Trust	B-12-MC-35-0001	14.218	12,093
Albuquerque Health Care	B-12-MC-35-0001	14.218	46,621
Albuquerque Health Care	B-12-MC-35-0001	14.218	17,770
Barrett House	B-12-MC-35-0001	14.218	12,000
Community Dental Services	B-12-MC-35-0001	14.218	120,000
Cuidando Los Ninos	B-12-MC-35-0001	14.218	9,000
Southwest Creations	B-12-MC-35-0001	14.218	23,000
Youth Development Corporation	B-12-MC-35-0001	14.218	33,492
Law Access	B-12-MC-35-0001	14.218	20,914
Total			<u>711,853</u>
2011 Calendar Year Grant			
American Red Cross	B-11-MC-35-0001	14.218	356,398
Greater Albuquerque Housing Partnership	B-11-MC-35-0001	14.218	136,899
Sawmill Community Land Trust	B-11-MC-35-0001	14.218	11,864
T & C Management LLC	B-11-MC-35-0001	14.218	500,000
Albuquerque Health Care	B-11-MC-35-0001	14.218	15,379
United South Broadway	B-11-MC-35-0001	14.218	34,432
Law Access	B-11-MC-35-0001	14.218	11,065
Youth Development Corporation	B-11-MC-35-0001	14.218	49,650
Catholic Charities	B-11-MC-35-0001	14.218	32,534
Independent Living Resource Center	B-11-MC-35-0001	14.218	26,879
Total			<u>1,175,100</u>
2010 Calendar Year Grant			
T & C Management LLC	B-10-MC-35-0001	14.218	200,000
Total			<u>200,000</u>
2009 Calendar Year Grant			
T & C Management LLC	B-09-MC-35-0001	14.218	300,000
Total			<u>300,000</u>
2008 Calendar Year Grant			
Saint Martins	B-08-MC-35-0001	14.218	130,000
Total			<u>130,000</u>
2007 Calendar Year Grant			
Safe House	B-07-MC-35-0001	14.218	104,754
Total			<u>104,754</u>

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2012

NOTE B SUBRECIPIENTS OF GRANT AWARDS, continued

<u>Grantor Agency / Grant Title and Subrecipients</u>	<u>Grant Number- Federal or State</u>	<u>Federal CFDA Number</u>	<u>FY12 Pass-through Grant Amount</u>
U.S. Department of Housing and Urban Development, continued			
Emergency Shelter Grant Program			
Albuquerque Rescue Mission	S-11-MC-350001	14.231	133,462
St. Martins Shelter	S-11-MC-350001	14.231	148,220
Good Shepherd	S-11-MC-350001	14.231	63,000
Barrett Shelter	S-11-MC-350001	14.231	20,000
Total			364,682
Supportive Housing Program			
Barrett Foundation	NM0017B6B001003	14.235	107,191
Catholic Charities	NM0017B6B001003	14.235	197,554
St. Martin's Hospitality	NM0017B6B001003	14.235	181,524
SAFE House	NM0017B6B001003	14.235	245,353
Ciudando Los Ninos	NM0018B6B001003	14.235	184,059
Barrett Foundation	NM0017B6B001104	14.235	23,415
Catholic Charities	NM0017B6B001104	14.235	42,482
St. Martin's Hospitality	NM0017B6B001104	14.235	47,327
SAFE House	NM0017B6B001104	14.235	58,204
Crossroads	NM0017B6B001104	14.235	3,297
Ciudando Los Ninos	NM0018B6B001104	14.235	30,603
Total			1,121,009
Shelter Plus Care			
Transitional Living Services	NM0015C6B001003	14.238	260,939
Albuquerque Healthcare for the Homeless	NM0014C6B001003	14.238	443,583
St. Martin's Hospitality Center	NM0014C6B001003	14.238	490,003
Crossroads for Women	NM0014C6B001003	14.238	36,242
Albuquerque Healthcare for the Homeless	NM0014C6B001104	14.238	46,120
St. Martin's Hospitality Center	NM0014C6B001104	14.238	83,450
Hogares	NM0014C6B001104	14.238	2,981
Transitional Living Services	NM0015C6B001104	14.238	56,924
Total			1,420,242
HOME Investment Partnerships Program			
Sawmill Community Landtrust	M-06-MC-35-0209	14.239	75,640
Albuquerque Habitat for Humanity	M-08-MC-35-0209	14.239	109,612
Greater Albuquerque Housing Project	M-08-MC-35-0209	14.239	102,978
Sawmill Community Landtrust	M-08-MC-35-0209	14.239	31,991
Sawmill Community Landtrust	M-08-MC-35-0209	14.239	50,000
Greater Albuquerque Housing Project	M-10-MC-35-0209	14.239	34,808
Sawmill Community Landtrust	M-11-MC-35-0209	14.239	27,394
Total			432,423
Total U.S. Department of Housing and Urban Development			\$ 5,960,063
U.S. Department of Justice			
Edward Byrne Memorial Justice Assistance Grant Program			
Bernalillo County Sheriff's Office	2010-DJ-BX-0329	16.738	\$ 75,799
Bernalillo County Sheriff's Office	2011-DJ-BX-3379	16.738	93,460
City of Gallup	11-JAF-REGI-SFY12	16.738	10,335
Total			179,594
Total U.S. Department of Justice			\$ 179,594

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2012

NOTE B SUBRECIPIENTS OF GRANT AWARDS, continued

<u>Grantor Agency / Grant Title and Subrecipients</u>	<u>Grant Number- Federal or State</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grant Amount</u>
Department of Health and Human Services			
Head Start			
Early Head Start FY 12			
Catholic Charities	06CH7016/10	93.600	\$ 173,000
Cuidando Los Ninos Day Care	06CH7016/10	93.600	<u>207,000</u>
Total			<u>380,000</u>
Total U.S. Department of Health and Human Services			<u>\$ 380,000</u>
Executive Office of the President			
Office of National Drug Control Policy			
Village of Corrales	G11SN0014A	95.001	\$ 65,161
Pueblo of Pojoaque	G11SN0014A	95.001	<u>65,127</u>
Total			<u>130,288</u>
Total Executive Office of the President			<u>\$ 130,288</u>
TOTAL ALL PROGRAMS			<u>\$ 6,663,261</u>

NOTE C NON-CASH ASSISTANCE, LOANS, AND LOAN GUARANTEES

In accordance with OMB Circular A-133, the City discloses non-cash assistance, loans, and loan guarantees. The City considers the non-cash assistance amount to be immaterial and will fully disclose amounts in subsequent years. The reported amount includes new loans made during the year, plus prior year loans for which the federal government imposes continuing compliance requirements. Accordingly, the total expenditures per the Schedule of Expenditures of Federal Awards is adjusted as follows:

Total expenditures per Schedule of Expenditures of Federal Awards	92,022,171
Loans and loan guarantees:	
Community Development Block Grant	14.218 1,498,315
HOME program	14.239 <u>429,797</u>
Adjusted total expenditures per Schedule of Expenditures of Federal Awards	<u>93,950,283</u>

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CITY OF ALBUQUERQUE, NEW MEXICO
RECONCILIATION OF SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

	Expenditures		Total
	Federal	Non-Federal	
Special Revenue Funds:			
Community Development	4,163,650	771,093	4,934,743
Operating Grants Fund	16,108,781	13,224,589	29,333,370
Total Special Revenue Funds	<u>20,272,431</u>	<u>13,995,682</u>	<u>34,268,113</u>
Capital Projects Funds:			
Capital Acquisition Fund	22,060,146	69,782,065	91,842,211
Total Capital Projects Funds	<u>22,060,146</u>	<u>69,782,065</u>	<u>91,842,211</u>
Enterprise Funds:			
Airport Fund	8,435,053	55,904,009	64,339,062
Transit Fund	11,977,888	42,957,884	54,935,772
Housing Authority Fund	29,276,653	2,531,538	31,808,191
Total Enterprise Funds	<u>49,689,594</u>	<u>101,393,431</u>	<u>151,083,025</u>
 TOTAL	 <u>\$ 92,022,171</u>	 <u>\$ 185,171,178</u>	 <u>\$ 277,193,349</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

<u>FDS Line Item No.</u>	<u>Project Total</u>	<u>14.871 Housing Choice Vouchers</u>	<u>14.181 Supportive Housing for Persons with Disabilities</u>
111	Cash - Unrestricted	5,157,470	5,998,435
113	Cash - Other Restricted	29,105	1,766,459
114	Cash - Tenant Security Deposits	254,115	
115	Cash - Restricted for Payment of Current Liabilities		120,902
100	Total Cash	<u>5,440,690</u>	<u>7,885,796</u>
122	Accounts Receivable - HUD Other Projects	58,305	
124	Accounts Receivable - Other Government		5,668
125	Accounts Receivable - Miscellaneous		39,704
126	Accounts Receivable - Tenants	131,871	
126.1	Allowance for Doubtful Accounts - Tenants	(93,038)	
126.2	Allowance for Doubtful Accounts - Other	<u>-</u>	<u>(37,818)</u>
120	Total Receivables, Net of Allowances for Doubtful Accounts	<u>97,138</u>	<u>7,554</u>
132	Investments - Restricted		
143	Inventories		
143.1	Allowance for Obsolete Inventories		
144	Inter Program Due From		13,598
150	Total Current Assets	<u>5,537,828</u>	<u>7,893,350</u>
161	Land	3,767,389	
162	Buildings	49,635,655	
164	Furniture, Equipment & Machinery - Administration	874,710	192,120
166	Accumulated Depreciation	(46,278,105)	(192,120)
167	Construction in Progress	971,510	
160	Total Capital Assets, Net of Accumulated Depreciation	<u>8,971,159</u>	<u>-</u>
180	Total Non-Current Assets	<u>8,971,159</u>	<u>-</u>
190	Total Assets	<u>14,508,987</u>	<u>7,893,350</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

<u>14.249 Section 8 Moderate Rehabilitation Single Room Occupancy</u>	<u>14.856 Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation</u>	<u>COCC</u>	<u>Subtotal</u>	<u>ELIM</u>	<u>Total</u>
-	-	584,115	11,740,020		11,740,020
		-	1,795,564		1,795,564
		-	254,115		254,115
		-	120,902		120,902
<u>-</u>	<u>-</u>	<u>584,115</u>	<u>13,910,601</u>	<u>-</u>	<u>13,910,601</u>
	50,788		109,093		109,093
	-		5,668		5,668
	-	150	39,854		39,854
	-		131,871		131,871
	-		(93,038)		(93,038)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,818)</u>		<u>(37,818)</u>
<u>-</u>	<u>50,788</u>	<u>150</u>	<u>155,630</u>	<u>-</u>	<u>155,630</u>
	-	8,035,981	8,035,981		8,035,981
	-	173,592	173,592		173,592
	-	(9,603)	(9,603)		(9,603)
31,877	-	2,192,855	2,238,330	(2,238,330)	-
<u>31,877</u>	<u>50,788</u>	<u>10,977,090</u>	<u>24,504,531</u>	<u>(2,238,330)</u>	<u>22,266,201</u>
	-		3,767,389		3,767,389
	-	2,767,327	52,402,982		52,402,982
	-	418,319	1,485,149		1,485,149
	-	(2,135,607)	(48,605,832)		(48,605,832)
	-		971,510		971,510
<u>-</u>	<u>-</u>	<u>1,050,039</u>	<u>10,021,198</u>	<u>-</u>	<u>10,021,198</u>
<u>-</u>	<u>-</u>	<u>1,050,039</u>	<u>10,021,198</u>	<u>-</u>	<u>10,021,198</u>
<u>31,877</u>	<u>50,788</u>	<u>12,027,129</u>	<u>34,525,729</u>	<u>(2,238,330)</u>	<u>32,287,399</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

<u>FDS Line Item No.</u>	<u>Project Total</u>	<u>14.871 Housing Choice Vouchers</u>	<u>14.181 Supportive Housing for Persons with Disabilities</u>
312	Accounts Payable <= 90 Days	193,731	
321	Accrued Wage/Payroll Taxes Payable		
322	Accrued Compensated Absences - Current Portion	13,953	17,151
325	Accrued Interest Payable	11,148	
331	Accounts Payable - HUD PHA Programs		11,816
333	Accounts Payable - Other Government		
341	Tenant Security Deposits	254,115	
343	Current Portion of Long-term Debt - Capital	105,694	
345	Other Current Liabilities	20,203	8,000
346	Accrued Liabilities - Other	20,899	120,902
347	Inter Program - Due To		2,224,062
310	Total Current Liabilities	<u>619,743</u>	<u>2,370,115</u>
351	Long-term Debt, Net of Current - Capital Projects/Mortgage	196,478	
354	Accrued Compensated Absences - Non Current	55,819	64,942
350	Total Non-Current Liabilities	<u>252,297</u>	<u>64,942</u>
300	Total Liabilities	<u>872,040</u>	<u>2,435,057</u>
508.1	Invested In Capital Assets, Net of Related Debt	8,668,987	-
511.1	Restricted Net Assets	-	1,766,459
512.1	Unrestricted Net Assets	4,967,960	3,691,834
513	Total Equity/Net Assets	<u>13,636,947</u>	<u>1,782</u>
600	Total Liabilities and Equity/Net Assets	<u>14,508,987</u>	<u>7,893,350</u>
			<u>11,816</u>
			<u>-</u>
			<u>11,816</u>
			<u>1,782</u>
			<u>1,782</u>
			<u>13,598</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.856 Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	COCC	Subtotal	ELIM	Total
	-	60,586	254,317		254,317
	-	9,184	9,184		9,184
	-	836	31,940		31,940
	-		11,148		11,148
5,092	14,187		31,095		31,095
	-	954,809	954,809		954,809
	-		254,115		254,115
	-		105,694		105,694
	-	4,000	32,203		32,203
	-		141,801		141,801
	14,268		2,238,330	(2,238,330)	-
5,092	28,455	1,029,415	4,064,636	(2,238,330)	1,826,306
	-		196,478		196,478
	-	6,993	127,754		127,754
-	-	6,993	324,232	-	324,232
5,092	28,455	1,036,408	4,388,868	(2,238,330)	2,150,538
	-	1,050,039	9,719,026		9,719,026
	-	8,035,981	9,802,440		9,802,440
26,785	22,333	1,904,701	10,615,395		10,615,395
26,785	22,333	10,990,721	30,136,861	-	30,136,861
31,877	50,788	12,027,129	34,525,729	(2,238,330)	32,287,399

