



*State of New Mexico
City of Bloomfield
Annual Financial Report
June 30, 2013*



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INTRODUCTORY SECTION

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City of Bloomfield
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For the Year Ended June 30, 2013

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STATE OF NEW MEXICO

City of Bloomfield

Official Roster

June 30, 2013

<u>Name</u>	<u>City Council</u>	<u>Title</u>
Scott Eckstein		Mayor
Elwin Roark		City Councilor
Pat Lucero		City Councilor
Matt Pennington		City Councilor
Curtis Lynch		City Councilor
	<u>Administration</u>	
David Fuqua		City Manager
Jamie Turrentine		City Clerk
Brad Ellsworth		Finance Director

FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
Scott Eckstein, Mayor
City Council Members
City of Bloomfield
Bloomfield, New Mexico

Report on Financial Statements

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 for the general fund of the City of Bloomfield, New Mexico (the "City"), as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the financial statements for each of the City's nonmajor governmental funds and the respective budgetary comparisons for the proprietary funds, the major capital projects fund, the major debt service fund, and all nonmajor governmental funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Bloomfield, as of June 30, 2013, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material aspects, the respective financial position of each nonmajor governmental fund as of June 30, 2013, and the respective changes in financial position thereof and the respective budgetary comparisons for the proprietary funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the governmental budget comparisons referred to above present fairly, in all material respects, the respective budgetary basis of accounting as prescribed in the New Mexico Administrative Code, as more fully described in Note 2 to the financial statements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10 through 18 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the City's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The introductory section and Supporting Schedules I through III required by 2.2.2 NMAC are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The Supporting Schedules I through III required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supporting Schedules I through III required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
December 2, 2013

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2013

As management of City of Bloomfield, we offer readers of City of Bloomfield financial statements this narrative overview and analysis of the financial activities of City of Bloomfield for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the financial statements of City of Bloomfield and additional information provided.

FINANCIAL HIGHLIGHTS

- The assets of City of Bloomfield exceeded its liabilities at the close of the most recent fiscal year by \$32,327,397 (*net position*). Of this amount, \$3,146,440 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$742,602 during the fiscal year. This increase is due partly to an increase in capital grant revenue of \$355,058 in the Joint Utility Fund, and also due to a decrease in operating expenditures of \$196,499 in the Joint Utility Fund.
- As of June 30, 2013, the City's governmental funds reported combined ending net position of \$21,343,824. Of this total, \$18,251,836 represents the City's investment in capital assets, net of any outstanding debt issued to pay for the assets.
- At the close of the current fiscal year, unassigned fund balance for the general fund was \$1,199,604, or 17 percent of total general fund expenditures.
- The City's total debt decreased by \$1,242,186 during the current fiscal year. This decrease was mainly due to the principal payments that came due and were paid during the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to City of Bloomfield's basic financial statements. City of Bloomfield's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of City of Bloomfield's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of City of Bloomfield's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of City of Bloomfield is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of City of Bloomfield that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of City of Bloomfield include general government, public safety, public works, culture and recreation, and health and welfare. The business-type activities of the City include Joint Utility and Solid Waste Services.

The government-wide financial statements can be found at Exhibits A-1 and A-2 of this report.

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Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. City of Bloomfield, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Bloomfield can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. 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 statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains thirty individual governmental funds organized according to their type (special revenue, debt service and capital projects). Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Street Maintenance Capital Projects Fund, and G.O. Bond Fund, which are considered to be major funds. Data from the other twenty-seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, Special Street Maintenance Capital Projects Fund, G.O. Bond Fund, and all other funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. In addition, the individual financial statements of the nonmajor governmental fund types include budgetary comparison data.

The basic governmental fund financial statements can be found at Exhibits B-1 through C-1 of this report.

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 one type of proprietary fund:

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 joint utility and solid waste operations of the City. The enterprise funds are considered to be major funds of the City and can be found at Exhibits D-1 through D-3 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support City of Bloomfield's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

City of Bloomfield fiduciary funds account for the collection of motor vehicle fees and their remittance to other governmental agencies.

The basic fiduciary fund financial statement can be found at Exhibit E-1 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36-65 of this report.

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Combining statements. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 72-83 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Bloomfield, assets exceeded liabilities by \$32,327,397 at the close of the current fiscal year.

The significant portion of the City of Bloomfield's net position represents the City's investment of \$27,761,400 in capital assets (e.g., land improvements, buildings, infrastructure and machinery & equipment), less any related outstanding debt used to acquire those assets. City of Bloomfield uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although City of Bloomfield's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF BLOOMFIELD'S NET POSITION

	June 30, 2013			June 30, 2012		
	Governmental Activities	Business-Type Activites	Total	Governmental Activities	Business-Type Activites	Total
Assets						
Current and other assets	\$ 2,719,153	\$ 1,656,134	\$ 4,375,287	\$ 2,589,931	\$ 1,949,427	\$ 4,539,358
Restricted cash and cash equivalents	895,581	819,446	1,715,027	1,015,185	1,563,743	2,578,928
Bond issuance costs	138,818	57,539	196,357	146,761	61,619	208,380
Capital assets, net of accumulated depreciation	<u>28,660,630</u>	<u>17,639,794</u>	<u>46,300,424</u>	<u>29,429,895</u>	<u>17,556,366</u>	<u>46,986,261</u>
Total Assets	<u>32,414,182</u>	<u>20,172,913</u>	<u>52,587,095</u>	<u>33,181,772</u>	<u>21,131,155</u>	<u>54,312,927</u>
Liabilities						
Long-term liabilities outstanding	9,942,552	7,906,676	17,849,228	10,580,820	8,427,937	19,008,757
Other liabilities	<u>1,127,806</u>	<u>1,282,664</u>	<u>2,410,470</u>	<u>1,075,606</u>	<u>2,643,769</u>	<u>3,719,375</u>
Total Liabilities	<u>11,070,358</u>	<u>9,189,340</u>	<u>20,259,698</u>	<u>11,656,426</u>	<u>11,071,706</u>	<u>22,728,132</u>
Net Position						
Net investment in capital assets	18,251,836	9,509,564	27,761,400	18,337,441	8,493,780	26,831,221
Restricted	1,419,557	-	1,419,557	1,684,089	-	1,684,089
Unrestricted	<u>1,672,431</u>	<u>1,474,009</u>	<u>3,146,440</u>	<u>1,503,816</u>	<u>1,565,669</u>	<u>3,069,485</u>
Total Net Position	<u>21,343,824</u>	<u>10,983,573</u>	<u>32,327,397</u>	<u>21,525,346</u>	<u>10,059,449</u>	<u>31,584,795</u>
Total Liabilities and Net Position	<u>\$ 32,414,182</u>	<u>\$ 20,172,913</u>	<u>\$ 52,587,095</u>	<u>\$ 33,181,772</u>	<u>\$ 21,131,155</u>	<u>\$ 54,312,927</u>

A portion of the City of Bloomfield's governmental net position (7 percent) represents resources that are subject to restrictions. The restrictions relate to covenants provided by the City's long-term debt issuance and capital projects. The remaining balance of *unrestricted net position*, \$1,672,431, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Bloomfield is able to report positive balances in all three categories of net position, for the government as a whole as well as for the business-type activities, as a whole.

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City of Bloomfield
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Analysis of Changes in Net Position

The City's net position overall increased by \$742,602 during the current fiscal year. These increases are explained in the government and business-type activities discussion below.

**Changes in Net Position
For the Year Ended June 30, 2013**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Revenues			
Program revenues:			
Charges for services	\$ 1,059,054	\$ 4,356,374	\$ 5,415,428
Operating grants and contributions	480,776	-	480,776
Capital grants	32,674	760,407	793,081
General revenues:			
Property taxes	840,988	-	840,988
Gross receipts taxes	6,582,594	-	6,582,594
Gasoline and motor vehicle taxes	254,484	-	254,484
Franchise taxes	289,994	-	289,994
Cigarette and lodger's taxes	59,054	-	59,054
Miscellaneous revenue	13,669	2,526	16,195
Unrestricted investment earnings	<u>3,046</u>	<u>1,563</u>	<u>4,609</u>
Total revenues	<u>9,616,333</u>	<u>5,120,870</u>	<u>14,737,203</u>
Expenses			
General government	2,427,780	-	2,427,780
Public safety	4,409,029	-	4,409,029
Public works	1,076,042	-	1,076,042
Culture and recreation	1,029,551	-	1,029,551
Health and welfare	357,829	-	357,829
Interest and other charges	535,087	-	535,087
Joint utility and solid waste	<u>-</u>	<u>4,159,283</u>	<u>4,159,283</u>
Total expenses	<u>9,835,318</u>	<u>4,159,283</u>	<u>13,994,601</u>
Increase (decrease) in net position before transfers	<u>(218,985)</u>	<u>961,587</u>	<u>742,602</u>
Transfers	<u>37,463</u>	<u>(37,463)</u>	<u>-</u>
Increase (decrease) in net position	(181,522)	924,124	742,602
Net position, beginning of year	<u>21,525,346</u>	<u>10,059,449</u>	<u>31,584,795</u>
Ending net position	<u>\$ 21,343,824</u>	<u>\$ 10,983,573</u>	<u>\$ 32,327,397</u>

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Changes in Net Position
For the Year Ended June 30, 2012

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Revenues			
Program revenues:			
Charges for services	\$ 1,173,634	\$ 4,248,946	\$ 5,422,580
Operating grants and contributions	419,055	-	419,055
Capital grants	134,937	405,349	540,286
General revenues:			
Property taxes	815,292	-	815,292
Gross receipts taxes	6,216,998	-	6,216,998
Gasoline and motor vehicle taxes	219,669	-	219,669
Franchise taxes	292,424	-	292,424
Cigarette and lodger's taxes	57,443	-	57,443
Miscellaneous revenue	23,123	2,907	26,030
Unrestricted investment earnings	3,643	2,392	6,035
Total revenues	<u>9,356,218</u>	<u>4,659,594</u>	<u>14,015,812</u>
Expenses			
General government	2,325,476	-	2,325,476
Public safety	4,065,764	-	4,065,764
Public works	1,061,239	-	1,061,239
Culture and recreation	1,026,693	-	1,026,693
Health and welfare	358,225	-	358,225
Interest and other charges	570,343	-	570,343
Joint utility and solid waste	-	4,355,782	4,355,782
Total expenses	<u>9,407,740</u>	<u>4,355,782</u>	<u>13,763,522</u>
Increase (decrease) in net position before transfers	<u>(51,522)</u>	<u>303,812</u>	<u>252,290</u>
Transfers	<u>(38,375)</u>	<u>38,375</u>	<u>-</u>
Increase (decrease) in net position	(89,897)	342,187	252,290
Net position, beginning of year	<u>21,615,243</u>	<u>9,717,262</u>	<u>31,332,505</u>
Ending net position	<u>\$ 21,525,346</u>	<u>\$ 10,059,449</u>	<u>\$ 31,584,795</u>

Governmental activities. Governmental activities decreased City of Bloomfield's net position by \$181,522 in FY 2013 as opposed to a decrease of \$89,897 in FY 2012. The key elements of this decrease are as follows:

- The City's expenses increased by \$427,578 or 5% due mainly to increases in payroll and capital spending.
- The increase in expenses was offset by an increase in gross receipts taxes of \$365,596 or 6% over last fiscal year.
- Capital grants decreased by \$102,263 or 76% from last fiscal year. This was due to not starting any new grant funded projects in the current fiscal year.
- Charges for services revenue decreased by \$114,580 or 10% due mainly to a decrease in court fines and corrections fees.

Business-type activities. Business-type activities increased the City's net position by \$924,124. Total business type revenues increased by \$461,276 or 10% from last fiscal year due mainly to an increase in grant revenues for capital projects.

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FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, City of Bloomfield uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of City of Bloomfield's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing City of Bloomfield's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of Governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

Revenues for governmental functions overall totaled \$9,951,237 in the fiscal year ended June 30, 2013, which represents an increase of \$571,270 from the fiscal year ended June 30, 2012. This is largely due to an increase in gross receipts tax of \$365,596. Additionally, federal capital grants increased by \$347,994. This increase was due to the receipt of grant funding that had been receivable since FY 2011 but had been deferred on the balance sheet due to not being available for current expenditures until FY 2013. Expenditures for governmental functions, totaling \$9,727,424, decreased by \$1,114,705 from the fiscal year ended June 30, 2012. This decrease was mainly in debt service expenditures. In FY 2012, a \$2 million loan on the fire station was refinanced and the payoff of the old loan was reported in debt service expenditures. This decrease was offset by an increase of \$353,369 mainly in personnel expenditures. In the fiscal year ended June 30, 2013, revenues for governmental functions exceeded expenditures by \$223,813. Overall, fund balances for governmental functions increased by \$267,183.

The General Fund is the chief operating fund of City of Bloomfield. At the end of the current fiscal year, *unassigned* fund balance of the general fund was \$1,199,604.

The fund balance of the City's general fund decreased by \$46,345 during the current fiscal year. There was an excess of revenues over expenditures of \$875,637, but this was offset by transfers to other funds of \$940,011 for debt service and street maintenance expenditures.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

At the end of the fiscal year, the unrestricted net position for enterprise funds was \$1,474,009. The total increase in net position for the enterprise funds was \$924,124. Factors concerning the finances of this fund have been addressed previously in the discussion of the City's business-type activities.

Fiduciary Funds. The City maintains fiduciary funds for the assets of the Motor Vehicle Division for the State of New Mexico. Changes to the fiduciary funds were immaterial for the fiscal year.

General Fund Budgetary Highlights

City budgets reflect the same pattern as seen in the revenue and expenditures of the City. The State of New Mexico budget process is defined under state law and regulation. To enhance the process of developing a budget at the City level, City of Bloomfield utilizes goals and objectives defined by the City Council, community input meetings, long term plans and input from various staff groups to develop the City budget. City priorities are well defined through this process.

GASB Statement No. 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2013

The following table examines the summary budget performance of the general fund for the fiscal year ending June 30, 2013. Detailed budget performance is examined through the Statement of Revenues, Expenditures, and Changes in Fund Balance for the general fund found at Exhibit C-1. The City's final budget differs from the original budget due to budget increases and decreases that were made during the fiscal year. Net budget increases in the general fund totaled \$45,500 for expenditures. This adjustment was necessary due mainly to expenditures on animal control that were not expected at the beginning of the fiscal year. Actual general fund expenditures were \$31,973 more than the final budget amount (unfavorable variance).

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>	(Non-GAAP	<u>Favorable</u>
			Budgetary	<u>(Unfavorable)</u>
			Basis)	<u>Final to Actual</u>
<i>Expenditures:</i>				
Current:				
General government	\$ 2,146,644	\$ 2,156,144	\$ 2,109,548	\$ 46,596
Public safety	3,656,928	3,692,928	3,770,677	(77,749)
Culture and recreation	885,245	885,245	852,108	33,137
Health and welfare	322,452	322,452	332,771	(10,319)
Capital outlay	<u>72,500</u>	<u>72,500</u>	<u>96,138</u>	<u>(23,638)</u>
<i>Total expenditures</i>	<u>\$ 7,083,769</u>	<u>\$ 7,129,269</u>	<u>\$ 7,161,242</u>	<u>\$ (31,973)</u>

Capital Asset and Debt Administration

Capital assets. City of Bloomfield's capital assets for its governmental and business-type activities as of June 30, 2013 amount to \$46,300,424 (net of accumulated depreciation). Capital assets include land, land improvements, buildings and improvements, furniture, fixtures and equipment, and infrastructure. Total capital assets for governmental activities decreased by \$769,265, due to depreciation expense of \$1,068,455 offset by additions of \$299,190. Total capital assets for business-type activities increased by \$83,428 due to additions of \$516,713, offset by depreciation of \$433,285.

The significant additions to capital assets during the year were as follows:

- \$293,158 was an addition to business-type equipment for an automated water metering system.
- \$195,236 was an addition to construction in progress for the Highway 64 Utilities Upgrade & Replacement project.
- \$180,643 was an addition to governmental buildings for a fire training tower.
- \$78,380 was an addition to governmental equipment for two vehicles at the Police Department.

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2013
Capital Assets, Net of Depreciation
June 30, 2013

	<u>Governmental Activities</u>	<u>Business-like Activities</u>	<u>Total</u>
Land	\$ 2,256,522	\$ 395,469	\$ 2,651,991
Buildings and improvements	17,581,908	10,889,584	28,471,492
Land improvements	804,756	1,712,773	2,517,529
Furniture, fixtures and equipment	7,138,021	488,162	7,626,183
Construction in progress	146,536	2,423,936	2,570,472
Infrastructure	10,893,976	-	10,893,976
Distribution system	-	9,922,310	9,922,310
Total capital assets	38,821,719	25,832,234	64,653,953
Accumulated depreciation	(10,161,089)	(8,192,440)	(18,353,529)
Capital assets, net of accumulated depreciation	<u>\$ 28,660,630</u>	<u>\$ 17,639,794</u>	<u>\$ 46,300,424</u>

For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures. See Note 6 in the accompanying Notes to the Financial Statements for further information regarding capital assets.

Debt Administration. At the end of the current fiscal year, City of Bloomfield had total long-term obligations outstanding of \$19,268,139.

There were no significant additions to long term debt during the year.

