



HINKLE + LANDERS

Certified Public Accountants + Business Consultants

STATE OF NEW MEXICO
CITY OF CLOVIS

FINANCIAL STATEMENTS

For The Year Ended June 30 2011

INTRODUCTORY SECTION

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

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**STATE OF NEW MEXICO
CITY OF CLOVIS
Official Roster
As of June 30, 2011**

City Officials

Name	Title
Gayla Brumfield	Mayor
Chris Bryant	City Commissioner – District 4
Randy Crowder	City Commissioner – District 1
Juan F. Garza	City Commissioner – District 1
Fidel Madrid	City Commissioner – District 3
Robert Sandoval	City Commissioner – District 3
Dan Stoddard	City Commissioner – District 4
Fred Van Soelen	City Commissioner – District 2
Len Vohs	Mayor Pro-Tem, City Commissioner – District 2

Administrative Officials

Joe Thomas	City Manager
Don Clifton	Director of Budget and Internal Operations
Leigh Ann Melancon	Finance Director

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
To the City Manager and City Commission
The City of Clovis
Clovis, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund and special revenue funds of the City of Clovis (City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the City's nonmajor governmental funds, internal service funds, each fiduciary fund, and the budgetary comparisons for the major capital project fund, debt service funds, proprietary funds, and the remaining nonmajor funds presented as supplemental information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011 as listed in the table of contents. These financial statements are the responsibility of City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Clovis Housing and Redevelopment Agency, Inc, a discretely presented component unit of the City, which represents 100 percent of the assets, net assets, and revenues of the discretely presented component units of the City. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it related to the amounts included for discretely presented component units is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Clovis, as of June 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof and the budgetary comparisons for the General Fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund, internal service fund and fiduciary fund of the City as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project fund, debt service funds, proprietary funds, and the remaining nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the financial statements, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2011 on our consideration of the City's internal control over financial reporting and 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* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 4 through 9 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The accompanying financial information listed as "other supplemental information" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Clovis, New Mexico. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and each of the City's nonmajor governmental funds and internal service funds financial statements and, in our opinion, based on our audit and the report of the other auditors, is 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 by us and the other auditors in the audit of the basic financial statements, and accordingly, we express no opinion on it.



Hinkle + Landers, PC
Albuquerque, New Mexico
November 29, 2011

**STATE OF NEW MEXICO
CITY OF CLOVIS
Management's Discussion and Analysis
For the Year Ended June 30, 2011**

As management of the City of Clovis, we offer the readers of the City of Clovis financial statements this narrative overview and analysis of the financial activities of the City of Clovis for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with the financial statements of the City of Clovis and additional information provided.

Financial Highlights

- The assets of the City of Clovis exceeded its liabilities at the close of the most recent fiscal year by \$137,466,516 (*net assets*). Of this amount, \$34,874,026 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$8,131,604. The majority of this increase is due to the increase in current assets.
- As of the close of the current fiscal year, the City of Clovis' governmental funds reported combined ending fund balances of \$24,281,849, an increase of \$2,910,777 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$8,054,779 or 40 percent of total general fund expenditures.
- The City of Clovis' total debt increased by \$5,300,645 (35 percent), during the current fiscal year. The key factor in this increase was a \$7,000,000 gross receipts tax bond issue for Wastewater Improvements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Clovis' basic financial statements. The City of Clovis' 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 the City of Clovis' finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City of Clovis' assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Clovis is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets 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 the City of Clovis 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 the City of Clovis include general government, public safety, public works, and culture and recreation. The business-type activities of the City of Clovis include an airport, solid waste and wastewater.

The government-wide financial statements can be found on pages 10 and 11 of this report.

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. The City of Clovis, 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 Clovis can be divided into two categories: governmental funds and proprietary funds.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Management's Discussion and Analysis
For the Year Ended June 30, 2011**

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* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

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 of Clovis maintains thirty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general, which is considered to be a major fund. Data from the other thirty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Clovis adopts an annual appropriated budget for its general fund and all other governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. In addition, the individual financial statement of the remaining governmental fund types include budgetary comparison date.

The basic governmental fund financial statements can be found on pages 13 thru 16 of this report.

Proprietary funds. The City of Clovis maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Clovis uses enterprise funds to account for its airport, solid waste, and wastewater funds. *Internal Service Funds* accounts for workers compensation and unemployment insurance services provided to other departments of the government. Services are provided on a cost reimbursement basis.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste, wastewater, and airport, all of which are considered major funds of the City of Clovis.

The basic proprietary fund financial statements can be found on pages 19 thru 22 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 24 thru 47 of this report.

Other Information. 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 48 thru 109 of the report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Clovis, assets exceeded liabilities by \$137,466,516 at the close of the most recent fiscal year.