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

<u>FDS Line Item No.</u>		<u>Project Total</u>	<u>14.871 Housing Choice Vouchers</u>	<u>14.181 Supportive Housing for Persons with Disabilities</u>
70300	Net Tenant Rental Revenue	2,096,205		
70400	Tenant Revenue - Other			
70500	Total Tenant Revenue	<u>2,096,205</u>	<u>-</u>	<u>-</u>
70600	HUD PHA Operating Grants	3,185,305	23,936,632	269,497
70610	Capital Grants	409,417		
70710	Management Fee			
70720	Asset Management Fee			
70730	Book Keeping Fee			
70740	Front Line Service Fee			
70700	Total Fee Revenue	<u> </u>	<u> </u>	<u> </u>
71100	Investment Income - Unrestricted		777	
71400	Fraud Recovery		49,534	
71500	Other Revenue	20,056	7,402	
72000	Investment Income - Restricted		10,905	
70000	Total Revenue	<u>5,710,983</u>	<u>24,005,250</u>	<u>269,497</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.856 Lower Income Housing Assistance Program_Sec 8 Moderate Rehabilitat	COCC	Subtotal	ELIM	Total
	-		2,096,205		2,096,205
-	-	-	2,096,205	-	2,096,205
44,790	21,704		27,457,928		27,457,928
	-		409,417		409,417
	-	1,151,748	1,151,748	(1,151,748)	-
	-	114,360	114,360	(114,360)	-
	-	442,005	442,005	(442,005)	-
	-	761,785	761,785	(761,785)	-
	-	2,469,898	2,469,898	(2,469,898)	-
	-		777		777
	-		49,534		49,534
	-	116,299	143,757		143,757
	-	18,495	29,400		29,400
44,790	21,704	2,604,692	32,656,916	(2,469,898)	30,187,018

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

<u>FDS Line Item No.</u>		<u>Project Total</u>	<u>14.871 Housing Choice Vouchers</u>	<u>14.181 Supportive Housing for Persons with Disabilities</u>
91100	Administrative Salaries	131,322	656,213	
91200	Auditing Fees	6,000	3,000	27,985
91300	Management Fee			1,000
91310	Book-keeping Fee	657,811	493,937	
91400	Advertising and Marketing	84,705	357,300	
91500	Employee Benefit contributions - Administrative			
91600	Office Expenses	61,429	298,760	13,169
91700	Legal Expense	64,340	200,855	
91800	Travel	5,426		
91900	Other	391	1,618	
91900	Other	74,084	61,695	
91000	Total Operating - Administrative	<u>1,085,508</u>	<u>2,073,378</u>	<u>42,154</u>
92000	Asset Management Fee	114,360		
92100	Tenant Services - Salaries	153,672		
92200	Relocation Costs	5,968		
92300	Employee Benefit Contributions - Tenant Services	71,912		
92400	Tenant Services - Other	28,887		
92500	Total Tenant Services	<u>260,439</u>	<u>-</u>	<u>-</u>
93100	Water	418,773		
93200	Electricity	206,096		
93300	Gas	96,466		
93000	Total Utilities	<u>721,335</u>	<u>-</u>	<u>-</u>
94100	Ordinary Maintenance and Operations - Labor	240,429		
94200	Ordinary Maintenance and Operations - Materials and Other	317,694	2,755	
94300	Ordinary Maintenance and Operations Contracts	1,041,206		
94500	Employee Benefit Contributions - Ordinary Maintenance	112,510		
94000	Total Maintenance	<u>1,711,839</u>	<u>2,755</u>	<u>-</u>
95200	Protective Services - Other Contract Costs	54,238		
95000	Total Protective Services	<u>54,238</u>	<u>-</u>	<u>-</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.856 Lower Income Housing Assistance Program_Sec 8 Moderate Rehabilitat	COCC	Subtotal	ELIM	Total
7,048	-	1,285,518	2,108,086		2,108,086
	-	2,000	12,000		12,000
	-		1,151,748	(1,151,748)	-
	-		442,005	(442,005)	-
	-				
3,291	-	576,974	953,623		953,623
	-	252,464	517,659		517,659
	-	23,154	28,580		28,580
	-	14,968	16,977		16,977
18	9	59,294	195,100		195,100
10,357	9	2,214,372	5,425,778	(1,593,753)	3,832,025
	-		114,360	(114,360)	-
	-		153,672		153,672
	-		5,968		5,968
	-		71,912		71,912
	-		28,887		28,887
-	-	-	260,439	-	260,439
	-	2,346	421,119		421,119
	-	8,033	214,129		214,129
	-	2,902	99,368		99,368
-	-	13,281	734,616	-	734,616
	-		240,429		240,429
	-	20,719	341,168		341,168
	-	198,519	1,239,725		1,239,725
	-		112,510		112,510
-	-	219,238	1,933,832	-	1,933,832
	-		54,238		54,238
-	-	-	54,238	-	54,238

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

<u>FDS Line Item No.</u>	<u>Project Total</u>	<u>14.871 Housing Choice Vouchers</u>	<u>14.181 Supportive Housing for Persons with Disabilities</u>
96110 Property Insurance	137,360		
96130 Workmen's Compensation		44,997	
96140 All Other Insurance			
96100 Total insurance Premiums	<u>137,360</u>	<u>44,997</u>	<u>-</u>
96200 Other General Expenses	538,485	224,050	
96210 Compensated Absences	25,320	33,722	
96400 Bad debt - Tenant Rents	34,487		
96600 Bad debt - Other		4,615	
96000 Total Other General Expenses	<u>598,292</u>	<u>262,387</u>	<u>-</u>
96720 Interest on Notes Payable (Short and Long Term)	17,446		
96700 Total Interest Expense and Amortization Cost	<u>17,446</u>	<u>-</u>	<u>-</u>
96900 Total Operating Expenses	<u>4,700,817</u>	<u>2,383,517</u>	<u>42,154</u>
97000 Excess of Operating Revenue over Operating Expenses	<u>1,010,166</u>	<u>21,621,733</u>	<u>227,343</u>
97100 Extraordinary Maintenance	145,000		
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments		22,966,189	239,161
97400 Depreciation Expense	1,121,194	1,309	
90000 Total Expenses	<u>5,967,011</u>	<u>25,364,615</u>	<u>267,715</u>
10010 Operating Transfer In	239,506		
10020 Operating transfer Out	<u>(239,506)</u>		
10100 Total Other financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	<u>(256,028)</u>	<u>(1,359,365)</u>	<u>1,782</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.856 Lower Income Housing Assistance Program_Sec 8 Moderate Rehabilitat	COCC	Subtotal	ELIM	Total
-	-	65,532	202,892		202,892
-	-	16,985	61,982		61,982
-	-	82,517	264,874	-	264,874
-	-	2,322	764,857	(761,785)	3,072
-	-	(64,919)	(5,877)		(5,877)
-	-		34,487		34,487
-	-		4,615		4,615
-	-	(62,597)	798,082	(761,785)	36,297
-	-		17,446		17,446
-	-	-	17,446	-	17,446
10,357	9	2,466,811	9,603,665	(2,469,898)	7,133,767
34,433	21,695	137,881	23,053,251	-	23,053,251
-	-		145,000		145,000
-	-				
34,433	21,695		23,261,478		23,261,478
-	-	145,443	1,267,946		1,267,946
44,790	21,704	2,612,254	34,278,089	(2,469,898)	31,808,191
-	-		239,506	(239,506)	-
-	-		(239,506)	239,506	-
-	-	-	-	-	-
-	-	(7,562)	(1,621,173)	-	(1,621,173)

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

<u>FDS Line Item No.</u>	<u>Project Total</u>	<u>14.871 Housing Choice Vouchers</u>	<u>14.181 Supportive Housing for Persons with Disabilities</u>
11020	Required Annual Debt Principal Payments	101,167	-
11030	Beginning Equity	13,892,975	-
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors	-	246,889
11170	Administrative Fee Equity	3,691,834	
11180	Housing Assistance Payments Equity	1,766,459	
11190	Unit Months Available	11,436	48,597
11210	Number of Unit Months Leased	11,244	43,688
11270	Excess Cash	4,497,203	
11610	Land Purchases	-	
11620	Building Purchases	173,869	600
11630	Furniture & Equipment - Dwelling Purchases	235,548	590

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2012

<u>14.249 Section 8 Moderate Rehabilitation Single Room Occupancy</u>	<u>14.856 Lower Income Housing Assistance Program_Sec 8 Moderate Rehabilitat</u>	<u>COCC</u>	<u>Subtotal</u>	<u>ELIM</u>	<u>Total</u>
-	-	-	101,167		101,167
26,785	22,333	11,017,595	31,530,457		31,530,457
	-	(19,312)	227,577		227,577
	-		3,691,834		3,691,834
	-		1,766,459		1,766,459
144	84	-	60,861		60,861
144	84	-	55,750		55,750
	-		4,497,203		4,497,203
	-		-		-
	-		173,869		173,869
	-		235,548		235,548

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Independent Auditors' 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*

The Honorable Richard J. Berry, Mayor and City Council Members
of the City of Albuquerque
Mr. Hector H. Balderas, New Mexico State Auditor

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison of the general fund of the City of Albuquerque, New Mexico (the "City") as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements. We also have audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds presented in the accompanying combining financial statements and the budgetary comparison schedules as of and for the year ended June 30, 2012, and have issued our report thereon dated February 14, 2013. 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.

Internal Control Over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 07-09, 08-16, 09-15, FS 11-03 and FS 12-03 to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 06-16, 08-02, 09-04, 09-20, 10-03, FS 11-01, FS 12-01, FS 12-02, FS 12-04, FS 12-05, and FS 12-06 to be significant deficiencies.

Compliance and Other Matters

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

We also noted certain other matters that are required to be reported pursuant to *Government Auditing Standards* paragraphs 5.14 and 5.16 and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as items 01-17, 09-14, 08-12, 08-13, 10-04, 10-06, 11-02, SA 11-05, SA 11-06, SA 11-07, SA 12-01, SA 12-02, SA 12-03, and SA 12-04.

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

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

REDW LLC

Albuquerque, New Mexico
February 14, 2013

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

The Honorable Richard J. Berry, Mayor and City Council Members
of the City of Albuquerque
Mr. Hector H. Balderas, New Mexico State Auditor

Compliance

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

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

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 10-12, FA 11-05, FA 11-06, FA 12-01, FA 12-02, and FA 12-03.

Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as an items FA 12-02 and FA 12-03 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 10-12 to be a significant deficiency.

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

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

REDWLLC

Albuquerque, New Mexico
February 14, 2013

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

A — Summary of Auditors' Results

Financial Statements

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

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	Yes
Significant deficiencies identified?	Yes
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

A — Summary of Auditors' Results — continued

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grants/Entitlement Grants
14.850	Public and Indian Housing (Low Rent Operating Subsidy)
14.871/14.879	Housing Voucher Cluster
20.106	Airport Improvement Program
20.205	Highway Planning and Construction
20.500/20.507	Federal Transit Cluster

Dollar threshold used to distinguish
between type A and type B programs: \$2,760,665

Auditee qualified as low-risk auditee? No

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings

06-16 Operating Grants Fund Balance (Repeated and Modified) (Significant Deficiency)

Criteria: Financial statements of governmental funds are reported using the modified accrual basis of accounting. Under this basis of accounting, grant revenues generally are reported only to the extent of expenditures, resulting in no fund balance. Reasons for departures from this general rule – resulting in fund balance being reported in grant funds – should be documented.

Condition: The Operating Grants Fund is used to account for various grants from federal and state agencies and other sources which are restricted by the granting agency to expenditures for specified purposes (City Enactment No. 51-1979) and is considered a special revenue fund for financial reporting purposes. As of June 30, 2012, the Operating Grants Fund reported fund balance of \$3,374,373. The City has not identified the cause and/or source of this fund balance.

Cause: Grant accounting is decentralized, resulting in inconsistent processes between City departments and increasing the possibility of undetected errors. Consistent review processes have also not been implemented to ensure that revenues in excess of expenditures, resulting in grant fund balances, are identified and adequately documented.

Effect: Revenues resulting in fund balance may be incorrectly reported in grant funds.

Auditors' Recommendations: The City should document the reasons for the fund balance reported in the Operating Grants Fund. The City began this process in fiscal year 2012 and this resulted in a reduction in fund balance reported as of June 30, 2012. The City should also consider centralizing the grant accounting function so that central accounting has better control over the recording and reporting of grant revenue.

Management's Response: The City concurs with the finding. The City Accounting Division is continuing to identify the grants that make up the excess fund balance in the grant fund and is working with the appropriate City departments. Additional resources have been hired to reconcile grants on a life-to-date basis. As reconciliations are being completed, the fund balance is going down. The City has also put in controls to ensure project activity combinations are properly coded.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

07-09 Schedule of Expenditures of Federal Awards (Modified and Repeated) (Material Weakness)

Criteria: Internal controls should be designed and implemented to ensure that the Schedule of Expenditures of Federal Awards (SEFA) is accurate and complete. The SEFA should include all federal expenditures of the City for the fiscal year listed by the Catalog of Federal Domestic Assistance (CFDA) number.