City of Bloomfield's Outstanding Debt
June 30, 2013

	<u>Governmental Activities</u>	<u>Business-like Activities</u>	<u>Total</u>
General obligation bonds	\$ 1,115,000	\$ -	\$ 1,115,000
Capital leases	112,629	791,300	903,929
Loans payable	-	5,616,544	5,616,544
Promissory note	-	-	-
NMFA loans	9,181,165	-	9,181,165
EID notes	-	1,995,826	1,995,826
Compensated absences	384,984	70,691	455,675
Total long-term liabilities	<u>10,793,778</u>	<u>8,474,361</u>	<u>19,268,139</u>

See Note 7 in the accompanying Notes to the Financial Statements for further information regarding City of Bloomfield's long-term debt.

The City knows of no currently known facts, decisions or conditions that are expected to have a significant effect on financial position or results of operations.

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2013

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Bloomfield's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Bloomfield Administration, City of Bloomfield, Post Office Box 1839, Bloomfield, New Mexico, 87413.

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO

City of Bloomfield

Statement of Net Position

June 30, 2013

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Current assets			
Cash and cash equivalents	\$ 1,138,489	\$ 961,691	\$ 2,100,180
Property taxes receivable	79,362	-	79,362
Other taxes receivable	1,379,565	-	1,379,565
Due from customers (net)	-	510,154	510,154
Other receivables	119,745	-	119,745
Inventory	-	186,281	186,281
Internal balances	1,992	(1,992)	-
Total current assets	<u>2,719,153</u>	<u>1,656,134</u>	<u>4,375,287</u>
Noncurrent assets			
Restricted cash and cash equivalents	895,581	819,446	1,715,027
Bond issuance costs (net of accumulated amortization of \$25,257 and \$20,188, respectively)	138,818	57,539	196,357
Capital assets	38,821,719	25,832,234	64,653,953
Less: accumulated depreciation	<u>(10,161,089)</u>	<u>(8,192,440)</u>	<u>(18,353,529)</u>
Total noncurrent assets	<u>29,695,029</u>	<u>18,516,779</u>	<u>48,211,808</u>
Total assets	<u>\$ 32,414,182</u>	<u>\$ 20,172,913</u>	<u>\$ 52,587,095</u>

The accompanying notes are an integral part of these financial statements

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Liabilities			
Current liabilities			
Accounts payable	\$ 104,267	\$ 542,308	\$ 646,575
Accrued payroll expenses	126,498	26,686	153,184
Accrued compensated absences	236,652	48,730	285,382
Meter deposits	-	94,104	94,104
Deferred revenue	-	14,700	14,700
Accrued interest	62,564	37,181	99,745
Current portion of bond payable	185,000	-	185,000
Current portion of loans and notes payable	412,825	518,955	931,780
Total current liabilities	<u>1,127,806</u>	<u>1,282,664</u>	<u>2,410,470</u>
Noncurrent liabilities			
Accrued compensated absences	148,332	21,961	170,293
Bond underwriter premiums (net of accumulated amortization of \$5,661)	658	-	658
Bond discount (net of accumulated amortization of \$3,894)	(17,407)	-	(17,407)
Bonds payable	930,000	-	930,000
Loans and notes payable	8,880,969	7,884,715	16,765,684
Total noncurrent liabilities	<u>9,942,552</u>	<u>7,906,676</u>	<u>17,849,228</u>
Total liabilities	<u>11,070,358</u>	<u>9,189,340</u>	<u>20,259,698</u>
Net position			
Net investment in capital assets	18,251,836	9,509,564	27,761,400
Restricted for:			
Debt service	1,232,866	-	1,232,866
Capital projects	20,730	-	20,730
Special revenue	165,961	-	165,961
Unrestricted	1,672,431	1,474,009	3,146,440
Total net position	<u>21,343,824</u>	<u>10,983,573</u>	<u>32,327,397</u>
Total liabilities and net position	<u>\$ 32,414,182</u>	<u>\$ 20,172,913</u>	<u>\$ 52,587,095</u>

STATE OF NEW MEXICO
City of Bloomfield
Statement of Activities
For the Year Ended June 30, 2013

<u>Functions/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
General government	\$ 2,427,778	\$ 1,001,176	\$ 35,000	\$ -
Public safety	4,409,029	663	366,099	30,174
Public works	1,076,042	-	-	2,500
Culture and recreation	1,029,551	56,436	54,810	-
Health and welfare	357,829	779	24,867	-
Interest on long-term debt	535,087	-	-	-
<i>Total governmental activities</i>	<u>9,835,316</u>	<u>1,059,054</u>	<u>480,776</u>	<u>32,674</u>
Business-type Activities:				
Joint Utility	3,493,431	3,609,989	-	760,407
Solid Waste	665,852	746,385	-	-
<i>Total business-type activities</i>	<u>4,159,283</u>	<u>4,356,374</u>	<u>-</u>	<u>760,407</u>
<i>Total</i>	<u>\$ 13,994,599</u>	<u>\$ 5,415,428</u>	<u>\$ 480,776</u>	<u>\$ 793,081</u>

General Revenues:

- Taxes
 - Property taxes, levied for general purposes
 - Property taxes, levied for debt service
 - Gross receipts taxes
 - Gasoline and motor vehicle taxes
 - Franchise taxes
 - Cigarette and lodger's taxes
- Investment income
- Miscellaneous revenue
- Transfers

Total general revenues and transfers

Change in net position

Net position, beginning

Net position, ending

The accompanying notes are an integral part of these financial statements

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (1,391,602)	\$ -	\$ (1,391,602)
(4,012,093)	-	(4,012,093)
(1,073,542)	-	(1,073,542)
(918,305)	-	(918,305)
(332,183)	-	(332,183)
(535,087)	-	(535,087)
<u>(8,262,812)</u>	<u>-</u>	<u>(8,262,812)</u>
-	876,965	876,965
-	80,533	80,533
<u>-</u>	<u>957,498</u>	<u>957,498</u>
(8,262,812)	957,498	(7,305,314)
613,054	-	613,054
227,933	-	227,933
6,582,594	-	6,582,594
254,484	-	254,484
289,994	-	289,994
59,054	-	59,054
3,045	1,563	4,608
13,669	2,526	16,195
37,463	(37,463)	-
<u>8,081,290</u>	<u>(33,374)</u>	<u>8,047,916</u>
(181,522)	924,124	742,602
<u>21,525,346</u>	<u>10,059,449</u>	<u>31,584,795</u>
<u>\$ 21,343,824</u>	<u>\$ 10,983,573</u>	<u>\$ 32,327,397</u>

STATE OF NEW MEXICO

City of Bloomfield

Balance Sheet

Governmental Funds

June 30, 2013

	<u>General Fund</u>	<u>Special Street Maintenance Capital Projects Fund</u>	<u>G.O. Bond Debt Service Fund</u>	<u>Other Governmental Funds</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 661,203	\$ -	\$ 1,113,147	\$ 259,720
Receivables:				
Property taxes	56,800	-	22,562	-
Other taxes	1,241,325	39,066	-	99,174
Other receivables	83,026	4,400	-	32,319
Due from other funds	3,516	293	4,154	-
<i>Total assets</i>	<u>\$ 2,045,870</u>	<u>\$ 43,759</u>	<u>\$ 1,139,863</u>	<u>\$ 391,213</u>
<i>Liabilities and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 87,211	\$ 12,464	\$ -	\$ 4,592
Accrued payroll expenses	118,867	7,631	-	-
Deferred revenue	43,163	-	17,448	-
Due to other funds	4,447	224	-	1,300
<i>Total liabilities</i>	<u>253,688</u>	<u>20,319</u>	<u>17,448</u>	<u>5,892</u>
<i>Fund balances</i>				
Restricted	-	23,440	1,122,415	163,251
Committed	592,578	-	-	81,779
Assigned	-	-	-	140,291
Unassigned	1,199,604	-	-	-
<i>Total fund balances</i>	<u>1,792,182</u>	<u>23,440</u>	<u>1,122,415</u>	<u>385,321</u>
<i>Total liabilities and fund balances</i>	<u>\$ 2,045,870</u>	<u>\$ 43,759</u>	<u>\$ 1,139,863</u>	<u>\$ 391,213</u>

The accompanying notes are an integral part of these financial statements

	<u>Total</u>
\$	2,034,070
	79,362
	1,379,565
	119,745
	<u>7,963</u>
\$	<u><u>3,620,705</u></u>

\$	104,267
	126,498
	60,611
	<u>5,971</u>
	<u>297,347</u>

	1,309,106
	674,357
	140,291
	<u>1,199,604</u>
	<u>3,323,358</u>
\$	<u><u>3,620,705</u></u>

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STATE OF NEW MEXICO

City of Bloomfield
Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2013

Exhibit B-1
Page 2 of 2

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balances - total governmental funds	\$	3,323,358
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		28,660,630
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		60,611
Certain liabilities, including bonds payable and related components, accrued interest, and current and long-term portions of accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds		
Accrued interest		(62,564)
Current portion of accrued compensated absences		(236,652)
Long-term portion of accrued compensated absences		(148,332)
Bond issuance costs, net of amortization		138,818
Bond discounts, net of amortization		17,407
Bond underwriter premiums, net of amortization		(658)
Bonds and notes payable		<u>(10,408,794)</u>
Net position of governmental activities	\$	<u><u>21,343,824</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	General Fund	Special Street Maintenance Capital Projects Fund	G.O. Bond Debt Service Fund	Other Governmental Funds
<i>Revenues:</i>				
Taxes:				
Property	\$ 605,146	\$ -	\$ 225,253	\$ -
Gross receipts	6,079,924	-	-	502,670
Gasoline and motor vehicle	-	254,484	-	-
Other	289,994	-	-	59,054
Intergovernmental				
Federal operating grants	45,720	-	-	-
Federal capital grants	-	347,994	-	-
State operating grants	154,166	-	-	248,023
State capital grants	-	-	-	30,174
Charges for services	509,000	-	-	119,250
Licenses and fees	399,675	-	-	31,129
Contributions and donations	-	-	-	32,867
Investment income	35	-	3,005	5
Miscellaneous	7,883	-	-	5,786
<i>Total revenues</i>	<u>8,091,543</u>	<u>602,478</u>	<u>228,258</u>	<u>1,028,958</u>
<i>Expenditures:</i>				
Current:				
General government	2,122,848	-	2,266	80,663
Public safety	3,803,389	-	-	136,178
Public works	-	818,216	-	-
Culture and recreation	869,284	-	-	29,919
Health and welfare	334,770	-	-	-
Capital outlay	84,286	-	-	214,904
Debt service:				
Principal	1,019	56,996	631,552	-
Interest	310	6,619	534,205	-
<i>Total expenditures</i>	<u>7,215,906</u>	<u>881,831</u>	<u>1,168,023</u>	<u>461,664</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>875,637</u>	<u>(279,353)</u>	<u>(939,765)</u>	<u>567,294</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	5,907	-	-	-
Transfers in	12,122	847,632	932,773	204,812
Transfers out	(940,011)	-	-	(1,019,865)
<i>Total other financing sources (uses)</i>	<u>(921,982)</u>	<u>847,632</u>	<u>932,773</u>	<u>(815,053)</u>
<i>Net change in fund balance</i>	(46,345)	568,279	(6,992)	(247,759)
<i>Fund balance - beginning of year</i>	<u>1,838,527</u>	<u>(544,839)</u>	<u>1,129,407</u>	<u>633,080</u>
<i>Fund balance - end of year</i>	<u>\$ 1,792,182</u>	<u>\$ 23,440</u>	<u>\$ 1,122,415</u>	<u>\$ 385,321</u>

The accompanying notes are an integral part of these financial statements

<u>Total</u>	
\$	830,399
	6,582,594
	254,484
	349,048
	45,720
	347,994
	402,189
	30,174
	628,250
	430,804
	32,867
	3,045
	13,669
	<u>9,951,237</u>
	2,205,777
	3,939,567
	818,216
	899,203
	334,770
	299,190
	689,567
	541,134
	<u>9,727,424</u>
	<u>223,813</u>
	5,907
	1,997,339
	(1,959,876)
	<u>43,370</u>
	267,183
	<u>3,056,175</u>
\$	<u><u>3,323,358</u></u>

STATE OF NEW MEXICO

City of Bloomfield

Governmental Funds

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, 2013

Exhibit B-2

Page 2 of 2

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds	\$	267,183
--	----	---------

Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures recorded in capital outlay		299,190
Depreciation expense		(1,068,455)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:

Increase in deferred revenue related to property taxes receivable		10,588
Decrease in deferred revenue related to capital grants		(345,494)

Expenses in the Statement of Activities that do not require current financial resources are not reported as expenditures in the funds:

Increase in accrued compensated absences		(25,204)
Decrease in accrued interest		5,738

The issuance of long-term debt (e.g. bonds, notes, 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 position. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Amortization of bond premiums and bond discounts		(785)
Amortization of bond issuance costs		(7,943)
Proceeds from the issuance of loans		(5,907)
Principal payments on bonds, loans and notes payable		689,567
		689,567

Change in net position of governmental activities	\$	(181,522)
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-1

City of Bloomfield

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ 551,068	\$ 551,068	\$ 613,255	\$ 62,187
Gross receipts	6,177,000	6,177,000	6,097,376	(79,624)
Gasoline and motor vehicle	-	-	-	-
Other	307,000	307,000	284,067	(22,933)
Intergovernmental income:				
Federal operating grant	-	-	-	-
State operating grant	118,600	118,600	197,160	78,560
Charges for services	590,700	590,700	514,706	(75,994)
Licenses and fees	395,500	395,500	399,848	4,348
Investment income	1,000	1,000	35	(965)
Miscellaneous	11,100	11,100	9,388	(1,712)
<i>Total revenues</i>	<u>8,151,968</u>	<u>8,151,968</u>	<u>8,115,835</u>	<u>(36,133)</u>
<i>Expenditures:</i>				
Current:				
General government	2,146,644	2,156,144	2,109,548	46,596
Public safety	3,656,928	3,692,928	3,770,677	(77,749)
Culture and recreation	885,245	885,245	852,108	33,137
Health and welfare	322,452	322,452	332,771	(10,319)
Capital outlay	72,500	72,500	96,138	(23,638)
<i>Total expenditures</i>	<u>7,083,769</u>	<u>7,129,269</u>	<u>7,161,242</u>	<u>(31,973)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,068,199</u>	<u>1,022,699</u>	<u>954,593</u>	<u>(68,106)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	(129,584)	(84,084)	-	84,084
Transfers in	12,122	12,122	12,122	-
Transfers out	(950,737)	(950,737)	(940,011)	10,726
<i>Total other financing sources (uses)</i>	<u>(1,068,199)</u>	<u>(1,022,699)</u>	<u>(927,889)</u>	<u>94,810</u>
<i>Net change in fund balance</i>	-	-	26,704	26,704
<i>Fund balance - beginning of year</i>	-	-	633,568	633,568
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 660,272</u>	<u>\$ 660,272</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 26,704	
Adjustments to revenues for property taxes and state operating grants.			(18,394)	
Adjustments to expenditures for salaries and operating expenses.			(54,655)	
Net change in fund balance (GAAP)			<u>\$ (46,345)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Statement of Net Position
Proprietary Funds
June 30, 2013

Exhibit D-1

	<u>Joint Utility</u>	<u>Solid Waste</u>	<u>Total</u>
<i>Assets</i>			
<i>Current assets</i>			
Cash and cash equivalents	\$ 750,777	\$ 210,914	\$ 961,691
Accounts receivable (net of allowance for doubtful accounts of \$204,902 and \$21,958, respectively)	434,643	75,511	510,154
Inventory	186,281	-	186,281
<i>Total current assets</i>	<u>1,371,701</u>	<u>286,425</u>	<u>1,658,126</u>
<i>Noncurrent assets</i>			
Restricted cash and cash equivalents	803,186	16,260	819,446
Bond issuance costs (net of amortization of \$20,188)	57,539	-	57,539
Capital assets	25,328,336	503,898	25,832,234
Accumulated depreciation	(8,116,855)	(75,585)	(8,192,440)
<i>Total noncurrent assets</i>	<u>18,072,206</u>	<u>444,573</u>	<u>18,516,779</u>
<i>Total assets</i>	<u>\$ 19,443,907</u>	<u>\$ 730,998</u>	<u>\$ 20,174,905</u>
<i>Liabilities and Net Position</i>			
<i>Liabilities</i>			
<i>Current liabilities</i>			
Accounts payable	\$ 542,308	\$ -	\$ 542,308
Accrued payroll expenses	26,686	-	26,686
Accrued compensated absences	48,730	-	48,730
Meter deposits	94,104	-	94,104
Due to other funds	1,992	-	1,992
Deferred revenue	-	14,700	14,700
Accrued interest	36,134	1,047	37,181
Current maturity of loans, notes and capital leases payable	509,083	9,872	518,955
<i>Total current liabilities</i>	<u>1,259,037</u>	<u>25,619</u>	<u>1,284,656</u>
<i>Noncurrent liabilities</i>			
Accrued compensated absences	21,961	-	21,961
Loans, notes and capital leases payable	7,745,080	139,635	7,884,715
<i>Total noncurrent liabilities</i>	<u>7,767,041</u>	<u>139,635</u>	<u>7,906,676</u>
<i>Total liabilities</i>	<u>9,026,078</u>	<u>165,254</u>	<u>9,191,332</u>
<i>Net position</i>			
Net investment in capital assets	9,214,498	295,066	9,509,564
Unrestricted	1,203,331	270,678	1,474,009
<i>Total net position</i>	<u>10,417,829</u>	<u>565,744</u>	<u>10,983,573</u>
<i>Total liabilities and net position</i>	<u>\$ 19,443,907</u>	<u>\$ 730,998</u>	<u>\$ 20,174,905</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2013