The largest portion of the City of Clovis' net assets (73 percent) reflect its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Clovis uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Clovis' investment in its capital assets is reported net of related

**STATE OF NEW MEXICO
CITY OF CLOVIS
Management's Discussion and Analysis
For the Year Ended June 30, 2011**

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 Clovis
Net Assets
(In thousands)**

	Governmental Activities		Business-type Activities		Total	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Current and other assets	\$ 29,011	26,731	15,904	9,781	44,915	36,512
Capital assets, net of accumulated depreciation	73,553	72,790	46,954	42,208	120,507	114,998
Total assets	102,564	99,521	62,858	51,989	165,422	151,510
Long-term liabilities outstanding	4,682	5,326	16,701	10,963	21,383	16,289
Other Liabilities	2,481	3,341	4,091	2,546	6,572	5,887
Total liabilities	\$ 7,163	8,667	20,792	13,509	27,955	22,176
Net assets	\$ 95,401	90,854	42,066	38,480	137,467	129,334

An additional portion of the City of Clovis' net assets of \$2,398,890 (2 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* \$34,874,026 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 Clovis is able to report positive balances in all three categories of net assets, both for the government as a whole as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was a net increase of \$12,972,257 in capital assets reported. The majority of this increase resulted from the acquisition of vehicles and equipment and the completion of on-going building construction in progress.

Governmental activities. Governmental activities increased the City of Clovis' net assets by \$4,545,751. Key elements of this increase are as follows:

- The total expenses for governmental activities increased by \$3,029,358 due primarily to an increase in public works expenditures, while revenues increased \$2,212,968 due mainly to increased tax revenue.
- The gross receipts tax revenue increased \$1,385,635.

Business-type activities. Business-type activities increased the City of Clovis' net assets by \$3,585,853.

- Revenue increased \$3,202,838 due to an increase in grant revenues. Expenses experienced an increase of \$548,591 during the year primarily due to an increase in cost of operations and capital outlay in Wastewater, Solid Waste and Airport.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Management's Discussion and Analysis
For the Year Ended June 30, 2011**

**City of Clovis
Comparison of Key Elements
(In thousands)**

	Governmental Activities		Business-type Activities		Total	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Revenues						
Taxes	\$ 26,637	24,495	465	437	27,102	24,932
Intergovernmental	8,057	9,208	3,255	351	11,312	9,559
Charges for services	2,541	2,205	7,022	6,525	9,563	8,730
Other	3,866	2,980	629	856	4,495	3,836
Total revenue	<u>41,101</u>	<u>38,888</u>	<u>11,371</u>	<u>8,169</u>	<u>52,472</u>	<u>47,057</u>
Expenses						
General government	6,440	5,730	-	-	6,440	5,730
Public safety	14,478	14,639	-	-	14,478	14,639
Public works	8,824	6,581	-	-	8,824	6,581
Culture and recreation	5,138	4,441	-	-	5,138	4,441
Health and welfare	809	1,247	-	-	809	1,247
Interest on long-term debt	176	198	-	-	176	198
Solid waste	-	-	4,544	4,461	4,544	4,461
Wastewater	-	-	3,096	2,807	3,096	2,807
Airport	-	-	835	659	835	659
Total expenses	<u>35,865</u>	<u>32,836</u>	<u>8,475</u>	<u>7,927</u>	<u>44,340</u>	<u>40,763</u>
Transfers	<u>(690)</u>	<u>(279)</u>	<u>690</u>	<u>279</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>\$ 4,546</u>	<u>5,773</u>	<u>3,586</u>	<u>521</u>	<u>8,132</u>	<u>6,294</u>

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City of Clovis' *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Clovis' 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.

As of the end of the current fiscal year, the City of Clovis' governmental funds reported combined ending fund balances of \$24,281,849, an increase of \$2,910,777 in comparison with the prior year. Approximately 32 percent of this total amount, \$7,881,461, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Of the remainder, \$685,350 is non-spendable as it is for inventory and prepaid expenses.

The general fund is the chief operating fund of the City of Clovis. At the end of the current fiscal year, unassigned fund balance of the general fund was \$8,054,779 and represents 40 percent of total general fund expenditures.

The fund balance of the City of Clovis' general fund increased by \$1,045,539 during the current fiscal year.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Management's Discussion and Analysis
For the Year Ended June 30, 2011**

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

General Fund Budgetary Highlights

There were no major differences between the original budget and the final amended budget.

Detailed budget performance is examined through the Statement of Revenues, Expenditures and Changes in Fund Balance for the general fund found on page 17. Actual general fund expenditures were \$2,301,226 less than the final budget amount (favorable variance). This was due primarily to the police department (public safety component) favorable variance of \$1,240,259.