Condition: The City's process for identifying and reporting federal expenditures did not detect and completely identify all federal award expenditures incurred by the City during fiscal year 2012. In addition, some federal expenditures were initially reported using an incorrect CFDA number, which required correction as part of the audit.

Cause: The City's federal grant reporting is decentralized. The City's central accounting department relies on information provided by the City's departments to identify and report federal award expenditures and there is no process in place to verify the accuracy and completeness of the information provided. In addition, expenditures of federal awards are not separately tracked in the general ledger system.

Effect: Federal award expenditures reported on the SEFA may not be complete, or may be reported under an incorrect CFDA number.

Auditors' Recommendations: Internal controls should be designed and implemented to ensure the accuracy and completeness of federal expenditures reported on the SEFA. This should include using the accounting system to separately record and track federal award expenditures and revenues. Ideally, the grant accounting function should be centralized so that the City's central accounting department is provided with accurate and timely support for federal award transactions. Each department should have a life-to-date tracking of each grant to ensure expenditures are posted to the correct projects and reimbursement requests are made timely.

Management's Response: The City concurs with this finding. The new Grant Administration Section of the Accounting Division has focused their efforts in assisting City departments in the accurate recording and tracking of federal expenditures, including grants receivable and deferred revenue. The PeopleSoft Grants Management module is currently being deployed and is expected to be implemented by July 1, 2013. The type of grant award will be tracked that will assist in properly identifying and monitoring federal grant expenditures and receipts that are managed by departments at the program level. Additional resources have been hired to reconcile the grants on a life-to-date basis for current and inactive grants.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

08-02 Manual Payroll Checks Handling (Repeated and Modified) (Significant Deficiency)

Criteria: Adequate segregation of duties should exist to mitigate the likelihood of errors or fraud within significant transaction cycles. Those who process transactions in the general ledger should not have access to the related assets.

Condition: The City processes manual payroll checks in certain circumstances, which are processed differently than regular payroll disbursements. Within the manual payroll checks process, payroll personnel are responsible for initiating, printing, and distributing manual payroll checks, which represents a lack of segregation of duties in this process.

Cause: The current configuration of the PeopleSoft (accounting system) payroll module requires manual checks to be printed as processed and does not allow for batch printing independent of payroll processing.

Effect: There is an increased risk of error and/or fraud within this process.

Auditors' Recommendations: Policies and procedures should be revised to provide for segregation of duties within the manual payroll checks process. Payroll personnel should no longer be authorized to handle and distribute the checks that they process. The City should assign responsibility for distributing manual payroll checks to an individual that does not have access to the payroll module in the accounting system.

Management's Response: The City concurs with the finding. There are internal controls in place within that require the manual check amounts to be dual verified by a payroll employee other than the initiator. The checks are picked up by the respective City department personnel authorized to handle checks and must review and sign a copy of the check which is retained for the Payroll Section's files. The printer will be moved to the accounting area and we have assigned the distribution of the manual checks to an individual who does not have access to the payroll module.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

08-16 Bank Reconciliation Process (Repeated and Modified) (Material Weakness)

Criteria: Bank reconciliations are an important element of internal control, facilitating timely detection of book/bank differences so they can be investigated and resolved. Such reconciliations are consistent with New Mexico statutes, Section 6-6-3 A NMSA 1978, which require that the City “keep all the books, records, and accounts in their respective offices in a form as prescribed by the Local Government Division.” The Local Government Division of the Department of Finance and Administration has, pursuant to this statute, published the Budgeting and Accounting Manual and other guidance for New Mexico municipalities to follow.

Condition: General ledger cash balances of the common fund, accounts payable, and payroll accounts are adjusted monthly to equal balances derived from adjusting bank balances for the effect of known outstanding items. Adjustments to cash resulting from this process are accumulated throughout the fiscal year and allocated to investment income among various funds at year-end. This process does not result in a true reconciled bank balance, nor does it allow City personnel to accurately track and resolve reconciling items on a timely basis. Moreover, the process does not ensure that book/bank differences are identified and resolved.

Cause: Reports that would facilitate reconciliation of general ledger cash balances to the corresponding bank balance are not currently produced by the accounting system.

Effect: Errors in general ledger cash balances, and/or bank errors, may not be detected. Moreover, the current process does not reconcile the general ledger activity and cash balances with the corresponding bank activity and bank balances. This can result in potential misstatements and does not facilitate identification and correction of errors on a timely basis.

Auditors' Recommendations: The City should establish and implement procedures to ensure general ledger cash balances are regularly reconciled to corresponding bank balances. Any unreconciled differences identified through this process should be investigated and resolved on a timely basis.

Management's Response: The City concurs that additional steps must be taken to research and clear out the old reconciling items. The reconciliation template was modified for compatibility with the Peoplesoft general ledger system at the point of conversion. The issues related to the integration of data from various source systems (both Peoplesoft and non-Peoplesoft) will be addressed in a future Peoplesoft remediation effort.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

09-04 Payroll – Lack of Approval for Time Adjustments (Repeated and Modified) (Significant Deficiency)

Criteria: According to Section 302 of the City’s Personnel Rules and Regulations, “employees will perform their work in a responsible manner, observing work hours and complying with City policy governing paid and unpaid leave of absence”. In addition, the “department director shall specify the working time of their employees”.

Condition: Of the 40 payroll transactions tested, six transactions, totaling \$15,080, involved adjustments related to previous payroll periods that were necessary because the payroll process for employees of the Albuquerque Police Department (APD) is different than other departments within the City. Because of their work schedules, APD does not submit documentation of all employees’ time before the bi-weekly payroll is processed. Therefore, the payroll department estimates employee time and effort for the second week of every pay period, and then make corrections after the payroll has been processed to reconcile to actual time and effort worked by APD employees. The adjustments tested appear to correctly reconcile actual time worked by APD employees.

Cause: APD work schedules make it difficult to report actual time by the bi-weekly payroll processing cutoff date, so time is estimated and adjusted to actual time on the subsequent payroll.

Effect: Adjustments are made to employees’ time in the PeopleSoft system, which increases the possibility that employees are paid for time not actually worked.

Auditors’ Recommendations: The City should enforce their Personnel Rules and Regulations and require that all departments submit documentation of time in a timely manner so that all employees are paid for actual hours worked each pay period.

Management’s Response: The City concurs with this finding. In fiscal year 2013, APD payroll department was able to process time sheets for both payroll weeks resolving the issue of estimating time in the second week and making adjustments in the next payroll. In addition, the City completed the first phase of the payroll, time and labor remediation that reduced processing time. The City is currently modifying time and labor rules, implementing task groups and commitment accounting which will further reduce the time it takes to process payroll.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

**09-15 Timely Closing of General Ledger and Reconciliation of Subsidiary Ledgers (Modified and Repeated)
(Material Weakness)**

Criteria: Timely reconciliation of subsidiary ledgers supporting asset and liability balances is essential to the detection of errors and/or irregularities and to facilitate timely closing of the general ledger. Procedures should be in place to ensure that timely, accurate reconciliations are prepared, and that differences are investigated and resolved timely.

Condition: Several subsidiary ledgers were not reconciled to the general ledger on a monthly basis, which prolonged the year-end reconciliation process and presented the error for undetected errors and irregularities.

Cause: The City converted their accounting system to PeopleSoft in January 2009. Certain aspects of this software did not function as needed. In many instances, information was not accurate and created the need for an in-depth review and adjustment. Additionally, there are a number of standalone subsidiary ledgers maintained by individual departments that are not interfaced with the accounting system, which further complicates the reconciliation and closing process.

Effect: There is an increased risk that errors and/or irregularities will occur and not be detected and corrected in a timely manner. In addition, the City is not able to draft its Comprehensive Annual Financial Report (CAFR) in a timely manner, which could affect the City's bond ratings and availability of federal funding. This also affects the City's ability to comply with regulatory deadlines, such as the New Mexico State Auditor Rule.

Auditors' Recommendations: The City should devote appropriate resources in gaining better functionality within the PeopleSoft accounting system. The City has made improvements in their reconciliation process and should continue to work diligently to update and reconcile information in this system.

The City should also implement a process whereby monthly reconciliations to the general ledger are performed. All standalone subsidiary ledgers should be interfaced with the accounting system and included in this monthly reconciliation process. This will improve the quality of information in the accounting system and enable the City to expedite the year-end reconciliation process.

Management's Response: The City concurs that monthly closings have not been done since the PeopleSoft conversion. The Accounting Division has resolved a majority of the general ledger issues that makes it difficult to close monthly. The City is currently implementing several of the PeopleSoft modules that were purchased but never deployed and adding additional ChartFields. In addition, the journal approval and accounts payable workflow is being implemented. Journals are currently being posted in a timely manner. Monthly closing will begin in April 2013.

There are a few subsidiary systems within the City that are specific to the operations of the respective departments, such as Aviation and Housing, which cannot be interfaced to the Peoplesoft system without additional monetary and staff resources. At this time, the transactions in these systems are recorded in Peoplesoft general ledger through journal entries.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

09-20 Developer Loans (Modified and Repeated) (Significant Deficiency)

Criteria: The City should review loans to developers regularly and ensure that the loans are accruing interest and are collectible. The City should monitor the maturity date of each loan and ensure the loans are either collected on the maturity date or agree to an amendment extending the due date. Developer loan supporting documentation should be maintained in accordance with City's policies and procedures.

Condition: Developer loans are made out of various funds of the City. Developer loans out of the Parking fund are not accruing interest as stated in the loan agreements with the developers. In addition, one of these loans will be maturing in fiscal year 2013 and the City has not been in contact with this developer to determine whether this loan is collectible or should be extended.

Cause: Most developer loans do not mature for several years and are not reviewed regularly by the City.

Effect: By not accruing interest, the City is understating the ultimate balances receivable from developers. If loans are not repaid, the City's financial condition could be compromised.

Auditors' Recommendations: The City should develop and implement policies and procedures to ensure that interest is accrued on all developer loans in accordance with the loan agreement. The City should also monitor developer loans for upcoming maturity dates and determine whether an extension is necessary.

Management's Response: The City concurs with this finding. The loans provided by the City, in both instances, are secured by mortgages on the residential real estate. The development agreements are incorporated into the mortgages, by reference, and certain obligations of the developer continue as long as the mortgage remains on the residential real estate. The City will put a process in place to determine whether the matured loans are collectible or should be extended and to ensure interest is accrued as stated in the loan agreements.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

10-03 Inaccurate Inventory Record Keeping (Modified and Repeated) (Significant Deficiency)

Criteria: Periodic reconciliation of recorded inventory amounts to inventory quantities on hand is an important element of internal control.

Condition: The City did not perform physical inventory counts for certain departments during the year. In addition, the City maintained inventory totaling \$163,477 within its Transit fund and \$27,243 in its Fleet Management fund that is considered obsolete and will not be used by the City. An adjustment was not made to reduce the inventory balance to its net realizable value.

Cause: There is lack of adherence to the City's inventory policies and procedures. In addition, there is inadequate management oversight to ensure that all obsolete inventories are identified and adjusted in the accounting system.

Effect: Failure to reconcile recorded inventory to inventory counts may lead to an inaccurate accounting of the City's inventory.

Auditors' Recommendations: The City should enforce its established policies and procedures regarding inventory counts and reconciliations. In addition, the City should monitor any obsolete inventory on at least an annual basis to ensure that year-end inventory balances are accurate.

Management's Response: The City concurs with the finding. The City implemented new Inventory Policies and Procedures in December 2011 requiring inventory reconciliations to be done every quarter. Obsolete inventory will be written off in fiscal year 2013.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

FS 11-01 Accounts Payable Controls (Modified and Repeated) (Significant Deficiency)

Criteria: Controls over disbursements should include, among others, procedures that ensure prior independent review of wire transfers. In addition, there should be monthly analysis of an aged payable report to identify accounts that are not being paid timely.

Condition: E-payable wire transfers to vendors are not independently reviewed for accuracy prior to the transfers being made. In addition, an aged payables report is not being produced by the accounting system to enable review of vendor payables.

Cause: The City converted their accounting system to PeopleSoft in January 2009. Certain aspects of this software did not function as needed, and an aged payables report cannot be produced. The City has also been operating with limited resources and does not have adequate staffing to enable an independent review of E-payable wire transfers.

Effect: Payments could be made through wire transfers to fictitious or inappropriate vendors. There is also increased risk that invoices may be paid late, causing the City to incur unnecessary late fees.

Auditors' Recommendations: The City should work with its banks to establish procedures to ensure that all wire transfers are approved by two individuals prior to being sent to vendors. The City should also develop an aged payables report within the PeopleSoft accounting system. Once this report has been developed, assign an individual with the responsibility of periodically reviewing this report for validity and accuracy.

Management's Response: The City concurs with this finding. A query report has been developed in PeopleSoft that shows purchase orders issued but not received which gives some information on potential liabilities. The City is undergoing a remediation of its PeopleSoft software that includes implementation of workflow for Accounts Payable. The workflow implementation will enable the City to review outstanding liabilities and develop an aged payables report. The City is currently testing a pilot workflow process and has allowed some departments to review outstanding payables. The volume of ACH payments continues to increase. The accounting department is continually reviewing policies and procedures that will enable the department to review ACH payments.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

FS 11-03 Capital Assets Records (Repeated and Modified) (Material Weakness)

Criteria: The City should have detailed capital asset records to support the reported balance of capital assets. These detailed records should include information such as description (including serial number or other identification number), source, acquisition date and cost, percentage of federal participation in the cost, location and condition.

Condition: Reported balances of buildings, infrastructure, land, improvements, and right-of-ways are not supported by subsidiary records detailing the pertinent information about each asset, or asset category, necessary to manage and account for these assets. Generally, records maintained by the City consist of the annual dollar amount of additions in each asset category; however, these amounts are not associated with the specific assets acquired.