Exhibit D-2

	Joint Utility	Solid Waste	Total
<i>Operating revenues:</i>			
Charges for services	\$ 3,609,989	\$ 746,385	\$ 4,356,374
<i>Total operating revenues</i>	3,609,989	746,385	4,356,374
<i>Operating expenses:</i>			
Depreciation	423,207	10,078	433,285
Personnel services	1,513,885	-	1,513,885
Contractual services	160,004	649,103	809,107
Supplies and purchased power	409,409	-	409,409
Maintenance and materials	352,807	-	352,807
Miscellaneous	209,280	-	209,280
Utilities	34,598	-	34,598
Equipment	10,599	-	10,599
Gross receipts taxes	175,025	-	175,025
<i>Total operating expenses</i>	3,288,814	659,181	3,947,995
<i>Operating income (loss)</i>	321,175	87,204	408,379
<i>Non-operating revenues (expenses):</i>			
Interest expense	(200,537)	(6,671)	(207,208)
Investment income	1,506	57	1,563
Miscellaneous financing costs	(4,080)	-	(4,080)
Miscellaneous income	2,526	-	2,526
<i>Total non-operating revenues (expenses)</i>	(200,585)	(6,614)	(207,199)
<i>Income (loss) before contributions and transfers</i>	120,590	80,590	201,180
Government contributions	760,407	-	760,407
Transfers in	180,882	-	180,882
Transfers out	-	(218,345)	(218,345)
<i>Change in net position</i>	1,061,879	(137,755)	924,124
<i>Total net position, beginning of year</i>	9,355,950	703,499	10,059,449
<i>Total net position, end of year</i>	\$ 10,417,829	\$ 565,744	\$ 10,983,573

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2013

Exhibit D-3

	Joint Utility	Solid Waste	Total
<i>Cash flows from operating activities:</i>			
Cash received from user charges	\$ 3,614,873	\$ 736,934	\$ 4,351,807
Cash payments to employees for services	(1,513,042)	-	(1,513,042)
Cash payments to suppliers for goods and services	(3,088,742)	(703,447)	(3,792,189)
<i>Net cash (used) provided by operating activities</i>	(986,911)	33,487	(953,424)
<i>Cash flows from noncapital financing activities:</i>			
Internal balances and transfers	253,788	(218,345)	35,443
<i>Net cash provided (used) by noncapital financing activities:</i>	253,788	(218,345)	35,443
<i>Cash flows from investing activities:</i>			
Acquisition of capital assets	(7,272)	-	(7,272)
Interest on investments	1,506	57	1,563
<i>Net cash provided (used) from investing activities</i>	(5,766)	57	(5,709)
<i>Cash flows from capital and related financing activities:</i>			
Capital grants received	760,407	-	760,407
Interest paid	(202,920)	(6,730)	(209,650)
Principal payments on bonds, loans and notes payable	(574,347)	(9,511)	(583,858)
<i>Net cash (used) from capital and related financing activities</i>	(16,860)	(16,241)	(33,101)
<i>Net decrease in cash and cash equivalents</i>	(755,749)	(201,042)	(956,791)
<i>Cash and cash equivalents - beginning of year</i>	2,309,712	428,216	2,737,928
<i>Cash and cash equivalents - end of year</i>	\$ 1,553,963	\$ 227,174	\$ 1,781,137
<i>Reconciliation of operating income to net cash (used) provided by operating activities:</i>			
Operating income	\$ 321,175	\$ 87,204	\$ 408,379
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	423,207	10,078	433,285
Miscellaneous income	2,526	-	2,526
Changes in assets and liabilities			
Receivables	2,358	(1,051)	1,307
Inventory	6,586	-	6,586
Accounts payable	(1,751,127)	(54,344)	(1,805,471)
Accrued payroll expenses	716	-	716
Accrued compensated absences	127	-	127
Meter deposits	7,521	-	7,521
Deferred revenue	-	(8,400)	(8,400)
<i>Net cash (used) provided by operating activities</i>	\$ (986,911)	\$ 33,487	\$ (953,424)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2013

Exhibit E-1

<i>Assets</i>	
Cash	<u>\$ 1,322</u>
<i>Total assets</i>	<u><u>\$ 1,322</u></u>
<i>Liabilities</i>	
Due to other entities	<u>\$ 1,322</u>
<i>Total liabilities</i>	<u><u>\$ 1,322</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies

The City of Bloomfield (City) was incorporated in 1953 under provisions of Chapter 3, Article 2, NMSA, 1978 as amended. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire); highways and streets; water and sewer services; refuse collection; health and social services; culture-recreation; public improvements; planning and zoning; and general administrative services.

The City is a body politic and corporate under the name and form of government selected by its qualified electors. The City may:

1. Sue or be sued;
2. Enter into contracts and leases;
3. Acquire and hold property, both real and personal;
4. Have common seal, which may be altered at pleasure;
5. Exercise such other privileges that are incident to corporations of like character or degree that are not inconsistent with the laws of New Mexico;
6. Protect generally the property of its municipality and its inhabitants;
7. Preserve peace and order within the municipality; and
8. Establish rates for services provided by municipal utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

This summary of significant accounting policies of the City is presented to assist in the understanding of the City's financial statements. The financial statements and notes are the representation of the City's management who is responsible for their integrity and objectivity. The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. During the year ended June 30, 2013, the City adopted GASB Statements No. 60 through 63. GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements. The City does not have any service concession arrangements. GASB Statement No. 61, The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34, modifies certain requirements for inclusion of component units in the financial reporting entity. The City does not have any component units. GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in FASB and AICPA Pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources.

A. *Financial Reporting Entity*

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, No. 39, and No. 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

A. *Financial Reporting Entity (continued)*

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the City does not have any component units required to be reported under GASB Statements No. 14, No. 39, and No. 61.

B. *Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *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 services provided.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognized all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

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 and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues, other than property tax revenue, to be available if they are collected within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise 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. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. 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. The government-wide full accrual basis property tax receivables recognize revenues net of estimated refunds and uncollectible amounts, in the period for which the taxes are levied, even if they are not available. All other revenue items are considered to be measurable and available only when cash is received by the City.

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of City facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as small cities assistance to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The City does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Governmental funds are used to account for the City's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets and the servicing of general long-term debt.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenue of the City's enterprise fund is charges for services for the City's utilities. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Under the requirements of GASB Statement No. 34, the City is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financial statements include the following:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided through property and other taxes, federal sources, state sources, charges for services, licenses and fees, and other miscellaneous recoveries and revenue. Expenditures include all costs associated with the daily operation of the City except for items included in other funds.

The *Special Street Maintenance Capital Projects Fund* accounts for project costs of paving certain streets funded by the City and a cooperation agreement with the New Mexico State Highway Department.

The *G.O. Bond Debt Service Fund* accounts for the principal and interest expenditures on the City's general obligation bonds and NMFA loans.

The City reports its proprietary funds as major funds. Proprietary funds include:

The *Joint Utility Fund* accounts for fees generated from charges for utilities.

The *Solid Waste Fund* accounts for fees generated from charges for trash collection.

Additionally, the government reports the following agency fund:

The *Fiduciary Funds* are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The City's fiduciary funds are used to account for the collection and payment of motor vehicle fees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes, because elimination of these charges would distort the direct costs and program revenues reported in the Statement of Activities.

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

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Equity

Deposits and Investments: The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the City are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. All of the City's investments at June 30, 2013, are considered cash equivalents for financial statement purposes.

Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded when levied.

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after November 10th and April 10th are considered delinquent and the City may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent. Property taxes are collected by San Juan County and remitted monthly to the City.

Inventory: The City's method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost and consists of supplies and materials. The cost of purchased supplies and materials is recorded as an expenditure at the time individual inventory items are consumed.

Restricted Assets: Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the City was a phase III government for purposes of implementation, and accordingly, has prospectively reported infrastructure assets at historical cost as part of the governmental capital assets reported in the government-wide statements as of June 30, 2013. Donated capital assets are recorded at estimated fair market value at the date of donation. The City does not develop any software.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Infrastructure	40
Distribution System	40
Buildings and Improvements	45
Land Improvements	20
Furniture, Fixtures, and Equipment	5-20

Accrued Expenses: Accrued expenses are comprised of payroll expenditures based on amounts earned by the employees through June 30, 2013, along with applicable PERA and Retiree Health Care.

Deferred Revenues: There are two types of deferred revenue. Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for deferred revenue (commonly referred to as unearned revenue). The other type of deferred revenue is "unavailable revenue." Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. It must also be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Compensated Absences: Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of ten days to twenty days per year, depending on length of service. Employees may accumulate up to 320 hours (forty days) of annual leave and carry that leave forward from calendar year to calendar year. Upon termination, employees will be paid for up to 320 hours (forty days) of accrued annual leave.

Qualified employees are entitled to accumulate sick leave at a rate of twelve days per year. Sick leave can be carried over from year to year up to 960 hours (120 days). Upon termination employees receive no pay for sick time accumulated.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net position.

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond issuance costs are amortized using the straight-line method over the life of the bonds. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, or the straight-line method, if the difference is inconsequential.

Fund Balance Classification Policies and Procedures: For committed fund balance, the City's highest level of decision-making authority is the City Council. The formal action that is required to be taken to establish a fund balance commitment is an ordinance or resolution passed by the City Council.

For assigned fund balance, the City Council or an official or body to which the City Council delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is that in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

For the classification of fund balances, the City considers restricted amounts to have been spent first when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the City considers committed amounts to have been spent first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Nonspendable Fund Balance: At June 30, 2013, the City did not have any nonspendable fund balance categorized in the governmental funds balance sheet.

Restricted and Committed Fund Balance: At June 30, 2013, the City has presented restricted fund balance on the governmental funds balance sheet in the amount of \$1,309,106 for various City operations, of which \$138,810 is restricted by enabling legislation, and \$1,170,296 by externally imposed restrictions from creditors, grantors, contributors, or laws or regulations of other governments. The City has also presented committed fund balance on the governmental funds balance sheet in the amount of \$674,357 in order to provide services throughout the City. Of these commitments, \$81,779 was committed by formal action of the City Council, and \$592,578 is a reserve requirement imposed by the New Mexico Department of Finance and Administration which is one twelfth of budgeted General Fund expenditures. Assigned fund balance, in the amount of \$140,291, has also been reported, of which \$93,194 was assigned by the City Council, and \$47,097 was assigned at the department level by policy. The details of these fund balance restrictions, commitments, and assignments are located on pages 39, and 68-70.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Minimum Fund Balance Policy: The City’s policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the City holds cash reserves of 1/12th of General Fund expenditures.

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the City’s financial statements include the allowance for uncollectible accounts in the joint utility and solid waste funds.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets of the City are prepared prior to June 1 and must be approved by resolution of the City Council, and submitted to the Department of Finance and Administration for State approval. Once the budget has been formally approved, any amendments must also be approved by the City Council and the Department of Finance and Administration. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total.

These budgets are prepared on the Non-GAAP budgetary basis, excluding encumbrances, and secure appropriation of funds for only one year. The budgetary information presented in these financial statements has been amended in accordance with the above procedures. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ 1,068,199	\$ 1,022,699
Other Governmental Funds	\$ 423,479	\$ 403,279

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Proprietary Funds.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 2. Stewardship, Compliance and Accountability (continued)

The City is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2013 is presented.

NOTE 3. Deposits and Investments

State statutes authorize the investment of City funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the City properly followed State investment requirements as of June 30, 2013.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the City. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

By operation of federal law, beginning January 1, 2013, funds deposited in a noninterest-bearing transaction account (including an Interest on Lawyer Trust Account) no longer will receive unlimited deposit insurance coverage by the FDIC. Beginning January 1, 2013, all of the City's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the Standard Maximum Deposit Insurance Amount of \$250,000.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2013, \$2,087,306 of the City's bank balance of \$2,846,919 was exposed to custodial credit risk. Although the \$2,087,306 was uninsured, \$1,581,692 of this amount was collateralized by collateral held by the pledging bank's trust department, not in the City's name. \$505,614 of the City's deposits was uninsured and uncollateralized at June 30, 2013.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 3. Deposits and Investments (continued)

	<u>Wells Fargo Bank</u>	<u>Citizen's Bank</u>	<u>Total</u>
Amount of deposits	\$ 1,933,931	\$ 912,988	\$ 2,846,919
FDIC coverage	<u>(361,750)</u>	<u>(397,863)</u>	<u>(759,613)</u>
Total uninsured public funds	<u>1,572,181</u>	<u>515,125</u>	<u>2,087,306</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the City's name	<u>1,066,567</u>	<u>515,125</u>	<u>1,581,692</u>
Uninsured and uncollateralized	<u>\$ 505,614</u>	<u>\$ -</u>	<u>\$ 505,614</u>
Collateral requirement (50% of uninsured funds)	\$ 786,091	\$ 257,563	\$ 1,043,653
Pledged Collateral	<u>1,066,567</u>	<u>1,328,959</u>	<u>2,395,526</u>
Over (Under) collateralized	<u>\$ 280,477</u>	<u>\$ 1,071,397</u>	<u>\$ 1,351,873</u>

As of June 30, 2013, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Rating</u>
U.S. Treasury MM Mutual Funds	<360 days	\$ 1,620,928	AAA*

*Rating based on Moody's

Custodial Credit Risk - Investments For an investment, custodial credit risk 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 policy related to investments is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). The carrying value of the City's investments at June 30, 2013 was \$1,620,928.

The investments are listed on Schedule I of this report. They are considered restricted cash equivalents for financial statement purposes. The total restricted cash and cash equivalents balance of \$1,715,027 also consists of \$94,099 in cash being held in the Joint Utility Fund for customer deposits.

The City utilizes pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheets as of June 30, 2013. The following individual funds had negative cash balances as of June 30, 2013:

Governmental Activities

Special Street Maintenance Capital Projects Fund	\$ 224
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STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 3. Deposits and Investments (continued)

Reconciliation to the Statements of Net Position

The carrying amount of deposits and investments shown above are included in the City's Statement of Net Position as follows:

Reconciliation to the Statement of Net Position:

Cash and cash equivalents per Exhibit A-1	\$2,100,180
Restricted cash and cash equivalents per Exhibit A-1	1,715,027
Agency funds cash per Exhibit E-1	<u>1,322</u>
Total cash and cash equivalents	<u>3,816,529</u>
Add: deposits in transit and other reconciling items	654,418
Less: U.S. Treasury Money Market Mutual Fund	(1,620,928)
Less: petty cash	<u>(3,100)</u>
Bank balance of deposits	<u><u>\$2,846,919</u></u>

NOTE 4. Receivables

Receivables as of June 30, 2013, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities:

	General Fund	Special Street Maintenance Capital Projects Fund	G.O. Bond Debt Service Fund	Other Governmental Funds	Total
Property taxes	\$ 56,800	\$ -	\$ 22,562	\$ -	\$ 79,362
Other taxes:					
Gross receipts taxes	1,105,005	-	-	92,636	1,197,641
Gasoline taxes	-	39,066	-	-	39,066
Motor vehicle taxes	15,243	-	-	-	15,243
Franchise and lodgers taxes	121,077	-	-	6,538	127,615
Other receivables:					
Intergovernmental grants:					
Federal	7,969	-	-	-	7,969
State	62,088	-	-	32,174	94,262
Miscellaneous	<u>12,969</u>	<u>4,400</u>	<u>-</u>	<u>145</u>	<u>17,514</u>
Totals	<u><u>\$ 1,381,151</u></u>	<u><u>\$ 43,466</u></u>	<u><u>\$ 22,562</u></u>	<u><u>\$ 131,493</u></u>	<u><u>\$ 1,578,672</u></u>

In accordance with GASB No. 33, the property tax revenues that were not collected within the period of availability, \$60,611, have been reclassified as deferred revenue in the governmental fund financial statements. The above receivables are deemed 100% collectible

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 4. Receivables (continued)

Business-Type Activities:

	<u>Joint Utility</u>	<u>Solid Waste</u>	<u>Total</u>
Utility fees	\$ 639,545	\$ 97,469	\$ 737,014
Less: Allowance for uncollectible accounts	<u>(204,902)</u>	<u>(21,958)</u>	<u>(226,860)</u>
Totals	<u>\$ 434,643</u>	<u>\$ 75,511</u>	<u>\$ 510,154</u>

NOTE 5. Interfund Receivables, Payables, and Transfers

Operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
Primary Government		
General Fund	Joint Utility Fund	\$ 105,912
General Fund	Special Street Maintenance Fund	629,287
General Fund	Capital Equipment Replacement Fund	204,812
Fire Protection Fund	G.O. Bond Fund	176,823
Capital Equipment Replacement Fund	G.O. Bond Fund	755,950
Fire, Police, CRT, and City Hall Fund	General Fund	12,122
Industrial Park Fund	Joint Utility Fund	74,970
Solid Waste Fund	Special Street Maintenance Fund	<u>218,345</u>
Total		<u>\$ 2,178,221</u>

The City recorded interfund receivable/payable to reflect a temporary loan between funds. The purpose of the loan was to cover cash shortages until grant reimbursements could be obtained.

<u>Due From Other Fund</u>	<u>Due To Other Fund</u>	<u>Amount</u>
General Fund	KAB - Bloomfield Pride	\$ 1,300
General Fund	Special Street Maintenance Fund	224
General Fund	Joint Utility Fund	1,992
Special Street Maintenance Fund	General Fund	293
G.O. Bond Fund	General Fund	<u>4,154</u>
		<u>\$ 7,963</u>

All interfund transactions are short-term and are expected to be repaid within a year.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2013, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

Governmental Activities:

	Balance June 30, 2012	Additions & Transfers In	Deletions & Transfers Out	Balance June 30, 2013
Capital assets not being depreciated:				
Land	\$ 2,256,522	\$ -	\$ -	\$ 2,256,522
Construction in progress	385,099	-	238,563	146,536
	<u>2,641,621</u>	<u>-</u>	<u>238,563</u>	<u>2,403,058</u>
Capital assets being depreciated:				
Land improvements	804,756	-	-	804,756
Buildings and improvements	17,162,702	419,206	-	17,581,908
Furniture, fixtures and equipment	7,019,474	118,547	-	7,138,021
Infrastructure	10,893,976	-	-	10,893,976
	<u>35,880,908</u>	<u>537,753</u>	<u>-</u>	<u>36,418,661</u>
Total capital assets	<u>38,522,529</u>	<u>537,753</u>	<u>238,563</u>	<u>38,821,719</u>
Accumulated depreciation:				
Land improvements	411,059	25,510	-	436,569
Buildings and improvements	3,271,561	359,581	-	3,631,142
Furniture, fixtures and equipment	4,888,064	419,901	-	5,307,965
Infrastructure	521,950	263,463	-	785,413
Total accumulated depreciation	<u>9,092,634</u>	<u>1,068,455</u>	<u>-</u>	<u>10,161,089</u>
Net Capital Assets	<u>\$ 29,429,895</u>	<u>\$ (530,702)</u>	<u>\$ 238,563</u>	<u>\$ 28,660,630</u>

Depreciation expense for the year ended June 30, 2013 was charged to governmental activities as follows:

General Government	\$ 222,001
Public Safety	435,531
Public Works	257,826
Culture and Recreation	130,038
Health and Welfare	<u>23,059</u>
Total	<u>\$ 1,068,455</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 6. Capital Assets (continued)

Business-type Activities:

	Balance June 30, 2012	Additions & Transfers In	Deletions & Transfers Out	Balance June 30, 2013
Capital assets not being depreciated:				
Land	\$ 395,469	\$ -	\$ -	\$ 395,469
Construction in progress	2,228,700	195,236	-	2,423,936
	<u>2,624,169</u>	<u>195,236</u>	<u>-</u>	<u>2,819,405</u>
Capital assets being depreciated:				
Land improvements	1,712,773	-	-	1,712,773
Buildings and improvements	10,889,584	-	-	10,889,584
Distribution system	9,907,574	14,736	-	9,922,310
Furniture, fixtures and equipment	181,421	306,741	-	488,162
	<u>22,691,352</u>	<u>321,477</u>	<u>-</u>	<u>23,012,829</u>
Total capital assets	<u>25,315,521</u>	<u>516,713</u>	<u>-</u>	<u>25,832,234</u>
Accumulated depreciation:				
Land improvements	108,641	34,283	-	142,924
Buildings and improvements	2,168,212	219,366	-	2,387,578
Distribution system	5,418,153	149,372	-	5,567,525
Furniture, fixtures and equipment	64,149	30,264	-	94,413
Total accumulated depreciation	<u>7,759,155</u>	<u>433,285</u>	<u>-</u>	<u>8,192,440</u>
Net Book Value	<u>\$ 17,556,366</u>	<u>\$ 83,428</u>	<u>\$ -</u>	<u>\$ 17,639,794</u>

Depreciation expense charged to business-type activities for the year ended June 30, 2013 was \$433,285.

NOTE 7. Long-term Debt

During the year ended June 30, 2013, the following changes occurred in the liabilities reported in the government-wide statement of net position:

Governmental Activities

	Balance June 30, 2012	Additions	Retirements	Balance June 30, 2013	Due Within One Year
2000 General Obligation B Series	\$ 235,000	\$ -	\$ 70,000	\$ 165,000	\$ 80,000
2005 General Obligation Series	1,050,000	-	100,000	950,000	105,000
Capital Lease	164,737	5,907	58,015	112,629	61,566
NMFA Loans	9,642,717	-	461,552	9,181,165	351,259
Compensated Absences	<u>359,780</u>	<u>261,856</u>	<u>236,652</u>	<u>384,984</u>	<u>236,652</u>
Total Long-term Debt	<u>\$ 11,452,234</u>	<u>\$ 267,763</u>	<u>\$ 926,219</u>	<u>\$ 10,793,778</u>	<u>\$ 834,477</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

Description	Date of Issue	Term	Interest Rate	Original Amount of Issue	Balance as of June 30, 2013
2000 General Obligation B Series	February 2000	15 years	5.50%-6.00%	\$ 615,000	\$ 165,000
2005 General Obligation Series	January 2005	15 years	2.80%-4.30%	1,600,000	950,000
NMFA PPRF Loan-Refinance Fire Dept Loan	April 2012	18 years	3.25%	1,580,054	1,503,163
NMFA PPRF Loan-Fire Pumper	December 2007	10 years	3.96%	511,112	283,002
NMFA Pol/Crt/MVD	January 2009	34 years	5.71%	7,984,137	7,395,000
Loader Lease	September 2008	5 years	6.35%	111,290	25,079
Grader Lease	November 2010	5 years	3.50%	169,235	82,662
Exercise Equipment Lease	September 2012	3 years	9.72%	5,907	4,888
					<u>\$ 10,408,794</u>

The annual requirements to amortize the Bonds as of June 30, 2013, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 185,000	\$ 42,519	\$ 227,519
2015	195,000	33,963	228,963
2016	110,000	27,508	137,508
2017	115,000	23,315	138,315
2018	120,000	18,760	138,760
2019-2022	<u>390,000</u>	<u>25,265</u>	<u>415,265</u>
	<u>\$ 1,115,000</u>	<u>\$ 171,330</u>	<u>\$ 1,286,330</u>

General obligation bonds have been liquidated by the G.O. Bond Fund in prior years.

The annual requirements to amortize the NMFA Loans as of June 30, 2013, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 351,259	\$ 467,960	\$ 819,219
2015	364,107	455,767	819,874
2016	377,325	442,204	819,529
2017	390,840	426,695	817,535
2018	404,729	410,312	815,041
2019-2023	1,981,109	1,786,348	3,767,457
2024-2028	2,534,129	1,235,454	3,769,583
2029-2033	<u>2,777,667</u>	<u>500,665</u>	<u>3,278,332</u>
	<u>\$ 9,181,165</u>	<u>\$ 5,725,405</u>	<u>\$ 14,906,570</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the capital lease as of June 30, 2013, including interest payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2014	\$ 61,566	\$ 4,326	\$ 65,892
2015	37,910	1,312	39,222
2016	<u>13,153</u>	<u>112</u>	<u>13,265</u>
	<u>\$ 112,629</u>	<u>\$ 5,750</u>	<u>\$ 118,379</u>

Compensated Absences – Employees of the City are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2013, long-term compensated absences increased \$25,204 over the prior year accrual.

In prior years, the general fund has typically been used to liquidate long-term liabilities other than debt including capital leases and compensated absences.

Proprietary Funds

The Joint Utility fund has incurred various forms of debt which were used for the purposes of constructing, expanding, repairing and making improvements to its property, plant and equipment. The following schedule shows the changes to its various forms of debt during the fiscal year ended June 30, 2013:

Proprietary Funds

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
EID Notes	\$ 2,135,598	\$ -	\$ 139,772	\$ 1,995,826	\$ 127,792
Loans Payable	5,961,549	-	345,005	5,616,544	341,963
Promissory Note	49,880	-	49,880	-	-
Capital Lease	840,500	-	49,200	791,300	49,200
Compensated Absences	<u>70,564</u>	<u>48,858</u>	<u>48,731</u>	<u>70,691</u>	<u>48,731</u>
Total Long-term Debt	<u>\$ 9,058,091</u>	<u>\$ 48,858</u>	<u>\$ 632,588</u>	<u>\$ 8,474,361</u>	<u>\$ 567,686</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

On October 24, 2004, the City received a note for improvements to the waste water plant for \$2,700,000. The note is financed over fifteen years at 3%. The annual requirements to amortize the note as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 127,792	\$ 59,875	\$ 187,667
2015	131,626	56,041	187,667
2016	135,574	52,092	187,666
2017	139,641	48,025	187,666
2018	143,831	43,836	187,667
2019-2023	786,526	151,807	938,333
2024-2028	530,836	32,164	563,000
	<u>\$ 1,995,826</u>	<u>\$ 443,840</u>	<u>\$ 2,439,666</u>

On August 18, 2006, the City entered into a loan agreement with the New Mexico Finance Authority for the drinking water state revolving fund in the amount of \$3,737,000. The loan is financed over twenty-two years at 1.75%. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 180,601	\$ 57,718	\$ 238,319
2015	184,222	54,105	238,327
2016	187,915	50,421	238,336
2017	191,683	46,663	238,346
2018	195,526	42,829	238,355
2019-2023	1,038,034	153,895	1,191,929
2024-2028	907,890	45,845	953,735
	<u>\$ 2,885,871</u>	<u>\$ 451,476</u>	<u>\$ 3,337,347</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

On October 6, 2006, the City entered into a loan agreement with the New Mexico Finance Authority in the amount of \$528,051 to refund portions of earlier issues. Proceeds from the sale were placed in a reserve with the NMFA that is to be used to service the future debt requirements of the outstanding principal of, and interest accrued to the date of payment of principal of the 1973 Bonds, 1975 Bonds, 1977 Bonds, 1978 Bonds and 1982 Bonds. The loan is financed over twenty years at 3.977%. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 31,613	\$ 6,768	\$ 38,381
2015	31,234	5,497	36,731
2016	30,855	4,226	35,081
2017	21,476	2,955	24,431
2018	18,172	2,059	20,231
2019-2023	30,226	3,198	33,424
	<u>\$ 163,576</u>	<u>\$ 24,703</u>	<u>\$ 188,279</u>

On February 9, 2007, the City entered into a loan agreement with the New Mexico Water Trust Board and the New Mexico Finance Authority for Water Project Fund in the amount of \$87,500. The loan is financed over twenty years. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 4,513	\$ 149	\$ 4,662
2015	4,524	138	4,662
2016	4,535	126	4,661
2017	4,547	115	4,662
2018	4,558	104	4,662
2019-2023	22,961	346	23,307
2024-2028	13,914	70	13,984
	<u>\$ 59,552</u>	<u>\$ 1,047</u>	<u>\$ 60,599</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

On December 5, 2008, the City entered into a loan agreement with the New Mexico Water Trust Board and the New Mexico Finance Authority for Waterline Project in the amount of \$60,000. The loan is financed over twenty years. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 3,018	\$ 115	\$ 3,133
2015	3,025	108	3,133
2016	3,033	100	3,133
2017	3,040	92	3,132
2018	3,048	85	3,133
2019-2023	15,355	310	15,665
2024-2028	15,548	117	15,665
	<u>\$ 46,067</u>	<u>\$ 927</u>	<u>\$ 46,994</u>

On April 30, 2010, the City entered into a loan agreement with the New Mexico Water Trust Board and the New Mexico Finance Authority for Waterline Project in the amount of \$220,000. The loan is financed over twenty years. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 10,822	\$ 469	\$ 11,291
2015	10,849	442	11,291
2016	10,876	415	11,291
2017	10,903	388	11,291
2018	10,930	361	11,291
2019-2023	55,064	1,392	56,456
2024-2028	55,755	700	56,455
2029-2033	22,497	84	22,581
	<u>\$ 187,696</u>	<u>\$ 4,251</u>	<u>\$ 191,947</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

On June 25, 2007, the City entered into a loan agreement with the New Mexico Environment Department for the Rural Infrastructure Loan Fund in the amount of \$500,000. The loan is financed over twenty years at 3%. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 22,219	\$ 11,389	\$ 33,608
2015	22,885	10,723	33,608
2016	23,572	10,036	33,608
2017	24,279	9,329	33,608
2018	25,007	8,600	33,607
2019-2023	136,751	31,289	168,040
2024-2028	124,924	9,508	134,432
	<u>\$ 379,637</u>	<u>\$ 90,874</u>	<u>\$ 470,511</u>

On January 27, 2008, the City entered into a loan agreement with the New Mexico Environment Department for the Rural Infrastructure Loan Fund in the amount of \$206,277. The loan is financed over twenty years at 3%. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 8,899	\$ 4,966	\$ 13,865
2015	9,167	4,699	13,866
2016	9,441	4,424	13,865
2017	9,725	4,140	13,865
2018	10,016	3,849	13,865
2019-2023	54,774	14,551	69,325
2024-2028	63,499	5,827	69,326
	<u>\$ 165,521</u>	<u>\$ 42,456</u>	<u>\$ 207,977</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

On February 15, 2007, the City received a lease purchase contract for improvements to the sewer treatment plant in the amount of \$216,218. The lease purchase contract is financed over 20 years at 3.925%. The annual requirements to amortize the lease purchase contract as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 9,872	\$ 6,370	\$ 16,242
2015	10,257	5,986	16,243
2016	10,667	5,577	16,244
2017	11,101	5,144	16,245
2018	11,559	4,687	16,246
2019-2023	65,607	15,645	81,252
2024-2028	30,444	2,067	32,511
	<u>\$ 149,507</u>	<u>\$ 45,476</u>	<u>\$ 194,983</u>

On November 19, 2010, the City entered into a loan agreement with the New Mexico Water Trust Board and the New Mexico Finance Authority for the Blanco/Navajo Dam Regional Water Project in the amount of \$55,000. The loan is financed over twenty years at 0.25%. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 2,705	\$ 117	\$ 2,822
2015	2,712	111	2,823
2016	2,719	104	2,823
2017	2,726	97	2,823
2018	2,733	90	2,823
2019-2023	13,765	348	14,113
2024-2028	13,940	175	14,115
2029-2033	5,624	21	5,645
	<u>\$ 46,924</u>	<u>\$ 1,063</u>	<u>\$ 47,987</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

On May 13, 2011, the City entered into a loan agreement with the New Mexico Finance Authority for the upgrade and replacement of sewer lines under US Highway 64 in the amount of \$1,426,075. The loan is financed over twenty years at 4.176%. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 55,925	\$ 49,982	\$ 105,907
2015	56,680	49,227	105,907
2016	57,695	48,212	105,907
2017	58,918	46,989	105,907
2018	60,373	45,534	105,907
2019-2023	332,221	197,314	529,535
2024-2028	404,207	125,329	529,536
2029-2033	289,638	28,083	317,721
	<u>\$ 1,315,657</u>	<u>\$ 590,670</u>	<u>\$ 1,906,327</u>

On June 24, 2011, the City entered into a loan agreement with the New Mexico Water Trust Board and the New Mexico Finance Authority for the upgrade and replacement of water lines under US Highway 64 in the amount of \$240,000. The loan is financed over twenty years at 0.25%. The annual requirements to amortize the loan as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 11,776	\$ 541	\$ 12,317
2015	11,806	512	12,318
2016	11,835	482	12,317
2017	11,865	453	12,318
2018	11,894	423	12,317
2019-2023	59,920	1,668	61,588
2024-2028	60,672	915	61,587
2029-2033	36,768	184	36,952
	<u>\$ 216,536</u>	<u>\$ 5,178</u>	<u>\$ 221,714</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

The aggregated debt service payments required on the outstanding debt of the proprietary funds is as follows:

Fiscal Year Ending June 30,	EID Notes	Loans Payable	Total Debt Service
2014	\$ 187,667	\$ 480,547	\$ 668,214
2015	187,667	478,907	666,574
2016	187,667	477,267	664,934
2017	187,667	466,628	654,295
2018	187,667	462,437	650,104
2019-2023	938,332	2,244,634	3,182,966
2024-2028	562,999	1,881,345	2,444,344
2029-2033	-	382,900	382,900
Total Payments	\$ 2,439,666	\$ 6,874,665	\$ 9,314,331
Less Interest	(443,840)	(1,258,121)	(1,701,961)
Net Long-term Debt	<u>\$ 1,995,826</u>	<u>\$ 5,616,544</u>	<u>\$ 7,612,370</u>

Between the period of August 2001 and March 2009, the City of Bloomfield overcharged a utility customer for water and wastewater usage in the amount of \$299,880. On April 29, 2009, the City setup a promissory note to repay the customer for these overcharges. The City will pay the sum of the difference between fifty thousand dollars and the charges billed to his accounts for the City of Bloomfield's fiscal year ending June 30 of each year until the note is repaid in full.

On June 9, 2009, the City entered into a lease purchase contract with the City of Aztec for a main water line in the amount of \$984,000. The lease purchase contract is financed over 20 years at 0%. The annual requirements to amortize the lease purchase contract as of June 30, 2013, are as follows:

Fiscal Year Ending June 30,	Principal
2014	\$ 49,200
2015	49,200
2016	49,200
2017	49,200
2018	49,200
2019-2023	246,000
2024-2028	246,000
2029-2033	53,300
	<u>\$ 791,300</u>

Compensated Absences – Employees of the City are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2013, long-term compensated absences increased \$127 over the prior year accrual.