Cause: Internal controls have not been implemented to ensure that detailed capital asset records are created, maintained, and reconciled to capital asset amounts reported in the financial statements.

Effect: The reported balance of capital asset in the annual financial statements may be incorrect.

Auditors' Recommendations: Implement procedures to compile a detailed listing supporting all categories of capital assets. Once compiled, these detailed capital asset records should be periodically verified by comparison to physical observation of assets and/or other appropriate sources.

Management's Response: The City concurs with this finding. Prior to GASB 34, governments were not required to report capital assets in the financial statements. GASB 34 allowed governments to estimate the value of buildings, roads and infrastructure. The City hired consultants to help determine these values. Since then, the City has kept track of additions by project and activity. Project ID's have descriptions that can identify the capital asset. If a project takes years to develop, the City would have to summarize the additions for multiple years to calculate the historical cost of the specific capital asset. The City agrees that some of the project names are not descriptive enough to accurately determine the capital asset location. Going forward, the City will compile a list of additions and apply this to specific buildings. The City will continue to utilize the GIS system to identify roads and infrastructure added by mileage totals.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

FS 12-01 Fare Token Tracking (Significant Deficiency)

Criteria: The City's Transit department has issued fare tokens in the past for patrons to use for various City transit services. These fare tokens are no longer being issued by the Transit department and have been replaced by bus passes. Processes should be in place to track outstanding fare tokens and adjust the liability for fare tokens outstanding.

Condition: The City has not adjusted its liability for fare tokens outstanding in each of the last two fiscal years. The City has not been tracking the amount of fare tokens that have been redeemed and remain outstanding as of year-end.

Cause: The amount of fare tokens redeemed on an annual basis is small and has since been replaced by the use of bus passes. The City's Transit department has shifted its focus from tracking fare tokens to use of City bus passes.

Effect: The reported balance of fare tokens outstanding in the annual financial statements may be incorrect.

Auditors' Recommendations: Implement a process to adjust the balance of fare tokens outstanding on at least a quarterly basis for any tokens redeemed by patrons.

Management's Response: The City concurs with this finding. The Transit Department tracks fare tokens redeemed on a quarterly basis but neglected to adjust the balance of the fare token liability. The amount of fare tokens redeemed in FY2012 totaled \$4,039. A process to record fare tokens redeemed will be implemented for fiscal year 2013.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

FS 12-02 Grant Administration (Significant Deficiency)

Criteria: Recipients of state and federal awards should have processes in place to adequately administer and account for grant funding. This should include processes to reconcile each grant on an annual basis to determine grant funding that is due to the City (grant receivable) or received by the City but unspent (deferred revenue) as of year-end.

Condition: The City is the recipient of a federal grant that is funded on a reimbursement basis. As of June 30, 2012, there was an ending deferred revenue balance in this grant, which should not occur on reimbursement funded grants. The City also reconciled a state grant as of June 30, 2012, which resulted in a grant receivable of approximately \$700,000. However, this was not a valid grant receivable and was corrected through an audit adjustment. Lastly, the City submitted a reimbursement request on a federal grant for an expenditure that occurred in fiscal year 2010.

Cause: The City's grant administration and accounting is decentralized. The City's central accounting department relies on information provided by the City's departments to identify and report grant award periods, expenditures, and reimbursement requests and there is no process in place to verify the accuracy and completeness of the information provided.

Effect: Ending grants receivable and/or deferred revenue were incorrect and required audit adjustments to correct these balances.

Auditors' Recommendations: The City should consider centralizing the grant accounting function so that the City's central accounting department is provided with accurate and timely support for grant transactions. Each department should have a life-to-date tracking of each grant to ensure expenditures are posted to the correct projects and reimbursement requests are made timely.

Management's Response: The City concurs with this finding. The Grant Administration Section of the Accounting Division has focused their efforts in assisting City departments in the accurate recording and tracking of federal expenditures, including grants receivables and deferred revenue and will continue to train and work with departments on these items. The Grant Accounting staff will continue to meet with their assigned departments to review and help reconcile grants. The City is implementing the Grants module in PeopleSoft on July 1, 2013. Implementing this module will provide the City with the ability to capture required information such as CFDA number, purpose, certifications, keywords, award dates and milestones. This module will allow the city to utilize PeopleSoft Billing and Accounts Receivables for grants. It will allow for different types of billing options such as draw downs, requests for reimbursements and fixed amounts. This will allow the City the ability to utilize the system information for billing and tracking receivables as well as the ability to have a fully integrated system which reduces and eliminates reliance of shadow systems.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

FS 12-03 Cash and Investment Reconciliations – Albuquerque Housing Authority (Material Weakness)

Criteria: Bank reconciliations are an important element of internal control, facilitating timely detection of book/bank differences so they can be investigated and resolved. Such reconciliations are consistent with New Mexico statutes, Section 6-6-3 A NMSA 1978, which require that an entity “keep all the books, records, and accounts in their respective offices in a form as prescribed by the Local Government Division.” The Local Government Division of the Department of Finance and Administration has, pursuant to this statute, published the Budgeting and Accounting Manual and other guidance for New Mexico municipalities to follow.

Condition: The bank reconciliation for the Albuquerque Housing Authority’s (the “Authority”) operating bank account was not reconciled for four months during fiscal year 2012. Bank reconciliations were also not being reviewed by someone independent of this process during the year. In addition, the Authority’s investments with the New Mexico State Investment Council (NMSIC) were not being consistently reconciled.

Cause: There was significant turnover at the Authority during fiscal year 2012, including the entire accounting staff and the Executive Director position.

Effect: Errors in general ledger cash and investment balances, and/or bank errors, may not be detected. The investments with NMSIC recorded a loss in fiscal year 2008, which was not reflected in the Authority’s general ledger until fiscal year 2012. Moreover, the cash balance at year-end was incorrectly stated and required an audit adjustment to correct.

Auditors’ Recommendations: The Authority should establish and implement procedures to ensure general ledger cash and investment balances are regularly reconciled to corresponding bank balances and to statements from NMSIC. Any unreconciled differences identified through this process should be investigated and resolved on a timely basis.

Management’s Response: The Authority agrees with this finding. The Finance Department was down five of ten positions, including two senior positions. The Senior Accountant position was filled in November 2012, the Executive Director position in December 2012, and the Fiscal Officer in January 2013. With the addition of staff in our Finance Department we do not expect any continued problems with regular account reconciliation. We will establish and implement procedures to ensure general ledger cash and investment accounts are reconciled on a monthly basis.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

FS 12-04 Journal Entries – Albuquerque Housing Authority (Significant Deficiency)

Criteria: Journal entries should not be prepared and recorded to the general ledger by the same individual. There should be separation of duties adequate to reduce the likelihood of error or fraud.

Condition: Journal entries reviewed as part of the fiscal year 2012 audit were prepared and recorded in the general ledger by the same individual. There was no evidence of an independent review of these entries.

Cause: There was significant turnover at the Authority during fiscal year 2012, including the entire accounting staff and the Executive Director position.

Effect: Journal entries that are not reviewed or approved by someone other than the preparer could result in a misstatement of the financial statements.

Auditors' Recommendations: The Authority should implement a process whereby all journal entries are reviewed and approved by someone other than the preparer of the entry.

Management's Response: The Authority agrees with this finding. The Finance Department was down five of ten positions, including two senior positions. The Senior Accountant position was filled in November 2012, the Executive Director position in December 2012, and the Fiscal Officer in January 2013. With this senior staff in place we will implement a process where all journal entries are reviewed and approved by someone other than the preparer.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

FS 12-05 Unrecorded Capital Asset Additions – Albuquerque Housing Authority (Significant Deficiency)

Criteria: Property records should be maintained to accurately report the capital assets of the Authority. There should be processes in place to ensure that all capital assets are identified and capitalized in accordance with the Authority's capitalization policy and the State of New Mexico Administrative Code.

Condition: The Authority maintains property records in accordance with applicable requirements, but this listing is not complete. During the 2012 audit, approximately \$101,000 of capital assets were recorded as repairs and maintenance expenses, instead of being capitalized in accordance with the Authority's capitalization policy.

Cause: There was not adequate review of all repairs and maintenance accounts for unrecorded capital assets.

Effect: The capital assets balance was incorrectly stated, which required an audit adjustment to correct. In addition, the Authority's property records did not include these unrecorded capital assets.

Auditors' Recommendations: Implement a process to review repairs and maintenance accounts throughout the year for evidence of unrecorded capital assets. If any assets are identified through this review, ensure that they are added to the Authority's capital asset listing.

Management's Response: The Authority agrees with this finding. Vacant senior staff positions in the Finance Department are now filled. This senior staff will provide the oversight so that errors in the identification of capital assets do not continue. We will establish a process to review repairs and maintenance accounts to ensure that capital assets are not recorded as maintenance expenses.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

B — Financial Statement Findings — continued

FS 12-06 Accounts Payable Cutoff – Albuquerque Housing Authority (Significant Deficiency)

Criteria: Procedures should be in place to ensure that all vendor invoices are recorded in the correct period.

Condition: Invoices relating to fiscal year 2012 were initially recorded in fiscal year 2013.

Cause: There is not adequate review of the Authority's significant invoices paid after year-end to determine the proper period in which to record them.

Effect: Invoices are recorded in the wrong period, resulting in the misstatement of assets, liabilities and expenses in the year-end financial statements.

Auditors' Recommendations: Accounts payable cutoff procedures should be improved to include a more thorough review of all significant invoices paid after year-end to determine the correct period in which to record them.

Management's Response: This Authority agrees with this finding. The Finance Department was down five of ten positions, including two senior positions. The senior staff positions in the Finance Department are now filled and we do not expect any continued problems with recording invoices in the correct period. All recommendations will be implemented to ensure all significant invoices are recorded in the correct period.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

C — Federal Award Findings and Questioned Costs

10-12 Documentation of Employee Time and Effort (Repeated and Modified) (Significant Deficiency)

Federal Program Information:

Funding Agency:	U.S. Department of Housing and Urban Development
Title:	Public Housing – Low Rent Operating Subsidy Program
CFDA Number:	14.850
Award year and number:	2011, NM00100511D; 2012, NM00100512D

Criteria: OMB Circular A-87 requires that Time and Effort Certifications and personnel activity reports be prepared at least semiannually to support personnel charges to federal award programs.

Condition: Procedures are not in place to ensure that Time and Effort Certifications and/or personnel activity reports are prepared to support charges to federal award programs by Housing Authority personnel. Such certifications were not completed by Housing Authority personnel.

Context: Time and Effort Certifications and personnel activity reports were not completed by Housing Authority personnel.

Questioned Costs: None.

Cause: Housing Authority personnel were not aware of the requirements and do not have controls in place to ensure Time and Effort Certifications and personnel activity reports support charges to federal awards.

Effect: The program is not in compliance with grant requirements and employee's time has the potential to be misstated, which could result in unallowable expenditures.

Auditors' Recommendations: The City should develop and implement policies and procedures to ensure Time and Effort Certifications and personnel activity reports are completed and retained to support charges to federal awards.

Management's Response: The Albuquerque Housing Authority is in agreement with the Auditor's Recommendations and will implement policies and procedures to ensure Time and Effort Certifications and personnel activity reports are completed and retained to support charges to federal awards.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

C — Federal Award Findings and Questioned Costs — continued

FA 11-05 Reporting (Repeated and Modified)

Federal program information:

Funding agency:	U.S. Department of Housing and Urban Development
Title:	Community Development Block Grants (CDBG)/ State's Program
CFDA Number:	14.228
Award year and number:	2009, 09-NSP-2-G-03

Criteria: Bimonthly progress reports for this program are due on the first day of the month following the end of the reporting period.

Condition: One of the required bimonthly progress reports was submitted after the due date.

Context: One out of one progress reports tested.

Questioned Costs: None.

Effect: Noncompliance could result in reduced funding.

Cause: Program personnel are not monitoring the due dates of these bimonthly progress reports.

Auditors' Recommendations: The City should keep track of reporting due dates and submit reports on or before those dates as outlined in the grant agreement.

Management's Response: The City concurs with this finding. Staff turnover led to the delay in report submission. Also, it was the understanding of City staff that the report submission was due within 10 days of the following month. This misunderstanding was clarified during a technical assistance meeting with state grant administrators in December 2012. The City recognizes the importance of timely grant reporting. As a result, program and fiscal staff are keeping track of reporting due dates and submitting reports in accordance with those due dates. The City has also improved the timeliness of processing the data to provide accurate expenditure data.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

C — Federal Award Findings and Questioned Costs — continued

FA 11-06 Earmarking (Repeated and Modified)

Federal program information:

Funding agency:	U.S. Department of Health and Human Services
Title:	Early Head Start
CFDA Number:	93.600
Award year and number:	2012, 06CH7016/10; 2011, 06CH7016/09

Criteria: In accordance with 42 USC 9387(g), each Head Start agency must enroll 100 percent of its funded enrollment in accordance with the targeted earmark requirement.

Condition: The Early Head Start program did not meet its required enrollment of 228 children as outlined in the grant agreement.

Questioned Costs: None.

Context: N/A.

Cause: Internal controls were not in place to ensure that Head Start maintained its required funded level of children throughout the year.

Effect: Noncompliance with this requirement could result in the City being denied Head Start funding in the future.

Auditors' Recommendations: Aggressive student recruitment and increased information sessions/ community outreach events could help increase enrollment.

Management's Response: The City concurs with this finding. The City is continuing to work with the Regional Head Start Office on its risk management plan. As part of the plan, the City has submitted a request to the Regional Program Specialist to change its program options. The change involves dropping 30 home-visiting slots and adding 16 center-based slots, and the change in status stemmed from information gathered during four (4) years of data research of the program. The data focused on two major areas: enrollment figures in the last four years and the impact of forcing families to participate in home-based programs before being allowed to utilize center-based services. As part of the risk management plan, the City's program administration team undertook numerous recruitment initiatives to increase enrollment. With this effort, 222 families were recruited in a month. However, many families immediately dropped because they wanted center-based services versus home-based. The requirement of providing home-based services first is a restriction of the City's grant agreement with Early Head Start. The requested change in program options would change funded enrollment to 204 slots, giving families the choice between center-based and home-based services. And this enrollment number is near the City's average enrollment in the last four years. One other factor affecting the City's enrollment numbers is its restricted catchment areas.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

C — Federal Award Findings and Questioned Costs — continued

FA 12-01 Timeliness of Grant Expenditures

Federal program information:

Funding agency:	U.S. Department of Housing and Urban Development
Title:	Community Development Block Grants (CDBG)/ Entitlement Grants
CFDA Number:	14.218
Award year and number:	2012, B-12-MC-35-0001; 2011, B-11-MC-35-0001

Criteria: According to 24 CFR part 570.902 (a), “before the funding of the next annual grant and absent contrary evidence satisfactory to the U.S. Department of Housing and Urban Development (HUD), HUD will consider an entitlement recipient to be failing to carry out its CDBG activities in a timely manner if: (i) Sixty days prior to the end of the grantee’s current program year, the amount of entitlement grant funds available to the recipient under grant agreements but undisbursed by the U.S. Treasury is more than 1.5 times the entitlement grant amount for its current program year; and (ii) The grantee fails to demonstrate to HUD’s satisfaction that the lack of timeliness has resulted from factors beyond the grantee’s reasonable control.

Condition: The last sixty day test measured for the City, which was measured on November 2, 2011, indicated the City had entitlement grant funds available equaling 1.76 times its fiscal year 2011 grant, exceeding the amount allowed.

Context: Entitlement grant funds available but undisbursed by the City.

Questioned Costs: None.

Cause: The City’s planning and approval process for a large project in this program, which is expected to use much of the funding backlog, took longer than expected. This delayed the start of this project.

Effect: The City is not in compliance with 24 CFR part 570, which could result in the loss or delay of entitlement grant funding. Based on the ratio above, the amount of any potential reduction would have been \$1,027,783.

Auditors’ Recommendations: The City has qualified for an exemption to the timeliness policy under 24 CFR part 570.911. Therefore, the City’s fiscal year 2012 grant was not reduced. Going forward, the City should work with HUD to take steps to improve this programs performance and reduce the CDBG funds backlog.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

C — Federal Award Findings and Questioned Costs — continued

FA 12-01 Timeliness of Grant Expenditures — continued

Management's Response: The 2008-2012 Consolidated Plan allocated approximately \$1,800,000 for homeless facilities. The Plan budgeted approximately \$600,000 per year, in CDBG funds, for each of the program years 2010, 2011, and 2012. In 2011, the City issued a Request for Proposal (RFP) for these funds.

In July of 2011, the City issued RFP-DFCS-CHSCP-12-04, seeking proposals to construct facilities to serve people experiencing homelessness and to acquire and rehabilitate rental housing for low and moderate income persons. In September of 2011, three not-for-profit agencies were awarded funding for their projects. The three projects involve new construction, a substantial addition to an existing facility, and adaptive re-use of a historic building combined with new construction. The projects will serve underserved populations in Albuquerque including: youth experiencing homelessness or transitioning out of foster care, homeless men discharged from the hospital and in need of respite care, and persons with HIV/AIDS needing permanent supportive housing. Subsequent to the notice of award, each contractor commenced with finalizing building plans for their projects and environmental reviews were performed. Each project is significant in scope, and each faced significant challenges in finalizing their respective building plans. However, all three projects have commenced and begun to request cost reimbursements.

The City of Albuquerque takes its responsibility to spend CDBG funds in a timely manner very seriously. Historically, the City has issued RFPs following the receipt of federal grant funds. In order to spend funds more timely, the City has revised its procedures and will issue RFPs in anticipation of receiving the funds and make the award contingent upon receipt of grant funds. In addition, the City will select primary and secondary bidders in order to have projects available to fund in the event a primary recipient fails to make acceptable progress towards starting the project. Staff will be trained on developing and monitoring project-specific performance outcome measures and early problem identification along with providing early intervention problem-solving options. The City will also be requesting OneCPD Technical Assistance from the local HUD CPD Office to enhance the development of staff capacity.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

C — Federal Award Findings and Questioned Costs — continued

FA 12-02 Obligation of Funds (Material Weakness)

Federal program information:

Funding agency:	U.S. Department of Housing and Urban Development
Title:	Public Housing Capital Fund Program
CFDA Number:	14.872
Award year and number:	2007; NM02P00150107

Criteria: Section 9(j) of the U.S. Housing Act of 1937 states that Public Housing Agencies (PHA) shall obligate any assistance under this section not later than 24 months after the date on which the funds become available to the agency for obligation.

Condition: Procedures are not in place to ensure that capital grant funds are obligated by the grant obligation due date. The Albuquerque Housing Authority (Housing Authority) did not obligate 90% of the capital fund grant by September 12, 2009, the grants obligation end date.

Context: The 2007 capital fund grant NM02P00150107.

Questioned Costs: None.

Cause: The Housing Authority did not monitor the obligation due date of this grant.

Effect: The City is not in compliance with Section 9(j) of the U.S. Housing Act of 1937. This resulted in a penalty of \$1,414,004, which was netted against the 2009 capital grant fund, reducing the amount available in the grant fund to zero.

Auditors' Recommendations: The Housing Authority should monitor the obligation due date of each capital grant fund to ensure that the funds are obligated by the obligation due date. The Housing Authority should work with HUD to receive an extension to this deadline in accordance with Section 9(j)(2) of the U.S. Housing Act of 1937.

Management's Response: The Albuquerque Housing Authority is in agreement with the Auditor's Recommendations and is already monitoring the obligation due date of each capital fund grant. The Albuquerque Housing Authority has already worked with the local HUD Office to resolve all outstanding capital fund issues.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

C — Federal Award Findings and Questioned Costs — continued

FA 12-03 Project Expense Allocation/Allowable Costs (Material Weakness)

Federal program information:

Funding agency:	U.S. Department of Housing and Urban Development
Title:	Public and Indian Housing (Low Rent Operating Subsidy)
CFDA Number:	14.250
Award year and number:	2011, NM00100511D; 2012, NM00100512D

Criteria: According to 24 CFR part 990.280, "All Public Housing Agencies (PHA) covered under this subpart shall develop and maintain a system of budgeting and accounting for each project in a manner that allows for analysis of the actual revenues and expenses associated with each property". Further, "the PHA shall also maintain all records to support those financial transactions."

Condition: The Albuquerque Housing Authority has developed a system for allocating expenses to each project; however, it has not been consistently followed. In addition, the Housing Authority was not able to produce supporting documentation for certain transactions tested.

Context: Two of 25 transactions tested were allocated to projects inappropriately. In addition, five of 25 transactions tested did not have supporting documentation to support expenses charged to the program.

Questioned Costs: \$1,096.80

Cause: There was significant turnover at the Housing Authority during fiscal year 2012, including the entire accounting staff and Executive Director.

Effect: The City is not in compliance with 24 CFR part 990.280, which could result in the loss or delay of operating fund subsidies.

Auditors' Recommendations: The Housing Authority should establish procedures to ensure expenses are allocated to each project in accordance with 24 CFR part 990.280 and that records are maintained to support all charges to the program.

Management's Response: The Albuquerque Housing Authority is in agreement with the Auditor's recommendations and will establish procedures to ensure expenditures are allocated to each project in accordance with 24 CFR part 990.280 and that all records are maintained to support all charges to the program.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978

01-17 and 09-14 Accurate and Timely Budget to Actual Information and Budget Overspending (Repeated and Modified)

Criteria: According to City Ordinance Section 2-11-12 ROA 1994, the City cannot overspend their approved budget.

Condition: Procedures were not in place to ensure that expenditures did not exceed budgets in certain funds. As a result, expenditures in the following funds exceeded budget amounts:

<u>Fund/Program</u>	<u>Overspent Amount</u>
General Fund – ERP	\$ 426,399
General Fund – Joint Committee – Intergovernmental Legislation	2,125
General Fund – Real Property	33,036
General Fund – Communications and Records	707,761
General Fund – Neighborhood Policing	886,014
General Fund – Professional Standards	828,774
General Fund – Dispatch	115,391
General Fund – Biopark	1,415
General Fund – CIP Library	2,277
General Fund – Cultural Services – Strategic Support	9,419
General Fund – Explora	1,689
General Fund – Public Arts and Urban Enhancement	13,120
General Fund – Storm Drainage	5,576
General Fund – Street Services	276,690
General Fund – Environment Services	3,403
General Fund – Mental Health Services	1,084,837
General Fund – Reduce Youth Gangs	10,004
General Fund – Provide Transitional Housing	850
Operating Grants Fund	16,398,821
Law Enforcement Protection Fund	101,848
Housing and Neighborhood Economic Development	1,421,606
Communications Fund	322,855
City County Facilities Fund	58,203

Cause: The City approves an annual “clean-up” resolution that amends budgets before the accounts are closed and the financial statements are published. Budget adjustments for the funds above were not included in the clean-up resolution because the fund reconciliation process, which was not completed until after the clean-up resolution, resulted in adjustments that caused expenditures to exceed budgeted amounts.

In addition, the accounting system does not track budgets for the Operating Grants fund on a life-to-date basis due to a system reporting issue. The budgeted amount for this fund was therefore not corrected as part of the clean-up resolution.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978— continued

01-17 and 09-14 Accurate and Timely Budget to Actual Information and Budget Overspending (Repeated and Modified)

Effect: Budgets were overspent in violation of the City Ordinance. The Operating Grants fund budget was not overspent, but is reported as such due to a system reporting issue.

Auditors' Recommendations: The City should devote appropriate resources in gaining better functionality within the PeopleSoft accounting system. The City has made improvements in their budgetary process, which has resulted in less funds exceeding their budget in fiscal year 2012. The City should continue to implement processes to ensure that timely budget to actual reports are available to facilitate timely monitoring of budgetary compliance. The City should also correct the system reporting issue in the Operating Grants fund so that this fund is not reported as being overspent in the future.

Management's Response: The City somewhat agrees with this finding. Monthly closings will begin in April 2013. The City is implementing several of the PeopleSoft modules that were purchased but never deployed. Additional ChartFields are being added and journal approval and accounts payable workflow is being implemented. Completion date is scheduled for June 30, 2013.

The Operating Grants fund budget to actual does not include all budgets due to a system issue. The City is not allowed to spend more than awarded on grants and monitors the grants closely. The system issue is expected to be fixed in FY2013.

The City has made a conscious decision to report actual program expenditures. Not all overspent programs are included in the clean-up resolution due to timing required to get through Council. In order to minimize and monitor overspending, the City produces quarterly expenditure reports and provides the information to the Departments and the Office of Internal Audit and Investigation. The Office of Internal Audit and Investigation uses the information to produce quarterly expenditure reports to the City Council. This process has shown a successful track record of reducing the number of programs overspent at the end of the year.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

08-12 New Mexico State Public Money Law Requirements (Repeated and Modified)

Criteria: The New Mexico Statutes, Section 6-10-3 NMSA 1978, requires all public money to be deposited before the close of the next succeeding business day after the receipt of the money.

Condition: We reviewed a sample of 40 cash receipts transactions occurring during fiscal year 2012 totaling \$637,801. One cash receipt tested totaling \$1,050 was not deposited before the close of the next succeeding business day after the receipt of the money.

Cause: Cash handling procedures were not being followed by the Parking department.

Effect: The City did not comply with the state statutes regarding timely deposit of public money.

Auditors' Recommendations: The City should implement procedures to ensure deposit of all receipts to the City's Treasury or bank before the close of the succeeding business day after the receipt of the money.

Management's Response: The City concurs with the finding. All City employees that handle cash receipts are required to attend a class on cash handling procedures where the requirement to deposit cash receipts by the next business day is discussed.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

08-13 Controls Over Equipment Tagging (Repeated and Modified)

Criteria: The City's policies and procedures require City departments to tag capitalized machinery and equipment with an asset number or other identifying characteristic that will allow it to be traced from the machinery and equipment records to the physical asset.

Condition: One of six current year machinery and equipment additions tested was not tagged. Control procedures have not been implemented to ensure that all machinery and equipment meeting the criteria for capitalization are tagged with an asset number or other identifying characteristic.

Cause: A process has not been established to ensure marking of capitalized machinery and equipment to facilitate reconciliation with the accounting records at the City.

Effect: Without marking of machinery and equipment additions, reconciliation from accounting records to the physical assets is not feasible, which could result in inaccurate accounting records.

Auditors' Recommendations: The City should ensure that property asset liaisons for all departments understand the importance of tagging capital assets and implement controls to ensure that all capital assets are tagged.

Management's Response: The City concurs with this finding. The City will review its fixed asset tagging procedures and standardized the process. In addition, the Accounting Division will review the policy and procedures with all Departments to ensure that the property tags are added to the equipment. Additional training will be provided through Financial User Group Meetings on the proper accounting of fixed assets.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

10-04 Reporting Unclaimed Property (Repeated and Modified)

Criteria: The Uniform Unclaimed Property Act (1995) Article SA states that property held by a court, government, governmental subdivision, or agency is assumed abandoned if it is unclaimed by the apparent owner one year after the property becomes distributable. Such funds must be escheated to the State of New Mexico.

Condition: The City and Authority did not report unclaimed property to the State, as required by the Uniform Unclaimed Property Act (1995).

Cause: Procedures were not in place to ensure that unclaimed property is reported to the State on a yearly basis.

Effect: Noncompliance with the Uniform Unclaimed Property Act (1995) Article SA.