Proprietary debt has been liquidated by the Joint Utility Fund in prior years.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 8. Risk Management

The City is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of property, errors and omissions and natural disasters. The City participates in the New Mexico Self-Insurers' Fund risk pool. The City has not filed any claims for which the settlement amount exceeded the insurance coverage during the past three years. However, should a claim be filed against the City which exceeds the insurance coverage, the City would be responsible for a loss in excess of the coverage amounts. As claims are filed, the New Mexico Self-Insurers' Fund assesses and estimates the potential for loss and handles all aspects of the claim. Insurance coverage's have not changed significantly from prior years and coverage's are expected to be continued.

At June 30, 2013, no unpaid claims have been filed which exceed the policy limits and to the best of management's knowledge and belief all known and unknown claims will be covered by insurance.

New Mexico Self-Insurers' Fund has not provided information on an entity by entity basis that would allow for a reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior fiscal year.

NOTE 9. PERA 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 Employee 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, 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. That report may be obtained by writing to PERA, P. O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy. Municipal general member coverage plan 2 members are required to contribute 10.65% of their gross salary. The City is required to contribute 9.15% of the covered salary for "municipal general member coverage plan 2" members. Municipal police coverage plan 5 members are required to contribute 17.80% of their gross salary. The City is required to contribute 18.50% of the covered salary for "municipal police coverage plan 5" members. Municipal fire member coverage plan 5 members are required to contribute 17.70% of their gross salary. The City is required to contribute 21.25% of the covered salary for "municipal fire member coverage plan 5" members. The contribution requirements of plan members and the City are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The City's contributions to PERA for the fiscal years ending June 30, 2013, 2012 and 2011 were \$520,547, \$509,257, and \$517,701.

NOTE 10. Post-Employment Benefits

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.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 10. Post-Employment Benefits (continued)

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.

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, 2013, the statute required each participating employer to contribute 2.000% of each participating employee's annual salary; each participating employee was required to contribute 1.000% of their salary.

For employees who are members of an enhanced retirement (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, 2013, the statute required each participating employer to contribute 2.500% of each participating employee's annual salary, and each participating employee was required to contribute 1.250% of their salary.

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 contribution to the RHCA for the years ended June 30, 2013, 2012, and 2011 were \$82,435, \$76,761, and \$76,101, respectively, which equal the required contribution for each year.

NOTE 11. Contingent Liabilities

The City is party to various claims and lawsuits in the normal course of business. Management and the City's attorney are unaware of any material pending or threatened litigation, claims or assessments against the City which are not covered by the City's insurance.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 12. Federal and State Grants

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

NOTE 13. Landfill Closure and Post Closure Care Costs

The City currently contracts with an independent commercial entity to collect, haul away and maintain a landfill site for its solid waste. City management believes that the City does not have any real or potential liability for closure or post closure care costs at the landfill sites used by its contractor. All other landfill sites used by the City were closed more than 20 years ago.

NOTE 14. Joint Powers Agreements

Crime Stoppers

Participants	City of Bloomfield San Juan County City of Farmington City of Aztec
Responsible party	City of Bloomfield San Juan County City of Farmington City of Aztec
Description	Task Force formed to combat illegal controlled substance activities
Term of agreement	June 30, 2014
Amount of project	\$37,964/Annually
City contributions	\$5,245
Audit responsibility	City of Bloomfield

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 14. Joint Powers Agreements (continued)

Consolidated Communications

Participants	City of Bloomfield San Juan County City of Farmington City of Aztec
Responsible party	City of Bloomfield San Juan County City of Farmington City of Aztec
Description	Establish and operate a consolidated communication center to provide emergency and law enforcement communications.
Term of agreement	Indefinite
Amount of project	\$75,000 for first year and for subsequent years \$75,000 adjusted to the most recent Consumer Price Index
City contributions	6% of the total costs
Audit responsibility	City of Bloomfield

School District

Participants	City of Bloomfield Bloomfield School District
Responsible party	City of Bloomfield Bloomfield School District
Description	Construction, management, maintenance and operation of a new outdoor swimming pool and to renovate the existing indoor pool.
Term of agreement	Twenty five years beginning December 1, 2005
Amount of project	Estimated to be \$3,212,000 for construction costs.
City contributions	Will be liable for operation and maintenance costs.
Audit responsibility	City of Bloomfield

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 14. Joint Powers Agreements (continued)

Detention Center Services

Participants	City of Bloomfield San Juan County
Responsible party	City of Bloomfield San Juan County
Description	City uses County Detention Center to incarcerate adult offenders sentenced in Municipal court.
Term of agreement	Indefinite
Amount of project	Unknown
City contributions	\$70.13 per prisoner per day
Audit responsibility	City of Bloomfield

Metropolitan Planning Organization

Participants	City of Bloomfield San Juan County City of Farmington City of Aztec
Responsible party	City of Bloomfield San Juan County City of Farmington City of Aztec
Description	Establishing, overseeing, and directing transportation related policy within Farmington Metro Area
Term of agreement	Three years
Amount of project	Unknown
City contributions	10% of costs
Audit responsibility	City of Bloomfield

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 14. Joint Powers Agreements (continued)

Law Enforcement Training

Participants	City of Bloomfield San Juan County City of Farmington City of Aztec NM Dept. of Public Safety
Responsible party	City of Bloomfield San Juan County City of Farmington City of Aztec NM Dept. of Public Safety
Description	Establishing, overseeing, and directing the San Juan County Criminal Justice Training Authority to operate a regional law enforcement training facility for officers in San Juan County.
Term of agreement	Indefinite
Amount of project	Unknown
City contributions	Unknown
Audit responsibility	City of Bloomfield

River Trail Project

Participants	City of Bloomfield New Mexico Energy, Minerals and Natural Resources Department
Responsible party	City of Bloomfield New Mexico Energy, Minerals and Natural Resources Department
Description	Construction and maintenance of approximately 1.7 miles of trail, a performance pavilion, ADA restrooms, and electric utilities and lighting.
Term of agreement	December 31, 2013
Amount of project	\$199,636
City contributions	\$41,056
Audit responsibility	City of Bloomfield

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 15. Subsequent Event

The date to which events occurring after June 30, 2013, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosures is December 1, 2013 which is the date on which the financial statements were available to be issued.

On July 22, 2013, the City Council approved a five year capital lease for the purchase of a new financial management software package in the amount of \$215,750 with interest payments totaling \$27,400 through August 2017.

NOTE 16. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

- A. Deficit fund balance of individual funds. There were no funds with a deficit fund balance as of June 30, 2013.
- B. Excess of expenditures over appropriations. The following fund exceeded approved budgetary authority for the year ended June 30, 2013:

GO Bond Debt Service Fund	\$945,308
General Fund	\$31,973

- C. Designated cash appropriations in excess of available balances. The following fund had designated cash appropriations in excess of available balances at June 30, 2013:

Senior Citizen's Center Special Revenue Fund	\$1,975
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NOTE 17. Restricted Net Position

The government-wide statement of net position reports \$1,396,117 of restricted assets, \$115,370 of which is restricted by enabling legislation, and \$1,280,747 is restricted by creditors, grantors, contributors, or laws or regulations of other governments. For descriptions of the related enabling legislation for special revenue and capital project funds, see pages 39, and 68-70.

NOTE 18. Subsequent Pronouncements

In March 2012, GASB Statement No. 65 Items Previously Reported as Assets and Liabilities was issued, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The standard will be implemented for year ending June 30, 2014.

In March 2012, GASB Statement No. 66 Technical Corrections-2012—an amendment of GASB Statements No. 10 and No.62, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The City will implement this standard during fiscal year ending June 30, 2014.

In June 2012, GASB Statement No. 67 Financial Reporting for Pension Plans—an amendment of GASB Statements No. 25, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Earlier application is encouraged. The standard is expected to have no effect on the City in upcoming years.

In June 2012, GASB Statement No. 68 Accounting and Financial Reporting for Pensions—an amendment of GASB Statements No. 27, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Earlier application is encouraged. The City will implement this standard during fiscal year ending June 30, 2015.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2013

NOTE 18. Subsequent Pronouncements (continued)

In January 2013, GASB Statement No. 69 Government Combinations and Disposals of Government Operations, Effective Date: The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. Earlier application is encouraged. The provisions of this Statement generally are required to be applied prospectively. The City is still evaluating how this reporting standard will affect the City.

In April 2013, GASB Statement No. 70 Accounting and Financial Reporting for Nonexchange Financial Guarantees, Effective Date: The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Earlier application is encouraged. Except for disclosures related to cumulative amounts paid or received in relation to a financial guarantee, the provisions of this Statement are required to be applied retroactively. Disclosures related to cumulative amounts paid or received in relation to a financial guarantee may be applied prospectively. The City is still evaluating how this reporting standard will affect the City.

NOTE 19. Pledged Revenues

The City of Bloomfield has pledged revenues from various sources to repay its debt. The following table gives detail on specific pledges and the debt with which they are associated:

Debt	Original Amount	Amount Outstanding at June 30, 2013	Maturity Date	Pledged Revenue
2000 General Obligation B Series	615,000	165,000	8/2014	General (ad valorem) taxes levied against all taxable property within the City without limitation as to rate or amount
2005 General Obligation Series	1,060,000	950,000	8/2020	
NMFA PPRF Loan-Refinance Fire Dept Loan	1,580,054	1,503,163	5/2030	Capital outlay (0.25%) and municipal (0.25%) gross receipts tax
NMFA Pol/Crt/MVD	7,984,137	7,395,000	6/2033	
NMFA PPRF Loan-Fire Pumper	511,112	283,002	5/2018	State fire protection fund distribution
NMED Waste Water Plant	2,700,000	1,995,826	4/2026	Net utility system revenues
WTB Water Plant	87,500	59,552	6/2026	
WTB North Heights Water Line	60,000	46,067	6/2028	
WTB Water Storage Tank	220,000	187,696	6/2030	
WTB Blanco/Navajo Dam Regional Proj	55,000	46,924	6/2030	
WTB Highway 64 Water Lines	240,000	216,536	6/2031	
NMED Water Plant	500,000	379,637	4/2027	
NMED Water Rights	206,277	165,520	2/2028	
NMFA Solid Waste Building	216,218	149,507	5/2025	
NMFA Water Plant	3,737,000	2,885,871	4/2027	
NMFA Revenue Bond Refunding	528,051	163,576	5/2022	
NMFA Highway 64 Sewer Lines	1,426,075	1,315,657	5/2031	Net utility system revenues and state-shared gross receipts tax
				Municipal infrastructure gross receipts tax - 0.125%

NOTE 20. Construction Commitments

The City has committed to pay for a construction contract that was not completed at June 30, 2013. The project to upgrade and replace water and wastewater utility lines on Hwy 64 has a remaining contract amount at June 30, 2013 of \$67,349.

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Fund Descriptions
June 30, 2013

Special Revenue Funds

Fire Protection Fund

To account for the operations and maintenance of the fire department. Funding is provided by a distribution from the fire protection fund established by Section 59A-6-5 NMSA 1978 as authorized by Section 59A-53-2. Funds are used in the operation, maintenance and betterment of local fire departments, to the end that the hazard of loss by fire and fire insurance rates may be reduced and the public safety thereby promoted.

Recreation Fund

To account for the operations and maintenance of recreation facilities. Funding managed and/or owned by the City is provided by recreational fees charged to users and cigarette taxes received pursuant to Section 7-12-15 NMSA 1978 which provides that the cigarette taxes received under this section shall be used for recreational facilities and salaries of instructors and other employees necessary to the operation of recreational facilities. Such recreational facilities shall be for the use of all persons, and juveniles and elderly persons shall not be excluded.

Capital Equipment Replacement

To account for expenditures for capital equipment funded by special revenues for stand by services designated by the City Council. Funding authority by City Council Resolution No. 90-16.

Corrections Fees Fund

To account for the correction fees (\$10) imposed pursuant to 35-14-11B (1) NMSA 1978. The correction fees shall be used for municipal jailer or juvenile detention officer training, for the construction planning, construction and maintenance of a municipal jail or juvenile detention facility, for paying the cost of housing municipal prisoners in a county jail or housing juveniles in a detention facility or for complying with match or contribution requirements for the receipt of federal funds relating to jails or juvenile detention facilities.

Police Evidence Fund

To account for funds acquired during police raids and gathering of evidence. Fund authorized by city council.

DARE Fund

To account for expenditures of the drug prevention program D.A.R.E. The fund is funded by citizen's contributions and a federal grant from U.S. Department of Justice. Fund authorized by city council resolution and the Anti-Drug Abuse Act of 1988, Public law 100-690, Title VI, Subtitle.

Library Fund

To account for the operations of a library grant from the New Mexico State Library for additions to the City library. The authority is the Laws of New Mexico 2002, Chapter 93, G.O. Bonds for Public Library Resources.

Law Enforcement Fund

To account for grant funds used for maintenance and development of the City's police force. Financing is provided by a grant from the State of New Mexico. Such revenue provides for purchase and repairs of equipment as well as classes to upgrade the training of police personnel and may be used only for these purposes. Funding authority is NMSA 29-13-1.

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Fund Descriptions
June 30, 2013

Special Revenue Funds (continued)

Judicial Education Fund

To account for fine income and expenditures for the judicial education center. The Judicial Education fee (\$1) is imposed pursuant to 35-14-11B (2) NMSA 1978.

Traffic Safety Education Fund

To account for expenditures of a grant from the New Mexico Department of Transportation Department to educate the citizens of Bloomfield in traffic safety. Funding authority is 66-7-512 NMSA 1978.

Court Automation Fund

To account for fine income and expenditures for computer equipment to improve the courts computer system. The Court Automation fee (\$6) is imposed pursuant to 35-14-11B (3) NMSA 1978.

LLEBG Grant

To account for expenditures for the L.L.E.B.G. program. Funding is provided by a federal grant thru the Bureau of Justice Assistance under PL 100-690.

KAB – Bloomfield Pride

To account for the expenditures of a grant from the New Mexico Beautification Inc. under the litter Control and Beautification Act. Funding authority is NMSA 67-16-14.

Emergency Medical Fund

To account for the operations of the City Emergency Medical Service Unit. Sources of funds are the State of New Mexico Health and Environment Department, Emergency Medical Service Bureau. Expenditures are subject to approval of the state agency and the City Council. Funding authority is NMSA 24-10A-1 to 24-10A-10 or 63-9D-1 to 63-9D-11.1.

Senior Citizen's Center Fund

To account for a portion of the operations of the City's Senior Citizens Center. The sales of ceramics, fees, and dues are accounted for in this fund and a portion of the operating expenses. The operations are funded by donations and sales made by San Juan-McKinley County Senior Citizens and was set up administratively.

BLM Wildland Grant

To account for funds received from the State of New Mexico Forestry Division to acquire equipment to fight brush fires in rural fire districts. Fund authorized by city council.

Enhanced 911 Addressing

To account for the operations of the City's Emergency Medical Services Unit. Sources of funds are the State of New Mexico Health and Environment Department, Emergency Medical Services Bureau. Funding authority is NMSA 24-10A-1.

Lodger's Tax

To account for lodger's tax revenues collected from the lodges within the City of Bloomfield and expenditures in accordance with the Lodger's Tax Law. Funding authority is NMSA 3-38-15.

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Fund Descriptions
June 30, 2013

Capital Projects Funds

Fire Department Construction

The fire department construction project was approved by City Council Resolution 92-26. The revenues came from the sale of the old fire station to the State Highway Department. The monies in this fund are for future fire department construction projects.

Land Acquisition

To account for monies that have been designated by the City Council for future land purchases. The land acquisition fund was authorized by City Council Resolution No. 99-13.

Park Purchase & Improvement

To account for the project costs to acquire park land funded by a grant from the State of New Mexico under a special appropriation authorized by NMSA Laws of 2002, Chapter 110.

Fire, Police, CRT, and City Hall

To account for the proceeds and expenditures of bonds issued for constructing, purchasing, rehabilitating or remodeling public buildings, including additions and improvements. Fund authorized by city council.

Industrial Park

To account for the construction of an industrial park funded by a grant from the State of New Mexico. Fund authorized by city council.

Highway Co-op Projects

To account for state funds provided by the New Mexico State Highway and Transportation Department. The purpose of the program is to maintain or construct various streets within the City of Bloomfield.

Dam Rehabilitation

To accumulate and account for costs of a project to rehabilitate the dam at the City's reservoir. This project will be funded from City money along with State and Federal appropriations. Fund authorized by city council.

CDBG Church Street Project

To account for monies spent on a specific street improvement project. This project is funded by federal CDBG monies along with a match from City funds.

Park Improvements

To account for grant monies for park improvements as well as plan, design and construct the Parks and Recreation office building and workshop. Funding is provided by the State of New Mexico under a special appropriation authorized by NMSA Laws of 2004, Chapter 126.