Auditors' Recommendations: The City and Authority should evaluate all unclaimed property and exercise due diligence in reporting unclaimed property to the State.

Management's Response: The City and Authority concurs with this finding. The City's Accounting department has reviewed the policy regarding reporting unclaimed property with accounting staff. The Authority will establish procedures to ensure that unclaimed property, including unclaimed tenant security deposits and outstanding checks, are reported and escheated to the State of New Mexico annually. The current unclaimed property of the Authority will be reported and escheated to the State of New Mexico by February 25, 2013.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

10-06 Business Continuity and Disaster Recovery Plan (BCP/DRP) (Modified and Repeated)

Criteria: The City's Security Policies (last updated in 2006) state that the City is responsible for protecting its technology assets against disruption thereby protecting the citizens, economy, essential human and government services, and public safety of the City. Information must be protected according to its sensitivity, criticality and value, regardless of the media on which it is stored, the manual or automated systems that process it, or the methods by which it is distributed. A written BCP/DRP should be comprehensive in scope addressing all areas and departments, covering staff roles and responsibilities, system recovery steps, data restoration procedures, and how to maintain operations. The plan should be periodically tested to ensure its effectiveness.

Condition: The City's Information Technology Services Department (ITSD) has drafted a comprehensive BCP/DRP, but it has not been fully tested. In addition, this BCP/DRP is pending final approval by the Technology Review Committee (TRC) and by City Council, at which point this plan can be fully implemented by the City.

Cause: ITSD does not have a budget to develop a hot site for recovery of critical applications and systems. The City is still working on updating its BCP/DRP.

Effect: The lack of an approved and tested BCP/DRP poses a risk to the City's ability to maintain continuity of operations and recover critical data and applications in the event of a disaster.

Auditors' Recommendations: The City should continue its process of testing the draft BCP/DRP. The draft should be presented for approval by the TRC and City Council. Once the BCP/DRP has been approved and implemented, system recovery testing should be conducted periodically to support the ongoing implementation of the BCP/DRP.

Management's Response: The City concurs with the finding. The disaster recovery plan has been completed and critical systems are currently being tested. Testing is scheduled to be complete by March 2013. Upon completion, the plan will be submitted to the Technical Review Committee and City Council for approval. The disaster recovery plan will be updated annually.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-02 Lack of Payroll Supporting Documentation (Repeated and Modified)

Criteria: Payroll disbursements should be supported by approved timesheets or other evidence of time and effort. This documentation should be maintained and available for review.

Condition: An employee in the Senior Affairs department used 34 hours of vacation leave during the pay period ended September 23, 2011. However, there was no documentation that this vacation leave was approved.

Cause: Procedures were not in place to ensure that documentation supporting vacation leave approval was maintained.

Effect: Employees could take paid vacation leave that is not approved.

Auditors' Recommendations: Strengthen existing payroll procedures to ensure that adequate support for time worked and leave taken is maintained for all payroll disbursements.

Management's Response: The City concurs with this finding. The department could not locate the backup documentation. The City will review the Rules and Regulations regarding approvals with City Department Directors and timekeepers through Payroll User Group meetings and email communications.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-05 Information Technology (IT) Policies and Procedures (Repeated and Modified)

Criteria: Policies and procedures communicate the City's expectations and controls relating to certain cycles within the City. Information technology is a significant cycle within the City and its systems, applications, and infrastructure are essential and integral to the efficiency of the City's operations. IT internal controls are important aspects of the internal controls that surround the input of financial transactions into the City's general ledger.

Condition: Documentation of several IT policies and procedures (including those related to PeopleSoft) have not been updated to address current practices and systems. The City's Information Technology Services Department (ITSD) has drafted numerous policies and procedures related to IT, but these are pending final approval by the Technology Review Committee (TRC) and by City Council.

Cause: Although the IT Department has made a great deal of improvement in the strength of IT internal controls, the lack of IT resources is hindering this continued momentum. The IT Department is staffed at minimal levels required to meet the needs of the City's computer users. In addition to implementing the new PeopleSoft ERP system, much of the IT staff time is spent in "firefighting" and daily support issues leaving little time to focus on updating IT policies and procedures.

Effect: Inadequate and/or outdated IT policies and procedures may result in security risks, security breaches, inability to hold employees accountable for activities on the network, and possible noncompliance with laws and regulations.

Auditors' Recommendations: Management should ensure that all IT policies, standards and procedures are updated and that a continuous update and review process is implemented.

Management's Response: The City concurs with this finding. The City IT policies and standards have been updated and approved by the Technical Review Committee and the Information Steering Committee as of January 2013.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-06 PeopleSoft Implementation (Repeated and Modified)

Criteria: The successful implementation and end-user acceptance of a new enterprise-wide accounting system requires extensive hands-on training within the new system. Another critical success factor is process re-engineering to ensure that legacy processes and procedures are not carried forward to the new system.

Condition: The City's implementation of the PeopleSoft ERP system is incomplete and significant issues remain unresolved. This has caused operational efficiency issues. City employees lack trust in the financial data as a result of the PeopleSoft implementation, resulting in employees developing "workarounds," and making extensive use of spreadsheets and other tools to compensate for the perceived deficiencies in the PeopleSoft ERP system. These issues impeded efficient monthly and year-end closing, and timely annual financial reporting, because multiple non-integrated systems are used in order to complete these tasks.

Cause: There was lack of employee training and process re-engineering to accommodate the PeopleSoft ERP system when it was implemented. Also, modules for accounts receivable, asset management, and financial reporting have not been installed.

Effect: Accounting and financial reporting processes are inefficient and susceptible to error.

Auditors' Recommendations: In the previous year, a third-party consultant was engaged to perform an assessment of the City's PeopleSoft ERP system implementation, and provided their final report to the City in May 2011. The City has made significant progress in researching and implementing corrective actions based on the recommendations of the consultant. The City should continue implementing the recommendations from this report to complete this project.

Management's Response: The City concurs with the finding. Early in fiscal year 2013, the City developed a solicitation for a systems integrator to assist with executing the ERP strategic roadmap. This RFP was issued in November 2012, a vendor was selected the following spring, and a contract was signed with the vendor, CherryRoad Technologies, Inc., in June 2012. Shortly thereafter the initial remediation project commenced, which focused on payroll and time & labor processes. This project was successfully completed in December 2012. Currently the integrator is assisting the City with financial remediations and implementation of Accounts Receivable, Billing, Grants Management, and Asset Management functionality. All integrator-facilitated projects are focused on process re-engineering, use of delivered functionality, migration of legacy applications to PeopleSoft, and full integration of all system modules.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-07 Lack of Backup for Key IT Personnel (Repeated and Modified)

Criteria: Technology is a rapidly changing and developing area that requires constant training to keep up with evolving technologies. As operations depend more and more on IT systems, they become increasingly complex.

Condition: Cross-training of IT personnel is limited. There are nine key positions in Information Technology Services Department for which there is no backup or replacement person. These represent “single points of human failure.” If the person in one of these key positions leaves or for any reason is unable to work, IT functionality and performance is likely to be impaired and it may fail in that area. Areas that may be affected include finance, accounts receivable, budgets, the Mayor’s office, City Clerk and the City’s public website.

Cause: Lack of IT resources and training budgets make it difficult to designate and cross-train backup personnel for key IT positions.

Effect: Loss of key IT personnel for whom there is no backup may result in essential tasks going undone or not being performed in a timely manner.

Auditors’ Recommendations: Management should identify key IT personnel and tasks for which there is no backup and cross-train other personnel in those key areas. IT personnel should keep abreast of new technologies through a structured training and cross-training program.

Management’s Response: The City concurs with the finding. The Information Technology Systems Department (ITSD) has begun the process of “one-deep” identification of key staff and functions. Where possible, we are cross-training and re-classifying positions to meet this demand. This will continue to be a challenge as we work with static budgets and do not have the ability to add staff or provide complete backup capability.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 12-01 Audit Report Due Date

Criteria: Section 2.2.2.9A (1) (d) of NMAC Audit Rule 2011, Requirements for Contracting and Conducting Audits of Agencies, requires that annual audit reports be received in the Office of the State Auditor on or before December 1st.

Condition: The fiscal year 2012 Comprehensive Annual Financial Report for the City was not submitted to the New Mexico Office of the State Auditor by the December 1, 2011 submission deadline.

Cause: The City converted their accounting system to PeopleSoft in January 2009. Certain aspects of this software did not function as needed, which created a backlog of information in the system. In many instances, this information was not accurate and created the need for an in-depth review of this information by accounting. Additionally, there are a number of standalone subsidiary ledgers maintained by individual departments that are not interfaced with the accounting system, which further complicates the reconciliation and closing process.

Effect: The City was unable to close their accounting records in a timely manner and have the records ready for the audit. The City is not in compliance with the New Mexico State Auditor Rule.

Auditors' Recommendations: The City should devote appropriate resources in gaining better functionality within the PeopleSoft accounting system in order to expedite the financial reporting close process. The City has made improvements in their reconciliation process and should continue to work diligently to update and reconcile information in this system.

Management's Response: The City concurs with this finding and is taking actions to prevent this situation in the future.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 12-02 Classification of Capital Asset Additions

Criteria: Asset additions should be correctly classified into the proper depreciable and nondepreciable asset categories.

Condition: Three of 35 capital asset additions tested were recorded in incorrect capital asset categories. The misclassified capital assets were as follows:

- Land was purchased during the year that was recorded in the buildings category.
- An airport hangar was recorded in the land category.
- Computer equipment was recorded in the improvements category.

Cause: Procedures were not in place to ensure recording in the appropriate capital asset category.

Effect: Assets were recorded in incorrect asset categories. The calculation of depreciation expense is also misstated.

Auditors' Recommendations: Establish procedures to ensure that all capital assets, including the various components of a project, are recorded in the correct asset categories and that depreciation is only being calculated for depreciable assets.

Management's Response: The City concurs with this finding. Policies and procedures have been developed to review payments posted in certain accounts that may be capital assets. Classification of capital assets is reviewed at the department level. Capitalization policies and procedures will be reviewed with the department fiscal staff to ensure proper classification of expenditures. In addition, the City is implementing the PeopleSoft Asset Management module which will improve capitalization procedures.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 12-03 Improper Capitalization of Assets

Criteria: In accordance the with the City's policy and the State of New Mexico Administrative Code, only capital assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year should be capitalized.

Condition: Three of 35 capital asset additions tested did not meet the criteria to be capitalized. Improperly capitalized items were as follows:

- Over 21,000 waste containers purchased during the year were capitalized. Their unit cost of less than \$50 does not meet the capitalization threshold of \$5,000.
- Professional services related to monitoring, repairs and maintenance of a landfill were capitalized. These services do not meet the capitalization criteria.
- An environmental assessment of an airport runway was completed during fiscal year 2012 and was capitalized. This assessment was performed to determine whether the runway should be shut down and does not meet the criteria to be capitalized.

Cause: Capital asset additions are tracked and classified by project. Once a project is completed, associated items are capitalized, sometimes without consideration of whether they meet the criteria for capitalization.

Effect: Assets were inappropriately capitalized. The calculation of depreciation expense is also misstated.

Auditors' Recommendations: Establish procedures to ensure items are only capitalized if they meet the City's criteria for capitalization.

Management's Response: The City concurs with this finding. Policies and procedures have been developed to review payments posted in certain accounts that may be capital assets. Classification of capital assets is reviewed at the department level. Capitalization policies and procedures will be reviewed with the department fiscal staff to ensure proper classification of expenditures. In addition, the City is implementing the PeopleSoft Asset Management module which will improve capitalization procedures.

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 12-04 Cash Collateralization

Criteria: In accordance with Section 6-10-17, NMSA 1978, the City is required to collateralize an amount equal to one-half of the public money on deposit at financial institutions in excess of FDIC insurance coverage of \$250,000.

Condition: At June 30, 2012, the City had uninsured bank deposits of \$83,596 at U.S. Bank. State law requires that \$41,298 be collateralized, but no collateral arrangements were in place for this deposit.

Cause: The City misclassified certain accounts as noninterest bearing accounts, and did not arrange for collateral to be pledged to secure deposits in excess of \$250,000 in these accounts.

Effect: The deposits were not collateralized appropriately, and the City was not in compliance with the cash collateralization requirements.

Auditors' Recommendations: Obtain collateral for bank deposits in excess of \$250,000 at each financial institution. This is especially important for fiscal year 2013, as the Dodd-Frank Wall Street Reform and Consumer Protection Act expires on December 31, 2012.

Management's Response: The City concurs with the finding. The City is in the process of working with Treasury to get the amount in this account collateralized appropriately.

CITY OF ALBUQUERQUE, NEW MEXICO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

Prior Audit Findings	Current Status
Financial Statement Findings	
06-16 — Operating Grants Fund Balance	Repeated
08-02 — Manual Payroll Checks Handling	Repeated
08-16 — Bank Reconciliation Process	Repeated
09-04 — Payroll – Lack of Approval for Time Adjustments	Repeated
09-15 — Timely Closing of General Ledger and Reconciliation of Subsidiary Ledgers	Repeated
09-20 — Developer Loans	Repeated
10-03 — Inaccurate Inventory Record Keeping	Repeated
FS 11-01 — Accounts Payable Controls	Repeated
FS 11-02 — Grant Accounting	Resolved
FS 11-03 — Capital Assets Records	Repeated
Federal Awards Findings	
05-13 — Timely Submission of Reports	Resolved
07-09 — Schedule of Expenditures of Federal Awards	Repeated
10-12 — Documentation of Employee Time and Effort	Repeated
FA 11-01 — Reporting	Resolved
Federal Awards Findings — continued	
FA 11-02 — Equipment and Real Property Management	Resolved
FA 11-03 — Reporting	Resolved
FA 11-04 — Matching	Resolved
FA 11-05 — Reporting	Repeated
FA 11-06 — Earmarking	Repeated
FA 11-07 — Rent Reasonableness Documentation Missing	Resolved
FA 11-08 — Incorrect Utility Allowance Payment	Resolved
Other Findings	
01-17 — Budget Overspending	Repeated

CITY OF ALBUQUERQUE, NEW MEXICO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2012

Prior Audit Findings	Current Status
09-14 — Accurate and Timely Budget to Actual Information	Repeated and combined with 01-17
07-10 — P-Card and T-Card Transactions	Resolved
08-12 — New Mexico State Public Money Law Requirements	Repeated
08-13 — Controls over Equipment Tagging	Repeated
09-21 — Refuse Disposal Accounts Receivable	Resolved
10-01 — Senior Affairs Cash Receipts	Resolved
10-04 — Reporting Unclaimed Property	Repeated
Other Findings — continued	
10-06 — Business Continuity and Disaster Recovery Plan	Repeated
10-08 — Password Policies	Resolved
SA 11-01 — Support for Cash Disbursements	Resolved
SA 11-02 — Lack of Payroll Supporting Documentation	Repeated
SA 11-03 — Classification of Transit Fund Capital Asset Additions	Resolved
SA 11-04 — Debt Compliance	Resolved
SA 11-05 — Information Technology (IT) Policies and Procedures	Repeated
SA 11-06 — PeopleSoft Implementation	Repeated
SA 11-07 — Lack of Backup for Key IT Personnel	Repeated
SA 11-08 — Timeliness of Grant Reimbursement Requests	Resolved
SA 11-09 — Component Unit Identification and Evaluation	Resolved

The City's prior year Comprehensive Annual Financial Report (CAFR) included finding numbers 09-18 and SA 11-10 which related to Bond Covenants and Capital Assets Inventory, respectively, of the Albuquerque Bernalillo County Water Utility Authority (the "Authority"). As of July 1, 2011, the Authority is considered a stand-alone special-purpose governmental entity, not a component unit of the City. Accordingly, the Authority is not included in this report, and the status of its prior year findings is presented only in its separately issued CAFR.

CITY OF ALBUQUERQUE, NEW MEXICO
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

Audit Finding	Corrective Action Plan	Person(s) Responsible	Estimated Completion Date
10-12 — Documentation of Employee Time and Effort	See management's response in the schedule of findings and questioned costs	Andrew Estocin, Associate Director – Albuquerque Housing Authority	6/30/2013
FA 11-05 — Reporting	See management's response in the schedule of findings and questioned costs	Elaine Padilla, Fiscal Manager – Family and Community Services	6/30/2013
FA 11-06 — Earmarking	See management's response in the schedule of findings and questioned costs	Elaine Padilla, Fiscal Manager – Family and Community Services	6/30/2013
FA 12-01 — Noncompliance with Timely Expenditure Requirements	See management's response in the schedule of findings and questioned costs	Elaine Padilla, Fiscal Manager – Family and Community Services	6/30/2013
FA 12-02 — Obligation of Funds	See management's response in the schedule of findings and questioned costs	Andrew Estocin, Associate Director – Albuquerque Housing Authority	6/30/2013
FA 12-03 — Project Expense Allocation/Allowable Costs	See management's response in the schedule of findings and questioned costs	Andrew Estocin, Associate Director – Albuquerque Housing Authority	6/30/2013

STATE COMPLIANCE

Schedule of Deposits And Investments By Financial Institutions

Schedule of Pledged Collateral By Financial Institutions

Joint Powers Agreements

Exit Conference

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEPOSITS AND INVESTMENTS BY FINANCIAL INSTITUTION
 June 30, 2012

Financial Institution: Account name	Type of Account	Bank Balance	Outstanding (Checks) Deposits	Book Balance
Deposits:				
Bank of Albuquerque				
Common Fund	Checking	\$ 101,150	\$ -	\$ 101,150
Water Utility Authority Water Clearing	Checking	2,853,757	-	2,853,757
		<u>2,954,907</u>	<u>-</u>	<u>2,954,907</u>
Wells Fargo Bank				
APD Evidence	Checking	\$ 1,731,363	\$ 879	\$ 1,732,242
Las Cruces Land	Savings	43,094	-	43,094
Bluewater Apartments - operating and maintenance	Checking	147,540	(18,365)	129,175
		<u>1,921,997</u>	<u>(17,486)</u>	<u>1,904,511</u>
Bank of America				
Common Fund	Checking	88,371,782	(1,074,009)	87,297,773
City Payroll	Checking	-	(91,977)	(91,977)
Water Utility Authority Payroll	Checking	-	(870,731)	(870,731)
City Accounts Payable	Checking	-	(6,535,806)	(6,535,806)
Water Utility Authority Accounts Payable	Checking	-	(1,729,110)	(1,729,110)
Real Property	Checking	350	(350)	-
Legal Department	Checking	619	71,227	71,846
Employee Health Services	Checking	1,522	(515)	1,007
Housing Authority - Public Housing	Checking	6,017,412	(21,785)	5,995,627
Housing Authority - Section 8	Checking	3,720	(39,842)	(36,122)
Housing Authority - Modernization	Checking	-	-	-
Housing Authority - Section 8	Checking	116,383	-	116,383
Housing Authority - Public Housing FSS	Checking	29,178	-	29,178
		<u>94,540,966</u>	<u>(10,292,898)</u>	<u>84,248,068</u>
New Mexico Bank & Trust (all related to The Apartments Fund)				
Candelaria Gardens - Tenant security deposits	Checking	2,317	-	2,317
Santa Barbara - Tenant security deposits	Checking	1,303	-	1,303
Tucson - Tenant security deposits	Checking	1,206	-	1,206
Manzano Vista-Tenant security deposits	Checking	29,841	-	29,841
Glorieta-Tenant security deposits	Checking	4,233	-	4,233
Beach-Tenant security deposits	Checking	15,657	-	15,657
Bluewater-Tenant security deposits	Checking	44,670	-	44,670
Manzano Vista- Operating and maintenance	Checking	78,274	(31,830)	46,444
Santa Barbara - Operating and maintenance	Checking	2,132	(2,040)	92
Tucson - Operating and maintenance	Checking	28,247	(303)	27,944
Beach - Operating and maintenance	Checking	81,576	(10,402)	71,174
Candelaria Gardens - Operating and maintenance	Checking	94,725	(610)	94,115
Glorieta - Operating and maintenance	Checking	99,030	(2,463)	96,567
Candelaria Gardens - Property reserve	Checking	104,216	-	104,216
Glorieta - Property reserve	Checking	45,995	-	45,995
Tucson - Property reserve	Checking	66,135	-	66,135
Santa Barbara - Property reserve	Checking	44,442	-	44,442
FCSD property management trust	Checking	161,164	(16)	161,148
		<u>905,163</u>	<u>(47,664)</u>	<u>857,499</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEPOSITS AND INVESTMENTS BY FINANCIAL INSTITUTION
 June 30, 2012

Financial Institution: Account name	Type of Account	Bank Balance	Outstanding (Checks) Deposits	Book Balance
Deposits continued:				
US Bank				
APD SID	Checking	\$ 70,556	(25,465)	45,091
APD SID	Checking	262,039	\$ -	262,039
APD SID	Checking	370,221	-	370,221
		<u>702,816</u>	<u>(25,465)</u>	<u>677,351</u>
Bank of the West				
Money Market Account	Checking	262,060,065	(60,065)	262,000,000
Total deposit accounts		<u>363,085,914</u>	<u>(10,443,578)</u>	<u>352,642,336</u>
Investments:				
Bank of America				
Working Capital Account	Investment	353,452,371	12,937	353,465,308
Short-Term Investment Account (Repurchase Agreement)	Investment	77,000,000	-	77,000,000
Short-Term Investment Account (Repurchase Agreement)	Investment	7,805,535	-	7,805,535
State of New Mexico				
Local Government Investment Pool				
LGIP Fund Pool-4101	Investment	8,032,095	-	8,032,095
LGIP Fund Pool-4102	Investment	134,524	(134,524)	-
LGIP Fund Pool-4102	Investment	3,886	-	3,886
Wells Fargo Trust in Denver, Colorado				
U.S. Treasury Money Market Fund	Investment	1,388,961		1,388,961
U.S. Treasury Money Market Fund	Investment	500,613		500,613
U.S. Treasury Money Market Fund	Investment	496,592	-	496,592
U.S. Treasury Money Market Fund	Investment	451,683	-	451,683
Total investments		<u>449,266,260</u>	<u>(121,587)</u>	<u>449,144,673</u>
Total cash and investments		<u>\$ 812,352,174</u>	<u>\$ (10,565,165)</u>	<u>\$ 801,787,009</u>
Imprest cash not in bank				27,060
Accrued interest investment fund				729,136
Cash with NMFA				6,102,948
Pooled cash with related organization				(74,798,127)
Fiduciary cash				(6,006,026)
Cash and Investments on Statement of Net Assets				<u>\$ 727,842,000</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL BY FINANCIAL INSTITUTION
June 30, 2012

The collateral for deposit accounts is as follows:

Financial Institution Collateral Description	Original Face	Current Face	Current Market	Maturity Date	Coupon Rate
Bank of the West					
GNMA G2 4882	\$ 1,500,000	\$ 1,332,307	\$ 1,459,343	12/20/2040	4.00%
GNMA G2 5202	30,350,787	29,501,298	31,585,938	10/20/2041	3.50%
GNMA GN 770469	51,000,000	47,542,448	52,129,939	07/15/2041	4.00%
GNMA G2 5202	52,500,000	51,030,575	54,636,532	10/20/2041	3.50%
FNMA FN MA0654	50,000,000	37,174,320	39,280,399	02/01/2021	3.50%
GNMA GN 727469	35,500,000	33,175,868	36,377,091	09/15/2041	4.00%
GNMA G2 82760	16,000,000	14,810,858	15,408,767	03/20/2041	2.50%
GNMA G2 4945	13,300,000	11,973,547	13,115,228	02/20/2041	4.00%
GNMA GN 727469	8,600,000	8,036,971	8,812,478	09/15/2041	4.00%
GNMA G2 4945	5,900,000	5,311,573	5,818,033	02/20/2041	4.00%
GNMA GN 727469	1,600,000	1,495,250	1,639,531	09/15/2041	4.00%
GNMA GN 738970	3,600,000	3,440,819	3,676,616	11/15/2026	3.50%
	<u>\$ 269,850,787</u>	<u>\$ 244,825,834</u>	<u>\$ 263,939,895</u>		

Location of collateral: Bank of the West, Walnut Creek, CA

New Mexico Bank & Trust					
GNMA Pool 658185 SF CRA Qualified	\$ 400,000	\$ 266,468	\$ 292,534	06/15/2040	4.50%

Location of collateral: Heartland Financial USA, Dubuque, IA

Total all banks \$ 264,232,429

The collateral for repurchase agreements is as follows:

Financial Institution Collateral Description	Original Face	Current Face	Current Market	Maturity Date	Coupon Rate
Bank of America					
City of Albuquerque Common Fund US Treasury Note Y17	\$ 77,700,800	\$ 77,000,000	\$ 78,540,095	04/30/2017	0.88%
	<u>\$ 77,700,800</u>	<u>\$ 77,000,000</u>	<u>\$ 78,540,095</u>		

102% collateral requirement 78,540,000

Collateral in excess (deficit) of requirement \$ 95

Location of collateral: Bank of New York Mellon, New York, N.Y.

The market value shown of the pledged collateral for the common fund repurchase agreement is as of the time of purchase on 6/30/2012.

Bank of America					
Housing Authority					
Gov Natl Mtg Assoc	\$ 6,561,388	\$ -	\$ 7,354,069	04/20/2041	4.50%
Fed Natl Mtg Assoc	542,087		\$ 607,577	02/20/2041	4.50%
	<u>\$ 7,103,475</u>	<u>\$ 7,805,535</u>	<u>\$ 7,961,646</u>		

102% collateral requirement 7,961,646

Collateral in excess (deficit) of requirement \$ -

Location of collateral: Bank of America, N.A., Charlotte, N.C.

All pledged collateral is held in the city's name at each financial institution.

Directed trades (portfolio investment purchases) are held at the Federal Reserve Bank, Richmond, Virginia in an account separate from the account where the collateral for the common fund repurchase agreement is held.