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STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2013

Special Revenue

	<u>Fire Protection Fund</u>	<u>Recreation Fund</u>	<u>Capital Equipment Replacement</u>	<u>Correction Fees Fund</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 22,765	\$ 20,404	\$ 558	\$ 449
Receivables:				
Other taxes	-	-	92,636	-
Other receivables	-	-	-	-
<i>Total assets</i>	<u>\$ 22,765</u>	<u>\$ 20,404</u>	<u>\$ 93,194</u>	<u>\$ 449</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Restricted	22,765	-	-	449
Committed	-	-	-	-
Assigned	-	20,404	93,194	-
<i>Total fund balances</i>	<u>22,765</u>	<u>20,404</u>	<u>93,194</u>	<u>449</u>
<i>Total liabilities and fund balances</i>	<u>\$ 22,765</u>	<u>\$ 20,404</u>	<u>\$ 93,194</u>	<u>\$ 449</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Police Evidence Fund</u>	<u>DARE Fund</u>	<u>Library Fund</u>	<u>Law Enforcement Fund</u>	<u>Judicial Education Fund</u>	<u>Traffic Safety Education Fund</u>
\$ 6,029	\$ 126	\$ 18,473	\$ 4,575	\$ 588	\$ 7,641
-	-	-	-	-	-
-	-	1,000	145	-	-
<u>\$ 6,029</u>	<u>\$ 126</u>	<u>\$ 19,473</u>	<u>\$ 4,720</u>	<u>\$ 588</u>	<u>\$ 7,641</u>
\$ -	\$ -	\$ 60	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	60	-	-	-
-	126	19,413	4,720	588	7,641
6,029	-	-	-	-	-
-	-	-	-	-	-
<u>6,029</u>	<u>126</u>	<u>19,413</u>	<u>4,720</u>	<u>588</u>	<u>7,641</u>
<u>\$ 6,029</u>	<u>\$ 126</u>	<u>\$ 19,473</u>	<u>\$ 4,720</u>	<u>\$ 588</u>	<u>\$ 7,641</u>

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2013

Special Revenue

	<u>Court Automation Fund</u>	<u>LLEBG Grant</u>	<u>KAB - Bloomfield Pride</u>	<u>Emergency Medical Fund</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 8,024	\$ -	\$ 1,300	\$ 4,815
Receivables:				
Other taxes	-	-	-	-
Other receivables	-	-	-	-
<i>Total assets</i>	<u>\$ 8,024</u>	<u>\$ -</u>	<u>\$ 1,300</u>	<u>\$ 4,815</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	1,300	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>1,300</u>	<u>-</u>
<i>Fund balances</i>				
Restricted	8,024	-	-	4,815
Committed	-	-	-	-
Assigned	-	-	-	-
<i>Total fund balances</i>	<u>8,024</u>	<u>-</u>	<u>-</u>	<u>4,815</u>
<i>Total liabilities and fund balances</i>	<u>\$ 8,024</u>	<u>\$ -</u>	<u>\$ 1,300</u>	<u>\$ 4,815</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				Capital Projects	
Senior Citizen's Center Fund	BLM Wildland Grant	Enhanced 911 Addressing	Lodger's Tax	Fire Department Construction	Land Acquisition
\$ 25,693	\$ 22,370	\$ 2,554	\$ 47,050	\$ 39,647	\$ 5,929
-	-	-	6,538	-	-
1,000	-	-	-	30,174	-
<u>\$ 26,693</u>	<u>\$ 22,370</u>	<u>\$ 2,554</u>	<u>\$ 53,588</u>	<u>\$ 69,821</u>	<u>\$ 5,929</u>
\$ -	\$ -	\$ -	\$ 4,532	\$ -	\$ -
-	-	-	-	-	-
-	-	-	4,532	-	-
-	22,370	2,554	49,056	-	-
-	-	-	-	69,821	5,929
26,693	-	-	-	-	-
<u>26,693</u>	<u>22,370</u>	<u>2,554</u>	<u>49,056</u>	<u>69,821</u>	<u>5,929</u>
<u>\$ 26,693</u>	<u>\$ 22,370</u>	<u>\$ 2,554</u>	<u>\$ 53,588</u>	<u>\$ 69,821</u>	<u>\$ 5,929</u>

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2013

Capital Projects

	<u>Park Purchase & Improvement</u>	<u>Fire, Police, CRT, and City Hall</u>	<u>Industrial Park</u>	<u>Highway Co-op Projects</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 12,287	\$ -	\$ -	\$ 5,972
Receivables:				
Other taxes	-	-	-	-
Other receivables	-	-	-	-
<i>Total assets</i>	<u>\$ 12,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,972</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Restricted	12,287	-	-	5,972
Committed	-	-	-	-
Assigned	-	-	-	-
<i>Total fund balances</i>	<u>12,287</u>	<u>-</u>	<u>-</u>	<u>5,972</u>
<i>Total liabilities and fund balances</i>	<u>\$ 12,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,972</u>

The accompanying notes are an integral part of these financial statements

<u>Capital Projects</u>			
<u>Dam Rehabilitation</u>	<u>CDBG Church Street Project</u>	<u>Park Improvements</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 2,471	\$ 259,720
-	-	-	99,174
-	-	-	32,319
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,471</u>	<u>\$ 391,213</u>
\$ -	\$ -	\$ -	\$ 4,592
-	-	-	1,300
-	-	-	5,892
-	-	2,471	163,251
-	-	-	81,779
-	-	-	140,291
-	-	2,471	385,321
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,471</u>	<u>\$ 391,213</u>

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013

Special Revenue

	Fire Protection Fund	Recreation Fund	Capital Equipment Replacement	Correction Fees Fund
<i>Revenues:</i>				
<i>Taxes:</i>				
Gross receipts	\$ -	\$ -	\$ 502,670	\$ -
Other	-	-	-	-
<i>Intergovernmental:</i>				
State operating grants	209,208	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	119,250	-
Licenses and fees	-	-	-	-
Contributions and donations	-	10,000	-	-
Investment income	1	-	-	-
Miscellaneous	-	1,960	-	-
<i>Total revenues</i>	<u>209,209</u>	<u>11,960</u>	<u>621,920</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	14,320	-	-	-
Culture and recreation	-	10,847	-	-
Capital outlay	162,836	-	-	-
<i>Total expenditures</i>	<u>177,156</u>	<u>10,847</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>32,053</u>	<u>1,113</u>	<u>621,920</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	204,812	-
Transfers out	(176,823)	-	(755,950)	-
<i>Total other financing sources (uses)</i>	<u>(176,823)</u>	<u>-</u>	<u>(551,138)</u>	<u>-</u>
<i>Net change in fund balances</i>	(144,770)	1,113	70,782	-
<i>Fund balances - beginning of year</i>	<u>167,535</u>	<u>19,291</u>	<u>22,412</u>	<u>449</u>
<i>Fund balances - end of year</i>	<u>\$ 22,765</u>	<u>\$ 20,404</u>	<u>\$ 93,194</u>	<u>\$ 449</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Police Evidence Fund	DARE Fund	Library Fund	Law Enforcement Fund	Judicial Education Fund	Traffic Safety Education Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	1,000	32,000	-	-
-	-	-	-	-	-
-	-	-	-	7,766	7,778
-	-	-	-	-	-
-	-	1	-	-	-
-	-	188	-	-	-
-	-	1,189	32,000	7,766	7,778
-	-	-	-	7,178	-
-	-	-	42,817	-	32,169
-	-	19,072	-	-	-
-	-	-	-	-	-
-	-	19,072	42,817	7,178	32,169
-	-	(17,883)	(10,817)	588	(24,391)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(17,883)	(10,817)	588	(24,391)
6,029	126	37,296	15,537	-	32,032
\$ 6,029	\$ 126	\$ 19,413	\$ 4,720	\$ 588	\$ 7,641

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013

Special Revenue

	Court Automation Fund	LLEBG Grant	KAB - Bloomfield Pride	Emergency Medical Fund
<i>Revenues:</i>				
<i>Taxes:</i>				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
<i>Intergovernmental:</i>				
State operating grants	-	-	-	4,815
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	15,585	-	-	-
Contributions and donations	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	1,550	-
<i>Total revenues</i>	<u>15,585</u>	<u>-</u>	<u>1,550</u>	<u>4,815</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	14,399	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>14,399</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,186</u>	<u>-</u>	<u>1,550</u>	<u>4,815</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	1,186	-	1,550	4,815
<i>Fund balances - beginning of year</i>	<u>6,838</u>	<u>-</u>	<u>(1,550)</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 8,024</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,815</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				Capital Projects	
Senior Citizen's Center Fund	BLM Wildland Grant	Enhanced 911 Addressing	Lodger's Tax	Fire Department Construction	Land Acquisition
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	59,054	-	-
1,000	-	-	-	-	-
-	-	-	-	30,174	-
-	-	-	-	-	-
22,867	-	-	-	-	-
-	-	-	-	-	-
2,088	-	-	-	-	-
<u>25,955</u>	<u>-</u>	<u>-</u>	<u>59,054</u>	<u>30,174</u>	<u>-</u>
-	-	-	73,485	-	-
-	-	-	-	32,473	-
-	-	-	-	-	-
-	-	-	-	52,068	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>73,485</u>	<u>84,541</u>	<u>-</u>
<u>25,955</u>	<u>-</u>	<u>-</u>	<u>(14,431)</u>	<u>(54,367)</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
25,955	-	-	(14,431)	(54,367)	-
<u>738</u>	<u>22,370</u>	<u>2,554</u>	<u>63,487</u>	<u>124,188</u>	<u>5,929</u>
<u>\$ 26,693</u>	<u>\$ 22,370</u>	<u>\$ 2,554</u>	<u>\$ 49,056</u>	<u>\$ 69,821</u>	<u>\$ 5,929</u>

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013

Capital Projects

	Park Purchase & Improvement	Fire, Police, CRT, and City Hall	Industrial Park	Highway Co-op Projects
<i>Revenues:</i>				
<i>Taxes:</i>				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
<i>Intergovernmental:</i>				
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Contributions and donations	-	-	-	-
Investment income	-	-	-	3
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	(12,122)	(74,970)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(12,122)</u>	<u>(74,970)</u>	<u>-</u>
<i>Net change in fund balances</i>	-	(12,122)	(74,970)	3
<i>Fund balances - beginning of year</i>	<u>12,287</u>	<u>12,122</u>	<u>74,970</u>	<u>5,969</u>
<i>Fund balances - end of year</i>	<u>\$ 12,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,972</u>

The accompanying notes are an integral part of these financial statements

<u>Capital Projects</u>				
<u>Dam Rehabilitation</u>	<u>CDBG Church Street Project</u>	<u>Park Improvements</u>	<u>Total Nonmajor Governmental Funds</u>	
\$ -	\$ -	\$ -	\$	502,670
-	-	-		59,054
-	-	-		248,023
-	-	-		30,174
-	-	-		119,250
-	-	-		31,129
-	-	-		32,867
-	-	-		5
-	-	-		5,786
<u>-</u>	<u>-</u>	<u>-</u>		<u>1,028,958</u>
-	-	-		80,663
-	-	-		136,178
-	-	-		29,919
<u>-</u>	<u>-</u>	<u>-</u>		<u>214,904</u>
<u>-</u>	<u>-</u>	<u>-</u>		<u>461,664</u>
-	-	-		567,294
-	-	-		204,812
<u>-</u>	<u>-</u>	<u>-</u>		<u>(1,019,865)</u>
<u>-</u>	<u>-</u>	<u>-</u>		<u>(815,053)</u>
-	-	-		(247,759)
<u>-</u>	<u>-</u>	<u>2,471</u>		<u>633,080</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,471</u>	<u>\$</u>	<u>385,321</u>

STATE OF NEW MEXICO
City of Bloomfield
Fire Protection Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	220,000	220,000	209,208	(10,792)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	1	1
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>220,000</u>	<u>220,000</u>	<u>209,209</u>	<u>(10,791)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	210,000	210,000	177,156	32,844
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>210,000</u>	<u>210,000</u>	<u>177,156</u>	<u>32,844</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>10,000</u>	<u>10,000</u>	<u>32,053</u>	<u>22,053</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	53,723	53,723	-	(53,723)
Transfers in	-	-	-	-
Transfers out	(63,723)	(63,723)	(176,823)	(113,100)
<i>Total other financing sources (uses)</i>	<u>(10,000)</u>	<u>(10,000)</u>	<u>(176,823)</u>	<u>(166,823)</u>
<i>Net change in fund balance</i>	-	-	(144,770)	(144,770)
<i>Fund balance - beginning of year</i>	-	-	167,535	167,535
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,765</u>	<u>\$ 22,765</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (144,770)	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ (144,770)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Recreation Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	10,000	10,000
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	3,000	3,000	1,960	(1,040)
<i>Total revenues</i>	<u>3,000</u>	<u>3,000</u>	<u>11,960</u>	<u>8,960</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	14,500	14,500	10,847	3,653
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>14,500</u>	<u>14,500</u>	<u>10,847</u>	<u>3,653</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(11,500)</u>	<u>(11,500)</u>	<u>1,113</u>	<u>12,613</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	11,500	11,500	-	(11,500)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>11,500</u>	<u>11,500</u>	<u>-</u>	<u>(11,500)</u>
<i>Net change in fund balance</i>	-	-	1,113	1,113
<i>Fund balance - beginning of year</i>	-	-	19,291	19,291
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,404</u>	<u>\$ 20,404</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 1,113	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ 1,113</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Capital Equipment Replacement Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	513,000	513,000	504,986	(8,014)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	119,250	119,250	119,250	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>632,250</u>	<u>632,250</u>	<u>624,236</u>	<u>(8,014)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>632,250</u>	<u>632,250</u>	<u>624,236</u>	<u>(8,014)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	(72,540)	(72,540)	-	72,540
Proceeds from sale of capital assets	-	-	-	8,572
Transfers in	196,240	196,240	204,812	8,572
Transfers out	(755,950)	(755,950)	(755,950)	-
<i>Total other financing sources (uses)</i>	<u>(632,250)</u>	<u>(632,250)</u>	<u>(551,138)</u>	<u>89,684</u>
<i>Net change in fund balance</i>	-	-	73,098	73,098
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(72,540)</u>	<u>(72,540)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 558</u>	<u>\$ 558</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 73,098	
Adjustments to revenue for gross receipts taxes.			(2,316)	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ 70,782</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Correction Fees Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>449</u>	<u>449</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 449</u>	<u>\$ 449</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			<u>-</u>	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Police Evidence Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	500	500	-	(500)
<i>Total revenues</i>	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
<i>Expenditures:</i>				
Current:				
General government	6,500	6,500	-	6,500
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,500</u>	<u>6,500</u>	<u>-</u>	<u>6,500</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,000)</u>	<u>(6,000)</u>	<u>-</u>	<u>6,000</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	6,000	6,000	-	(6,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,029</u>	<u>6,029</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,029</u>	<u>\$ 6,029</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
DARE Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>126</u>	<u>126</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126</u>	<u>\$ 126</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			<u>-</u>	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Library Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	20,500	20,500	-	(20,500)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	1	1
Miscellaneous	-	-	188	188
<i>Total revenues</i>	<u>20,500</u>	<u>20,500</u>	<u>189</u>	<u>(20,311)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	22,500	22,500	19,012	3,488
Health and welfare	-	-	-	-
Capital outlay	10,000	10,000	-	10,000
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>32,500</u>	<u>32,500</u>	<u>19,012</u>	<u>13,488</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(12,000)</u>	<u>(12,000)</u>	<u>(18,823)</u>	<u>(6,823)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	12,000	12,000	-	(12,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>(12,000)</u>
<i>Net change in fund balance</i>	-	-	(18,823)	(18,823)
<i>Fund balance - beginning of year</i>	-	-	37,296	37,296
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,473</u>	<u>\$ 18,473</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (18,823)	
Adjustments to revenue for state operating grants.			1,000	
Adjustments to expenditures for operations.			<u>(60)</u>	
Net change in fund balance (GAAP)			<u>\$ (17,883)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Law Enforcement Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	32,000	32,000	32,000	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>32,000</u>	<u>32,000</u>	<u>32,000</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	25,000	25,000	42,962	(17,962)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	22,000	22,000	-	22,000
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>47,000</u>	<u>47,000</u>	<u>42,962</u>	<u>4,038</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(15,000)</u>	<u>(15,000)</u>	<u>(10,962)</u>	<u>4,038</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	15,000	15,000	-	(15,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>
<i>Net change in fund balance</i>	-	-	(10,962)	(10,962)
<i>Fund balance - beginning of year</i>	-	-	15,537	15,537
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,575</u>	<u>\$ 4,575</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (10,962)	
No adjustments to revenue.			-	
Adjustments to expenditures for travel.			145	
Net change in fund balance (GAAP)			<u>\$ (10,817)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Judicial Education Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	12,000	12,000	7,766	(4,234)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>12,000</u>	<u>12,000</u>	<u>7,766</u>	<u>(4,234)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	12,000	12,000	7,178	4,822
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,000</u>	<u>12,000</u>	<u>7,178</u>	<u>4,822</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>588</u>	<u>588</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>588</u>	<u>588</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 588</u>	<u>\$ 588</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 588	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ 588</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Traffic Safety Education Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	12,000	12,000	7,778	(4,222)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>12,000</u>	<u>12,000</u>	<u>7,778</u>	<u>(4,222)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	12,000	32,200	32,169	31
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,000</u>	<u>32,200</u>	<u>32,169</u>	<u>31</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(20,200)</u>	<u>(24,391)</u>	<u>(4,191)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	20,200	-	(20,200)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>20,200</u>	<u>-</u>	<u>(20,200)</u>
<i>Net change in fund balance</i>	-	-	(24,391)	(24,391)
<i>Fund balance - beginning of year</i>	-	-	32,032	32,032
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,641</u>	<u>\$ 7,641</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (24,391)	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ (24,391)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Court Automation Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	25,000	25,000	15,585	(9,415)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,000</u>	<u>25,000</u>	<u>15,585</u>	<u>(9,415)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	25,000	25,000	14,399	10,601
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>14,399</u>	<u>10,601</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,186</u>	<u>1,186</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	1,186	1,186
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,838</u>	<u>6,838</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,024</u>	<u>\$ 8,024</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 1,186	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ 1,186</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
LLEBG Grant Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			<u>-</u>	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
KAB - Bloomfield Pride Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	1,550	1,550
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,550</u>	<u>1,550</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,550</u>	<u>1,550</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	1,550	1,550
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,550)</u>	<u>(1,550)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 1,550	
No adjustments to revenues.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ 1,550</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Emergency Medical Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	4,815	4,815	4,815	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	4,815	4,815	4,815	-
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	4,815	4,815	-	4,815
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	4,815	4,815	-	4,815
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	4,815	4,815
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	4,815	4,815
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 4,815	\$ 4,815
Net change in fund balance (non-GAAP budgetary basis)			\$ 4,815	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			\$ 4,815	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Senior Citizen's Center Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	22,867	22,867
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	2,088	2,088
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>24,955</u>	<u>24,955</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	2,713	2,713	-	2,713
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,713</u>	<u>2,713</u>	<u>-</u>	<u>2,713</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,713)</u>	<u>(2,713)</u>	<u>24,955</u>	<u>27,668</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	2,713	2,713	-	(2,713)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,713</u>	<u>2,713</u>	<u>-</u>	<u>(2,713)</u>
<i>Net change in fund balance</i>	-	-	24,955	24,955
<i>Fund balance - beginning of year</i>	-	-	738	738
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,693</u>	<u>\$ 25,693</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 24,955	
Adjustment to revenue for intergovernmental grant.			1,000	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ 25,955</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
BLM Wildland Grant Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	22,370	22,370	-	22,370
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>22,370</u>	<u>22,370</u>	<u>-</u>	<u>22,370</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(22,370)</u>	<u>(22,370)</u>	<u>-</u>	<u>22,370</u>
<i>Other financing sources (uses)</i>				
Designated cash	22,370	22,370	-	(22,370)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>22,370</u>	<u>22,370</u>	<u>-</u>	<u>(22,370)</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>22,370</u>	<u>22,370</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,370</u>	<u>\$ 22,370</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Enhanced 911 Addressing Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,554</u>	<u>2,554</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,554</u>	<u>\$ 2,554</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Lodger's Tax Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	50,000	50,000	58,671	8,671
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>58,671</u>	<u>8,671</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	75,000	75,000	69,564	5,436
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>75,000</u>	<u>75,000</u>	<u>69,564</u>	<u>5,436</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(10,893)</u>	<u>14,107</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	25,000	25,000	-	(25,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
<i>Net change in fund balance</i>	-	-	(10,893)	(10,893)
<i>Fund balance - beginning of year</i>	-	-	57,943	57,943
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,050</u>	<u>\$ 47,050</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (10,893)	
Adjustments to revenue for lodger taxes.			383	
Adjustments to expenditures for tourism events.			(3,921)	
Net change in fund balance (GAAP)			<u>\$ (14,431)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Fire Department Construction Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	1,200	(1,200)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	124,188	124,188	83,341	40,847
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>124,188</u>	<u>124,188</u>	<u>84,541</u>	<u>39,647</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(124,188)</u>	<u>(124,188)</u>	<u>(84,541)</u>	<u>39,647</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	124,188	124,188	-	(124,188)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>124,188</u>	<u>124,188</u>	<u>-</u>	<u>(124,188)</u>
<i>Net change in fund balance</i>	-	-	(84,541)	(84,541)
<i>Fund balance - beginning of year</i>	-	-	124,188	124,188
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,647</u>	<u>\$ 39,647</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (84,541)	
Adjustments to revenues for state operating grants.			30,174	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ (54,367)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Land Acquisition Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,929</u>	<u>5,929</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,929</u>	<u>\$ 5,929</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Park Purchase and Improvement Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>12,287</u>	<u>12,287</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,287</u>	<u>\$ 12,287</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			<u>-</u>	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Fire, Police, CRT and City Hall Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Loan proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(12,122)	(12,122)	(12,122)	-
<i>Total other financing sources (uses)</i>	<u>(12,122)</u>	<u>(12,122)</u>	<u>(12,122)</u>	<u>-</u>
<i>Net change in fund balance</i>	(12,122)	(12,122)	(12,122)	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>12,122</u>	<u>12,122</u>
<i>Fund balance - end of year</i>	<u>\$ (12,122)</u>	<u>\$ (12,122)</u>	<u>\$ -</u>	<u>\$ 12,122</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (12,122)	
No adjustments to revenues.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ (12,122)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Industrial Park Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Contributions and donations	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Loan proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(74,970)	(74,970)	(74,970)	-
<i>Total other financing sources (uses)</i>	<u>(74,970)</u>	<u>(74,970)</u>	<u>(74,970)</u>	<u>-</u>
<i>Net change in fund balance</i>	(74,970)	(74,970)	(74,970)	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>74,970</u>	<u>74,970</u>
<i>Fund balance - end of year</i>	<u>\$ (74,970)</u>	<u>\$ (74,970)</u>	<u>\$ -</u>	<u>\$ 74,970</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (74,970)	
No adjustments to revenues.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ (74,970)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Highway Co-op Projects Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	3	3
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	3	3
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,969</u>	<u>5,969</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,972</u>	<u>\$ 5,972</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 3	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ 3</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Dam Rehabilitation Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustment to revenues.			-	
No adjustment to expenditures.			-	
Net change in fund balance (GAAP)			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
CDBG Church Street Project Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenues.			-	
No adjustments to expenditures.			<u>-</u>	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Park Improvements Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,471</u>	<u>2,471</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,471</u>	<u>\$ 2,471</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue.			-	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Special Street Maintenance Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	210,000	210,000	256,102	46,102
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	872,177	872,177	347,994	(524,183)
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,082,177</u>	<u>1,082,177</u>	<u>604,096</u>	<u>(478,081)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	775,982	775,982	767,297	8,685
Capital outlay	531,677	531,677	46,289	485,388
<i>Debt service:</i>				
Principal	63,616	63,616	53,917	9,699
Interest	-	-	6,619	(6,619)
<i>Total expenditures</i>	<u>1,371,275</u>	<u>1,371,275</u>	<u>874,122</u>	<u>497,153</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(289,098)</u>	<u>(289,098)</u>	<u>(270,026)</u>	<u>19,072</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	(577,837)	(577,837)	-	577,837
Proceeds from sale of capital assets	-	-	-	-
Transfers in	866,935	866,935	847,632	(19,303)
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>289,098</u>	<u>289,098</u>	<u>847,632</u>	<u>558,534</u>
<i>Net change in fund balance</i>	-	-	577,606	577,606
<i>Fund balance - beginning of year</i>	-	-	(577,537)	(577,537)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69</u>	<u>\$ 69</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 577,606	
Adjustments to revenue for gasoline and motor vehicle taxes.			(1,617)	
Adjustments to expenditures for salaries and debt service.			<u>(7,710)</u>	
Net change in fund balance (GAAP)			<u>\$ 568,279</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
G.O. Bond Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ 232,475	\$ 232,475	\$ 228,444	\$ (4,031)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	3,005	3,005
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>232,475</u>	<u>232,475</u>	<u>231,449</u>	<u>(1,026)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	2,325	2,325	2,266	59
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	170,000	170,000	631,552	(461,552)
Interest	50,390	50,390	534,205	(483,815)
<i>Total expenditures</i>	<u>222,715</u>	<u>222,715</u>	<u>1,168,023</u>	<u>(945,308)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>9,760</u>	<u>9,760</u>	<u>(936,574)</u>	<u>(946,334)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted cash increase)	(9,760)	(9,760)	-	9,760
Transfers in	-	-	932,773	932,773
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(9,760)</u>	<u>(9,760)</u>	<u>932,773</u>	<u>942,533</u>
<i>Net change in fund balance</i>	-	-	(3,801)	(3,801)
<i>Fund balance - beginning of year</i>	-	-	1,121,102	1,121,102
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,117,301</u>	<u>\$ 1,117,301</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (3,801)	
Adjustments to revenue for property taxes.			(3,191)	
No adjustments to expenditures.			-	
Net change in fund balance (GAAP)			<u>\$ (6,992)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-1

City of Bloomfield

Statement of Revenues, Expenses and Changes in Net Position

Budget and Actual

Joint Utility Fund

For the Year Ended June 30, 2013

	Budget Amounts		Actual	Variations
	Original	Final		Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 3,627,400	\$ 3,627,400	\$ 3,609,989	\$ (17,411)
<i>Total operating revenues</i>	<u>3,627,400</u>	<u>3,627,400</u>	<u>3,609,989</u>	<u>(17,411)</u>
<i>Operating expenses:</i>				
Depreciation	-	-	423,207	(423,207)
Personnel services	1,504,544	1,504,544	1,513,885	(9,341)
Contractual services	180,500	180,500	160,004	20,496
Supplies and purchased power	546,527	546,527	409,409	137,118
Maintenance and materials	2,929,730	2,929,730	352,807	2,576,923
Miscellaneous	211,200	211,230	209,280	1,950
Utilities	37,200	37,200	34,598	2,602
Equipment	135,265	162,525	10,599	151,926
Gross receipts taxes	202,150	202,150	175,025	27,125
<i>Total operating expenses</i>	<u>5,747,116</u>	<u>5,774,406</u>	<u>3,288,814</u>	<u>2,485,592</u>
<i>Operating income (loss)</i>	<u>(2,119,716)</u>	<u>(2,147,006)</u>	<u>321,175</u>	<u>2,468,181</u>
<i>Non-operating revenues (expenses):</i>				
Proceeds from bonds	-	-	-	-
Principal expense	(872,471)	(872,471)	-	872,471
Interest expense	(689,958)	(689,958)	(200,537)	489,421
Interest income	1,500	1,500	1,506	6
Miscellaneous financing costs	-	-	(4,080)	(4,080)
Miscellaneous income	2,300	2,300	2,526	226
<i>Total non-operating revenues (expenses)</i>	<u>(1,558,629)</u>	<u>(1,558,629)</u>	<u>(200,585)</u>	<u>1,358,044</u>
<i>Income (loss) before contributions and transfers</i>	<u>(3,678,345)</u>	<u>(3,705,635)</u>	<u>120,590</u>	<u>3,826,225</u>
Government contributions	2,642,300	2,642,300	760,407	(1,881,893)
Transfers	1,016,792	1,016,792	180,882	(835,910)
Designated cash	19,253	46,543	-	(46,543)
<i>Change in net position</i>	-	-	1,061,879	1,061,879
<i>Total net position, beginning of year</i>	-	-	9,355,950	9,355,950
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,417,829</u>	<u>\$ 10,417,829</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-2

City of Bloomfield

Statement of Revenues, Expenses and Changes in Net Position

Budget and Actual

Solid Waste Fund

For the Year Ended June 30, 2013

	Budget Amounts		Actual	Variances
	Original	Final		Favorable Unfavorable
<i>Operating revenues:</i>				
Charges for services	\$ 708,400	\$ 708,400	\$ 746,385	\$ 37,985
<i>Total operating revenues</i>	<u>708,400</u>	<u>708,400</u>	<u>746,385</u>	<u>37,985</u>
<i>Operating expenses:</i>				
Depreciation	-	-	10,078	(10,078)
Personnel services	-	-	-	-
Contractual services	670,000	703,500	649,103	54,397
Supplies and purchased power	-	-	-	-
Maintenance and materials	-	-	-	-
Miscellaneous	-	-	-	-
Utilities	-	-	-	-
Equipment	-	-	-	-
Gross receipts taxes	-	-	-	-
<i>Total operating expenses</i>	<u>670,000</u>	<u>703,500</u>	<u>659,181</u>	<u>44,319</u>
<i>Operating income (loss)</i>	<u>38,400</u>	<u>4,900</u>	<u>87,204</u>	<u>82,304</u>
<i>Non-operating revenues (expenses):</i>				
Principal expense	-	-	-	-
Interest expense	-	-	(6,671)	(6,671)
Interest income	-	-	57	57
Government contributions	-	-	-	-
Miscellaneous financing costs	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>-</u>	<u>-</u>	<u>(6,614)</u>	<u>(6,614)</u>
<i>Income (loss) before contributions and transfers</i>	<u>38,400</u>	<u>4,900</u>	<u>80,590</u>	<u>75,690</u>
Government contributions	-	-	-	-
Transfers	(234,587)	(234,587)	(218,345)	16,242
Designated cash	<u>196,187</u>	<u>229,687</u>	<u>-</u>	<u>(229,687)</u>
<i>Change in net position</i>	<u>-</u>	<u>-</u>	<u>(137,755)</u>	<u>(137,755)</u>
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>703,499</u>	<u>703,499</u>
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 565,744</u>	<u>\$ 565,744</u>

The accompanying notes are an integral part of these financial statements

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
City of Bloomfield
Schedule of Deposit Accounts
June 30, 2013

Schedule I

Bank Account Type/Name	Wells Fargo Bank	Citizen's Bank	Bank of Albuquerque	Totals
Cash and cash equivalents:				
Operating - Checking	\$ 1,598,249	\$ -	\$ -	\$ 1,598,249
Senior Citizens - Checking	25,543	-	-	25,543
Paving - Checking	5,112	-	-	5,112
G.O. Water - Checking	186,212	-	-	186,212
Money Market Paving	106,638	-	-	106,638
Motor Vehicle - Checking	12,177	-	-	12,177
Payroll -Checking	-	175,564	-	175,564
BLM Wildland Grant - Checking	-	22,370	-	22,370
Police Evidence - Checking	-	6,029	-	6,029
Sewer Line Extension CDBG - Checking	-	738	-	738
W/W Debt Service - Checking	-	322,664	-	322,664
Water Line Relocation - Checking	-	88	-	88
IMMA	-	147,864	-	147,864
D.A.R.E. - Checking	-	4	-	4
Fire Fund -Checking	-	17,361	-	17,361
Interest Bond Retirement - Checking	-	1,419	-	1,419
Meter Deposits - Checking	-	54,495	-	54,495
Wastewater Replacement - Checking	-	164,392	-	164,392
2007 A PPRF - City of Bloomfield*	-	-	14,278	14,278
NMFA Sub Pprf 2007A Bloomfield Res*	-	-	51,876	51,876
2008 A PPRF - Bloomfield City*	-	-	279	279
NMFA 69th Supp 2008A C/Bloomfield Res*	-	-	51,246	51,246
NMFA Pn Dtd 5/1/05 Bloomfield DS RES*	-	-	16,260	16,260
DW - Bloomfield*	-	-	42,898	42,898
2008 C PPRF - Bloomfield City*	-	-	59,015	59,015
NMFA 71st Supp 08c Bloomfield Ds Res*	-	-	635,685	635,685
DL - Bloomfield City*	-	-	18,215	18,215
DL - Bloomfield City Ds Res*	-	-	105,277	105,277
DL - Bloomfield City Prog*	-	-	476,543	476,543
2007 E PPRF - Bloomfield City*	-	-	26,908	26,908
2007 E PPRF - Bloomfield City Ds Res*	-	-	122,448	122,448
Total	1,933,931	912,988	1,620,928	4,467,847
Reconciling items	(636,876)	(17,542)	-	(654,418)
Reconciled balance	<u>\$ 1,297,055</u>	<u>\$ 895,446</u>	<u>\$ 1,620,928</u>	3,813,429
Petty cash				3,100
Less: agency funds cash per Exhibit E-1				(1,322)
Less: restricted cash and cash equivalents per Exhibit A-1				<u>(1,715,027)</u>
Total unrestricted cash and cash equivalents per Exhibit A-1				<u><u>\$ 2,100,180</u></u>

* These cash accounts are restricted for debt services by the New Mexico Finance Authority

See independent auditors' report.

STATE OF NEW MEXICO
City of Bloomfield
Schedule of Collateral Pledged By Depository
For Public Funds
June 30, 2013

Schedule II

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value at June 30, 2013
Wells Fargo Bank				
	FN AJ2316 3.000% 10/01/2026	10/1/2026	3138ATSE1	\$ 257,730
	FN AL0604 3.000% 08/01/2026	8/1/2026	3138EGU69	103,947
	FN AP7921 3.000% 09/01/2042	9/1/2042	3138MBYT7	179,186
	FN AR1196 3.000% 01/01/2043	1/1/2043	3138NXXJ5	101,043
	FN AR9199 3.000% 03/01/2043	3/1/2043	3138W7GH1	102,053
	FN AT2724 3.000% 05/01/2043	5/1/2043	3138WQA28	4,890
	FN AT2722 3.000% 05/01/2043	5/1/2043	3138WQAY8	97,763
	FN AT5895 3.000% 06/01/2043	6/1/2043	3138WTRR9	14,712
	FN AE0215 4.000% 12/01/2039	12/1/2039	31419AGZ4	5,114
	FN AE0385 4.000% 09/01/2040	9/1/2040	31419ANB9	<u>200,129</u>
	Total Wells Fargo Bank			<u>1,066,567</u>
The location of the safekeeper of the above security is One Wall Street, Fourth Floor, New York, NY 10286.				
Citizen's Bank				
	FEDERAL FARM CREDIT BAN 3.72% 10/26/26	2/26/2026	31331KJ27	<u>1,328,959</u>
The location of the safekeeper of the above securities is 8500 Freeport Parkway, South Irving, TX.				
	Total Pledged Collateral			<u><u>\$ 2,395,526</u></u>

See independent auditors' report.