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2012

<u>Joint Powers Agreements</u>	<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>
City County Building CCN 88-0161	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	For the ownership, care, control, improvement, operation and maintenance of the jointly held City/County Building
Law Enforcement Center CCN 86-0063 & CCN 88-0161	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	For the ownership, care, control, improvement, operation and maintenance of the jointly Law Enforcement Center
Middle Rio Grande Conservancy District	City of Albuquerque and MRGCD	City of Albuquerque and the MRGCD	Blanket permit for discharges of storm runoff to the Alameda/Riverside Drain system and fees for operation and maintenance
N.M. State Highway & Transportation Department / Municipal Development CCN 200101280.5 / J00671	City of Albuquerque and the NM State Highway and Transportation Department	City of Albuquerque	Bicycle Travel Demand Management Program
Wildland Protection Equipment and Supplies	New Mexico Energy, Minerals and Natural Resources Department, City of Albuquerque	All Participants	Wildland Protection Equipment and Supplies
Health and Dental CCN 200900183	City of Albuquerque/ Human Resources/ Benefits and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Employee dental benefits program for eligible employees
City of Belen Health and Dental CCN 200900653	City of Albuquerque/ Human Resources/ Insurance and the City of Belen	City of Albuquerque and the City of Belen	Employee dental benefits program for eligible employees
County of Sandoval Health and Dental CCN 200900655	City of Albuquerque/ Human Resources/ Insurance and the County of Sandoval	City of Albuquerque and the County of Sandoval	Employee dental benefits program for eligible employees
Middle Rio Grande Conservancy District CCN 200900656	City of Albuquerque/ Human Resources/ Insurance and the MRGCD	City of Albuquerque and the MRGCD	Employee health benefits program for eligible employees
Southern Sandoval County Arroyo Flood Control Authority Health & Dental CCN 200900657	City of Albuquerque/ Human Resources/ Insurance and SSCAFCA	City of Albuquerque and the SCAFCA	Employee health benefits program for eligible employees
Town of Bernalillo Health and Dental CCN 200900658	City of Albuquerque/ Human Resources/ Insurance and the Town of Bernalillo	City of Albuquerque and the Town of Bernalillo	Employee health benefits program for eligible employees

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
12/28/88	Indefinite	Not specified	\$720,950	City of Albuquerque/and the County of Bernalillo
08/05/86	Ongoing until terminated by a 6-month notice	Not specified	Varies yearly	City of Albuquerque/and the County of Bernalillo
04/21/88	Ongoing	Amount varies each year based on the original agreement and the current Consumer Price Index.	\$214,853	N/A
04/20/00	09/30/14	\$1,775,000	\$58,487	City of Albuquerque
07/01/10	10-Day Notice	N/A	N/A	All Parties
07/01/03	06/30/12	\$65,000	\$65,000	N/A
07/01/06	06/30/12	\$1,837	\$1,837	N/A
07/01/03	06/30/12	\$14,510	\$14,510	N/A
07/01/03	06/30/12	\$6,350	\$6,350	N/A
07/01/06	06/30/12	\$740	\$740	N/A
07/01/03	06/30/12	\$1,837	\$1,837	N/A

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2012

<u>Joint Powers Agreements</u>	<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>
Town of Cochiti Lake Health and Dental CCN 200900659	City of Albuquerque/ Human Resources/ Insurance and the Town of Cochiti Lake	City of Albuquerque and the Town of Cochiti Lake	Employee health benefits program for eligible employees
Town of Mountainair Health and Dental CCN 200900661	City of Albuquerque/ Human Resources/ Insurance and the Town of Mountainair	City of Albuquerque and the Town of Mountainair	Employee health benefits program for eligible employees
Village of Corrales Health and Dental CCN 200900663	City of Albuquerque/ Human Resources/ Insurance and the Village of Corrales	City of Albuquerque and the Village of Corrales	Employee health benefits program for eligible employees
Village of Cuba Health and Dental CCN 200900664	City of Albuquerque/ Human Resources/ Insurance and the Village of Cuba	City of Albuquerque and the Village of Cuba	Employee health benefits program for eligible employees
Village of Los Ranchos Health and Dental CCN 200900665	City of Albuquerque/ Human Resources/ Insurance and the Village of Los Ranchos	City of Albuquerque and the Village of Los Ranchos	Employee health benefits program for eligible employees
Village of San Ysidro Health and Dental CCN 200900666	City of Albuquerque/ Human Resources/ Insurance and the Village of San Ysidro	City of Albuquerque and the Village of San Ysidro	Employee health benefits program for eligible employees
Village of Tijeras Health and Dental CCN 200900668	City of Albuquerque/ Human Resources/ Insurance and the Village of Tijeras	City of Albuquerque and the Village of Tijeras	Employee health benefits program for eligible employees
Village of Bosque Farms Health and Dental CCN 200900662	City of Albuquerque/ Human Resources/ Insurance and the Village of Bosque Farms	City of Albuquerque and the Village of Bosque Farms	Employee health benefits program for eligible employees
N.M. Department of Transportation / J00131	N.M. Department of Transportation and City of Albuquerque	N.M. Department of Transportation and City of Albuquerque	Bicycle/Pedestrian safety program
NM Dept of Transportation/D13721/A300722	N.M. Department of Transportation and City of Albuquerque	N.M. Department of Transportation and City of Albuquerque	AMPA Wide Bicycle Education Program for Adults
NM Dept of Transportation/D13742/A300712	N.M. Department of Transportation and City of Albuquerque	N.M. Department of Transportation and City of Albuquerque	AMPA Wide Bicycle Education Program for Youths
US Dept of Interior/National Park Service/P12AC00212	National Park Service and City of Albuquerque	National Park Service	Engage Youth in healthy outdoor activities
Metropolitan Criminal Justice / CCN 2003-0385	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Provides criminal justice services to deter, and prevent crime in the community

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
07/01/06	06/30/12	\$650	\$650	N/A
07/01/06	06/30/12	\$1,837	\$1,837	N/A
07/01/03	06/30/12	\$2,750	\$2,750	N/A
07/01/03	06/30/12	\$1,837	\$1,837	N/A
07/01/03	06/30/12	\$770	\$770	N/A
07/01/06	06/30/12	\$600	\$600	N/A
07/01/03	06/30/12	\$1,010	\$1,010	N/A
07/01/03	06/30/12	\$1,700	\$1,700	N/A
05/04/95	09/30/14	\$466,666	\$22,130	N.M. Department of Transportation
01/27/12	09/30/16	\$160,000	-	N.M. Department of Transportation
05/31/12	09/30/16	\$80,000	-	N.M. Department of Transportation
04/25/12	04/25/13	\$25,295	-	National Park Service
07/01/03	90-day notice	Not specified	-	City of Albuquerque, County of Bernalillo, DFA, State Auditor

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2012

<u>Joint Powers Agreements</u>	<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>
Conduct of Community Programs on Aging CCN 1995-0739	City of Albuquerque/ Village of Los Ranchos/Village of Tijeras/ and the County of Bernalillo	City of Albuquerque	Provide programs and services to older residents through a centralized system of administration
Eminent domain powers CCN 2004-0692	Albuquerque Bernalillo County Water Utility Authority (ABCWUA)/Bernalillo County/ City of Albuquerque (CoA)	All Participants	City, County & Authority have right-of-way eminent domain powers
Unified Library System CCN 93-0516, 2003-0589 & 2006-0421	City of Albuquerque, the County of Bernalillo, Village of Tijeras, and Village of Los Ranchos	City of Albuquerque and the County of Bernalillo	Provide well-balanced collections of books and other media for residents
Unified Library System - Fiscal Year 2012	City of Albuquerque, Bernalillo County	City of Albuquerque and the County of Bernalillo	Operations of the County portion of the Unified Library System
City County Building	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Annual budget for the ownership, care, custody, control, improvement operation and maintenance of the City/County Building and Law Enforcement Center
Bernalillo County	City of Albuquerque, Bernalillo County	City of Albuquerque	Household Hazardous Waste Collection Program
Bernalillo County	City of Albuquerque, Bernalillo County	City of Albuquerque	Insect, Rodent Control and Plague Surveillance Programs
Fire Inspections	State Fire Marshal's Office, City of Albuquerque, Albuquerque Public Schools	City of Albuquerque	Fire Inspections
Use of 1995 Fire Engine w/single stage pump	City of Albuquerque, Village of Fort Sumner, New Mexico	All Participants	Use of 1995 Fire Engine w/single stage pump
Bernalillo County	City of Albuquerque, Bernalillo County	City of Albuquerque	Metropolitan Traffic Court Arraignment Program
Bernalillo County	City of Albuquerque, Bernalillo County	City of Albuquerque, Bernalillo County	Data-sharing between County Assessor and City of Albuquerque

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
11/13/95	90-day Notice	Not specified	Unknown	City of Albuquerque
09/22/04	Indefinite	Not specified	Unknown	All Parties
04/29/91	90 Day Notice	Not specified	Not specified	City of Albuquerque and the County of Bernalillo
07/01/11	06/30/12	\$1,452,201	\$1,452,201	City of Albuquerque and the County of Bernalillo
07/01/11	06/30/12	\$861,878	\$861,878	N/A
07/01/10	06/30/12	\$108,000	\$108,000	N/A
07/01/10	06/30/12	\$141,000	\$141,000	N/A
09/12/06	06/30/11	N/A	N/A	N/A
08/06/04	06/30/14	N/A	N/A	N/A
12/17/02	Until terminated in writing	\$30,000 yearly	\$30,000	N/A
12/16/04	Until terminated in writing	Not specified	Unknown	N/A

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2012

**Memorandums of
Understanding & Other
Agreements**

	<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>
Joint Metropolitan Forensic Science Center (MFSC) CCN 1999-0226, CCN 2005-0688	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Maintain and manage a joint crime laboratory for the processing, analysis and secured storage of evidence
Bus Services/Sun Van	City of Albuquerque/ Transit/and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Perform Transit and Sun Van service.
Solid Waste/Landfill	City of Albuquerque and the County of Bernalillo	County of Bernalillo	Provide assistance with solid waste disposal/recycling and clean up of the City landfill
Regional 800 MHz Digital Trunked Radio System	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Radio communication service
Animal Housing	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Provide shelter for stray and endangered dogs and cats
Original Agreement	CoA/ABCWUA	All Participants	Full scope of the understanding between the City, and services to be provided by each party upon the Authority acquiring all the powers necessary to operate a public water and wastewater utility
First Amendment 2008-0045	CoA/ABCWUA	All Participants	Provides the City's Solid Waste Department or other City agency with the use of the Authority's billing and collection system based upon a mutually agreed cost
Third Amendment 2009-0021	CoA/ABCWUA	All Participants	Provide a practical mechanism for the review and identification of real property transferred from the City to the Authority by operation of law so that the City can convey record title to the Authority
Extension of Time 2008-0045	City of Albuquerque	All Participants	Extension of time only, no change in scope of services
2008-0046	CoA, Fire Dept./ABCWUA	All Participants	The City will paint up to 3,187 fire hydrants per year at a cost of \$8 per hydrant for an annual cost to the Authority not to exceed \$25,500

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
12/11/09	4 years or until cancelled	\$12,000,000	\$707,178	City of Albuquerque
07/01/07	July 1, 2008 or until subsequent agreement is executed by parties.	Based on routes / usage	\$2,026,416	N/A
05/25/10	6/30/12 or 30 days written notice	\$300,000 annually	\$81,286	N/A
10/21/97	Ongoing or does not exceed 25 years from the date of final execution	Not specified	\$102,230	N/A
07/01/11	180 Day Written Notice	Not specified	\$807,217	All Parties
07/01/07	06/30/12	N/A	N/A	All Parties
07/01/07	06/30/12	N/A	N/A	All Parties
09/16/08	06/30/12	N/A	N/A	All Parties
7/1/2012	6/30/2013	NA	NA	All Parties
08/10/07	Terminated by either party with a six month written notice	\$25,500 per year	Unknown	All Parties

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2012

Memorandums of Understanding & Other Agreements

<u>2008-0076</u>	<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>
	CoA, Parks & Recreation Dept./Fire Dept./ABCWUA	All Participants	Landscaping and irrigation system improvements to be made by the Authority along Campbell Road and the Rio Grande Compound made necessary by damages from the San Juan Chama drinking water project and the Parks and Recreation Department agreement to provide yearly maintenance of such improvements
2008-0151	CoA, Office of Emergency Management/ABCWUA	All Participants	Allows the use of the Authority's facilities at Pino Yards on a no notice basis as an alternate emergency operations facility in the event the primary emergency operations facility is unavailable
2009-0132	ABCWUA	All Participants	The Authority agrees to reimburse the City for low flow toilets and urinals purchased, retrofitted and installed by the City in City facilities
2010-0117	CoA, Parks and Recreation Department, Black Cattle Ranch LLC, Quail Ranch/ABCWUA	All Participants	Bio solids assisted sustainable grazing study on City of Albuquerque Open Space land and on land leased by Black Cattle Ranch LLC from Quail Ranch
2011-0137	ABCWUA	All Participants	Conditions and terms for the Authority requesting barricade and excavation permits and the fees to be charged for such
2012-0020	ABCWUA	All Participants	Requires the City Fire Department and the Authority to perform various inspection and maintenance services on public fire hydrants and the Authority will map in its GIS system all public and private fire hydrants
2011-0111	CoA, Solid Waste Dept./ABCWUA	All Participants	Use of non-potable water from storage tank at the Metropolitan Detention Center for dust control at the Cerro Colorado landfill operated by the City Solid Waste Department

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
12/06/07	12/31/50	\$103,530	-	All Parties
04/30/08	12/31/50	N/A	N/A	All Parties
04/01/09	04/01/13	\$156,825	-	All Parties
03/16/10	02/28/13	N/A	N/A	All Parties
04/12/11	06/30/12	N/A	N/A	All Parties
08/10/11	08/10/16	N/A	N/A	All Parties
05/02/11	12/31/60	N/A	N/A	All Parties

CITY OF ALBUQUERQUE, NEW MEXICO
EXIT CONFERENCE
June 30, 2012

An exit conference was held on February 8, 2013, and attended by the following:

City Personnel:

Michael Cook
City Council District 7

Lou Hoffman
Director of Finance and Administrative Services

Pamela Berry
Accounting Officer

Jesse Muniz
Assistant Accounting Officer

Mari Hughes
Accounting Manager

Amanda Vigil
Grants Administrator

Stephanie Yara
City Council Policy Analyst II

Nela Wilkinson
Accounting Systems Coordinator

Denise Ortiz
Senior Principal Accountant

Cilia Aglialoro
City Treasurer

Susan Biernacki
Asst. City Treasurer/Asst. City Attorney

REDW, LLC Personnel:

Bruce Bleakman
Principal

Joshua Trujillo
Senior Manager

Stephen Montoya
Senior Manager

Danny Martinez
Manager

The City of Albuquerque acknowledges its continuing commitment to protecting individuals rights and privileges. In accordance with this commitment, the City prohibits Discrimination in the operations of Government on the basis of race, color, religion, national origin or ancestry, physical/mental disability, age, gender, Vietnam era or disabled Veteran status, marital status, sexual orientation, pregnancy or medical condition.