STATE OF NEW MEXICO
City of Bloomfield
Schedule of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2013

Schedule III

	<u>Balance at June 30, 2012</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance at June 30, 2013</u>
Motor Vehicle	\$ 1,340	\$ 1,245,653	\$ 1,245,671	\$ 1,322
Total	<u>\$ 1,340</u>	<u>\$ 1,245,653</u>	<u>\$ 1,245,671</u>	<u>\$ 1,322</u>

See independent auditor's report

COMPLIANCE SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

**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**

INDEPENDENT AUDITORS' REPORT

Hector Balderas
New Mexico State Auditor
Scott Eckstein, Mayor
City Council Members
City of Bloomfield
Bloomfield, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 for the General Fund of the City of Bloomfield (the "City"), as of and for the year ended June 30, 2013, and the related notes to the financial statements, and the combining and individual funds and related budgetary comparisons of the City, presented as supplemental information, and have issued our report thereon dated December 2, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit, of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

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 City'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 responses as items FS 10-01, FS 10-04, and FS 12-01 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 deficiency described in the accompanying schedule of findings and responses as item FS 10-02 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items FS 11-01, FS 11-02, FS 2012-02, FS 2013-001, FS 2013-002, and FS 2013-003.

The City's Responses to Findings

The City's responses to the finding identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Accounting + Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
December 2, 2013

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STATE OF NEW MEXICO
City of Bloomfield
Schedule of Findings and Responses
June 30, 2013

Schedule IV
Page 1 of 12

Section I – Summary of Audit Results

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

Section II – Findings – Financial Statement Audit

FS 10-01 — Deficiencies in Design over Internal Controls – Material Weakness

Condition: During our process of understanding the City and its environment, we noted instances where elements of the City's internal control framework were nonexistent or deficient. We noted the following weaknesses:

- In 5 out of 5 items tested for related party transactions totaling \$12,746.97, the disbursements did not have the proper oral quotes for purchases over \$500 as required by the City procurement policy.
- In 6 out of 6 items tested for related party transactions totaling \$12,746.97, the purchase order exceeded \$500 per day with no additional approval beyond the request which is a violation of City policy.
- From our review of the cash bank reconciliations, the City has 14 stale dated checks for a total amount of \$3,925.44 recorded as outstanding at June 30, 2013.
- Purchase vouchers are not numbered by the accounting system and do not have unique identifiers.

Criteria: *The Codification of Statements on Auditing Standards (SAS AU)* paragraph 110.03 states that the financial statements are management's responsibility. Management is responsible for adopting sound accounting policies, and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management's assertions embodied in the financial statements.

Effect: Because certain internal controls have weaknesses in design, key controls are not in place to properly safeguard assets and prevent or detect misstatements within the areas above.

Cause: The City has not performed a recent risk assessment for those key controls in place to prevent and detect errors or fraud. The City has also failed to follow internal controls in place for related party transactions.

Auditors' Recommendations: The City should ensure that a comprehensive internal control structure over financial information is designed, documented, and implemented. Management should follow and ensure that all staff follows the City's documented internal control procedures. The City Council is charged with governance and should provide effective oversight of the internal control and financial reporting processes.

Agency's Response: Management agrees with the finding and will work on setting up written policies and procedures for safeguarding the city's assets. These policies and procedures will be communicated to all staff and monitored for compliance.

Section II – Findings – Financial Statement Audit (continued)

FS 10-02 — Receipts, Accounts Payable and Payroll Lack of Internal Controls – Significant Deficiency

Condition: During our testwork of the cash disbursing, cash receipting, and payroll processing we noted the following instances of a lack of appropriate internal controls.

- Accounts Payable vendors can be setup by the same person processing the accounts payable checks
- Payroll personnel routinely enter new employee data and pay rate, make changes to pay rates, enters time, and prints payroll checks
- There are insufficient internal controls over access to master files for receipts, accounts payable, and payroll

Criteria: Appropriate internal controls and segregation of duties in cash receipts, cash disbursing and payroll processing is required to properly report all revenues and expenditures as required by Section 6-6-3, NMSA 1978.

Effect: Without adequate internal controls in key control processes, there is an increased risk of fraudulent activity, and also an increased risk of errors that may not be detected timely.

Cause: Management has not performed a proper evaluation and risk assessment in order to ensure proper internal controls are in place.

Auditors' Recommendations: We recommend that the City incorporate proper internal controls over receipts, disbursements, and payroll, and update internal controls related to the accounts payable clerk so there is no access to set up new vendors. Setting up employees or changing pay rates should be done by someone not entering time or printing payroll checks. These processes should be written and implemented to ensure proper internal controls are present, including segregation of duties.

Agency's Response: Management agrees with the finding and will work on establishing adequate segregation of duties, and management will work on setting up compensating controls for areas in which segregation is not possible due to limited staff.

Section II – Findings – Financial Statement Audit (continued)

FS 10-04 — COSO Framework Monitoring Deficiencies – Material Weakness

Condition: During our testwork, it was noted that the internal controls were not being monitored throughout the year.

Criteria: The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework suggests that internal control systems need to be monitored – a process that assesses the quality of the system’s performance over time. This is accomplished through ongoing monitoring activities or separate evaluations. Internal control deficiencies detected through these monitoring activities should be reported upstream and corrective actions should be taken to ensure continuous improvement of the system.

Effect: The City cannot ascertain that all internal controls are being implemented and operating effectively, which increases the risk of assets to be misappropriated and misstatements in the financial statements to go undetected.

Cause: Management has not performed a proper evaluation and risk assessment in order to ensure proper internal controls are in place.

Auditors’ Recommendations: We recommend that the City adopt and implement a policy requiring monitoring of its internal controls and make modifications as needed. Monitoring is accomplished through ongoing management activities, separate evaluations, or both.

Agency’s Response: Management agrees with the finding and will work on policies and procedures for monitoring internal controls to ensure compliance.

Section II – Findings – Financial Statement Audit (continued)

FS 11-01 — Travel and Per Diem Compliance - Other Matter

Condition: During our testwork of travel and per diem, we noted the following:

- In 4 items totaling \$562.53 out of 5 items tested totaling \$644.13, the travel reimbursement did not have some sort of an agenda to support the travel dates and times
- In 1 item for \$417.33 out of 5 items tested totaling \$644.13, the City used a partial day per diem rate of \$21.50 per night where they should have used \$20.00..
- In 1 item for \$33.60 out of 5 items tested totaling \$644.13, the City improperly paid partial day per diem, resulting in an overpayment of \$12.

Criteria: 2.42.2 NMAC (Sections 10-8-1 to 10-8-8 NMSA 1978) requires that for Travel and Per Diem, an entity must be able to support the expenditure with supporting documentation and proper internal controls.

Effect: Without proper supporting documentation, or proper review of documentation, the risk of misuse of public funds or unauthorized purchases is high.

Cause: The City is not proper implementing the state statutes required for travel and per diem.

Auditor's Recommendations: We recommend that the City follow their policies in place while processing travel and per diem transactions in order to comply with the 2.42.2 NMAC.

Agency's Response: Management agrees with the finding and will work on updating written policies and procedures to ensure that per diem rules are followed.

Section II – Findings – Financial Statement Audit (continued)

FS 11-02 — Internal Controls over Credit Cards – Other Matter

Condition: During our test work of credit cards, we noted that the City was misusing the City’s credit cards as follows:

- In 7 out of 7 credit card transactions tested in the amount of \$5,268.67, the transactions were missing some portion of the supporting documentation for the charge. The total amount of charges tested was \$6,434.81.

Criteria: *The Codification of Statements on Auditing Standards* (SAS AU) paragraph 110.03 states that the financial statements are management’s responsibility. Management is responsible for adopting sound accounting policies, and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management’s assertions embodied in the financial statements. Also, purchases shall be in compliance with the procurement code Section 13-1-21, NMSA 1978.

Effect: The City did not comply with NMSA 1978 Section 13-1-21 and NMAC 6.20.2.17. In addition, the proper disbursement internal controls were not monitored, which increases the risk of misuse of funding by the City.

Cause: The City did not maintain necessary monitoring of the credit card process, and failed to follow disbursement internal controls when processing checks for credit card payments.

Auditors’ Recommendations: We recommend the City implement a procurement policy in relation to credit card use, in accordance with NMSA 1978 Section 13-1-21, that monitors the credit card holders’ usage, and ensures that proper authorization is being performed before credit card transactions are executed.

Agency’s Response: Management agrees with the finding and will implement a new policy regarding credit card transactions to ensure that supporting documentation is obtained for all transactions.

Section II – Findings – Financial Statement Audit (continued)

FS 12-01 — Segregation of Duties – Material Weakness

Condition: During our testwork of the cash receipts and cash disbursements process, we noted the following instances of a lack of appropriate segregation of duties:

- The lead customer support specialist can perform all essential functions in the cash receipt cycle.
- The payroll clerk has the ability to perform all major disbursements processes
- The payroll clerk has the ability to perform all major payroll processes
- The payroll clerk has the ability to create deposit slips, make deposits, record entries, and prepare the bank reconciliation on most bank accounts
- The payroll clerk has the ability to perform bank transfers for accounts that she reconciles
- The payroll clerk has the ability to post manual journal entries to the general ledger
- The payroll clerk has back up duties related to counting the utilities and miscellaneous cash receipts of the accounts she deposits and reconciles
- The person performing the bank reconciliation has access to the general ledger and can make wire transfers
- The accounts payable clerk can make purchases and then subsequently review those purchases

Criteria: *The Codification of Statements on Auditing Standards* (SAS AU) paragraph 110.03 states that the financial statements are management's responsibility. Management is responsible for adopting sound accounting policies, and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management's assertions embodied in the financial statements.

Effect: Without adequate segregation of duties in key control processes, there is an increased risk of fraudulent activity, and also an increased risk of errors that may not be detected timely.

Cause: Due to limited resources, the City relies on the expertise of one individual to perform many duties. Limited resources in the process noted above appear to result in a lack of segregation of duties.

Auditors' Recommendations: Develop a formal review process for the receipt, disbursement, and payroll transaction cycle. Also, implement and document policies and procedures to maintain proper internal controls that include segregation of duties.

Agency's Response: Management agrees with the finding and will work on written policies and procedures regarding segregation of duties.

Section II – Findings – Financial Statement Audit (continued)

FS 2012-02 — Expenditures in Excess of Budget and Budgeted Cash in Excess of Available Balance – Other Matter

Condition: The City exceeded budgeted expenditure in the following funds:

General Fund	\$ 31,973
G.O. Bond Debt Service Fund	\$ 945,308

When the City’s budgeted expenditures exceed its budgeted revenue, the City budgets “designated cash” left over from the previous year to make up the short fall. However, “designated cash” in the current year budget cannot exceed prior year cash and receivables in the same fund.

Designated cash appropriations exceeded available balances in the following fund:

Senior Citizen’s Center Fund Special Revenue Fund	\$ 1,975
---	----------

Criteria: All City funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Department of Finance and Administration – Local Government Division for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation. Per Section 6-6-11, NMSA 1978 (the Batemen Act), it is unlawful for any board of county commissioners, municipal governing body or any local school board, for any purpose whatever to become indebted or contract any debts of any kind or nature whatsoever during any current year which, at the end of such current year, is not and cannot then be paid out of the money actually collected and belonging to that current year, and any indebtedness for any current year which is not paid and cannot be paid, as above provided for, is void. In addition, Section 2.2.2.10. (P) (1), NMAC, states that the City’s cash balances rebudgeted to absorb budget deficits cannot exceed the actual cash balance available at the end of the prior year.

Effect: Any expenditure in excess of the approved budget(s) shall be a liability against the officials so allowing or paying such claims or warrants, and recovery of such excess amounts so allowed or paid may be had against the bondsmen of such official. The effect of a budget with inadequate designated cash available to cover the excess of budgeted expenditures over budgeted revenue could result in the City incurring debt to pay for current year budgeted expenditures, which would be noncompliance with the Batemen Act.

Cause: The City has inadequate monitoring of budgeting procedures at year end.

Auditors’ Recommendations: We recommend all City funds, with the exception of agency funds, be budgeted and approved by the City Commission. Once adopted, budgets must be monitored for compliance with state statute. In addition, we recommend the City’s cash balances rebudgeted to absorb budget deficits do not exceed the actual cash balances available at the end of the prior year.

Agency’s Response: Management agrees with the finding. The loan proceeds from the refinance and subsequent expenditure of those proceeds to pay off the old loan should have been included in the City’s final budget amendment. Steps will be taken in the future to ensure all debt service activity is included in the budget.

Section II – Findings – Financial Statement Audit (continued)

FS 2013-001 — Failure to Notify the Office of the State Auditor of Fraud – Other Matter

Condition: The City experienced a fraud within the Motor Vehicle Department in the amount of \$24,000. The City detected, and has started to seek restitution from the individual involved, however the City did not notify the Office of the State Auditor as required by statute.

Criteria: State statute 12-6-6, NMSA 1978, states “an agency or IPA shall notify the state auditor immediately, in writing, upon discovery of any violation of a criminal statute in connection with financial affairs. The notification shall include an estimate of the dollar amount involved, and a complete description of the violation, including names of persons involved and any action taken or planned.”

Effect: As a result, the City is not in compliance with New Mexico law.

Cause: The City was not aware of the requirement of 12-6-6 NMSA 1978 related to fraudulent acts.

Auditors’ Recommendations: We recommend that the City notify the state auditor immediately, when any violations of a criminal statute related to financial affairs occur.

Agency’s Response: Management was unaware of the requirement. We will notify the State Auditor as soon as possible.

Section II – Findings – Financial Statement Audit (continued)

FS 2013-002 — Certification of Capital Asset Inventory – Other Matter

Condition: The City performed a physical inventory of capital assets for the year ended June 30, 2013, however, the City failed to obtain a certification from the City Council as required by state statute.

Criteria: According to State Audit Rule 2.2.2.10 Y Capital Asset Inventory: (2) Section 12-6-10(A) NMSA 1978 requires each agency to conduct an annual physical inventory of movable chattels and equipment on the inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the agency's auditors.

Effect: The City is not in compliance with 2.20.1.16.E NMAC regarding their annual capital asset certification.

Cause: The City's procedures did not have the capital asset inventory certified by the Board of Trustees, due to management not being aware of this requirement.

Auditors' Recommendations: The City should implement procedures to have the annual capital asset inventory certified by the City Council. The city reports created during the annual physical inventory should be compiled to be certified by the City Council.

Agency's Response: Management was unaware of the requirement. We will take the necessary steps to comply with this requirement for future inventories.

Section II – Findings – Financial Statement Audit (continued)

FS 2013-003 — Missing Standard Campaign Contribution Disclosure Forms – Other Matter

Condition: In 1 out of 1 request for proposal tested during procurement testwork in the amount of \$293,157, the City did not require a standard campaign contribution disclosure form from responsive bidders as required by state statute.

Criteria: Section 13-1-191.1 NMSA 1978, requires prospective contractors to complete a standard campaign contribution disclosure form and file it with the state agency or local public body as part of the competitive sealed proposal.

Effect: The City is not in compliance with 13-1-191.1 NMSA 1978, and is at risk to have contracts cancelled or terminated in the event that a prospective contractor had made a campaign contribution that was not disclosed.

Cause: The City does not have controls in place to require prospective contractors to submit the required standard campaign contribution form with their competitive sealed proposals.

Auditors' Recommendations: The City should implement a requirement within each request for proposal that requires prospective contractors to submit a completed standard campaign contribution disclosure form within their sealed competitive proposal. The City can include a blank standard campaign disclosure contribution form within their request for proposal so prospective contractors can complete that form and submit it with their sealed proposal.

Agency's Response: Management will ensure that the standard campaign contribution form is included in all requests for proposals.

Section III – Prior Year Audit Findings

Financial Statement Findings

FS 10-01 — Deficiencies in Design over Internal Controls – Material Weakness – Repeat/Modified

FS 10-02 — Receipts, Accounts Payable and Payroll Lack of Internal Controls – Significant Deficiency – Repeat/Modified

FS 10-04 — COSO Framework Monitoring Deficiencies – Material Weakness – Repeated

FS 10-05 — Lack of Internal Controls Over Non-Standard Journal Entries – Material Weakness – Resolved

FS 11-01 — Travel and Per Diem Compliance – Other Matter – Repeat/Modified

FS 11-02 — Internal Controls over Credit Cards – Other Matters – Repeat/Modified

FS 12-01 — Segregation of Duties – Material Weakness – Repeat/Modified

FS 2012-02 — Expenditures in Excess of Budget –Other Matter – Repeated/Modified

STATE OF NEW MEXICO

City of Bloomfield

Other Disclosures

June 30, 2013

Exit Conference

An exit conference was held on December 2, 2013. In attendance were the following:

Representing the City of Bloomfield:

Elwin Roark	City Councilor
David Fuqua	City Manager
Bradley Ellsworth	Finance Director

Representing Accounting & Consulting Group, LLP:

Robert Cordova, CPA	Manager
Robert Gonzales	Supervisor