Capital Asset and Debt Administration

Capital assets. The City of Clovis' amount invested in capital assets for its governmental and business type activities as of June 30, 2011, amounts to \$120,506,405 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, computers, equipment, furniture and fixtures, vehicles, infrastructure and zoo.

City of Clovis Capital Assets (In thousands)						
	Governmental Activities		Business-type Activities		Total	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Land	\$ 3,030	3,020	4,867	4,138	7,897	7,158
Land improvements	8,048	6,388	5,789	6,043	13,837	12,431
Buildings and improvements	17,904	18,435	6,524	6,868	24,428	25,303
Equipment and vehicles	7,620	7,681	2,905	3,465	10,525	11,146
Infrastructure	35,177	33,090	20,747	19,893	55,924	52,983
Construction in progress	1,773	4,176	6,121	1,801	7,894	5,977
Net capital assets	<u>\$ 73,552</u>	<u>72,790</u>	<u>46,953</u>	<u>42,208</u>	<u>120,505</u>	<u>114,998</u>

Additional information on the City of Clovis' capital assets can be found in Note 6 on pages 35-37 of this report.

Long-term debt. At the end of the current fiscal year, the City of Clovis had total debt from outstanding bonds of \$10,400,000 and loans and notes outstanding of \$9,912,805.

**City of Clovis
Long-term Debt
(In thousands)**

	Governmental Activities		Business-type Activities		Total	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Revenue bonds	\$ 3,640	4,205	6,760	8,013	10,400	12,218
Notes payable	1,317	1,390	8,596	1,404	9,913	2,794
	<u>\$ 4,957</u>	<u>5,595</u>	<u>15,356</u>	<u>9,417</u>	<u>20,313</u>	<u>15,012</u>

**STATE OF NEW MEXICO
CITY OF CLOVIS
Management's Discussion and Analysis
For the Year Ended June 30, 2011**

Additional information on the City of Clovis' long-term debt can be found in Note 7 on pages 37-41 of this report.

Economic Factors and Next Year's Budget

City of Clovis is located in Curry County. Curry County, like the rest of urban New Mexico, has a strong and balanced economy. Employment in the area has been stable for the past three years.

City of Clovis receives approximately 66 percent of its annual operating budget for general fund from gross receipts taxes.

Request for Information

This financial report is designed to provide a general overview of the City of Clovis' finances for all 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 Office of the Finance Director, City of Clovis, P.O. Box 760, Clovis, New Mexico 88101. See Note 1 for requests for information in the separate financial statements of the component unit.

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Net Assets
As of June 30, 2011

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current assets				
Cash and investments	\$ 21,515,853	13,305,979	34,821,832	1,707,070
Receivables:				
Property taxes receivable	105,793	-	105,793	-
Intergovernmental	4,977,558	549,033	5,526,591	-
Other receivables	1,436,131	-	1,436,131	-
Customer receivables	-	815,765	815,765	4,631
Notes receivable	-	-	-	-
Prepays	619,059	90,819	709,878	46,210
Inventory	66,872	70,207	137,079	10,486
Internal balances	232,805	(232,805)	-	-
	<u>28,954,071</u>	<u>14,598,998</u>	<u>43,553,069</u>	<u>1,768,397</u>
Total current assets				
Noncurrent assets				
Restricted cash and investments	-	-	-	480,117
Notes receivable, noncurrent portion	-	1,304,919	1,304,919	-
Bond discounts, net of				
amortization of \$8,055	18,795	-	18,795	-
Bond issuance costs, net of				
amortization of \$16,535	38,582	-	38,582	-
Capital assets	129,266,739	82,285,484	211,552,223	7,425,858
Less: accumulated depreciation	<u>(55,714,068)</u>	<u>(35,331,750)</u>	<u>(91,045,818)</u>	<u>(5,242,346)</u>
	<u>73,610,048</u>	<u>48,258,653</u>	<u>121,868,701</u>	<u>2,663,629</u>
Total noncurrent assets				
Total assets	<u>\$ 102,564,119</u>	<u>62,857,651</u>	<u>165,421,770</u>	<u>4,432,026</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Net Assets (continued)
As of June 30, 2011

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Liabilities				
Current liabilities				
Accounts payable	\$ 129,951	1,355,286	1,485,237	30,087
Accrued payroll expenses	826,305	117,206	943,511	35,809
Accrued compensated absences	712,049	169,535	881,584	11,738
Accrued interest	12,844	29,840	42,684	-
Meter and other refundable deposits	131,383	-	131,383	13,321
Deferred revenue	10,496	1,304,919	1,315,415	-
Current portion of bonds and notes payable	658,277	1,114,222	1,772,499	-
Total current liabilities	2,481,305	4,091,008	6,572,313	90,955
Noncurrent liabilities				
Accrued compensated absences	383,411	-	383,411	2,255
Meter and other refundable deposits	-	-	-	71,197
Landfill closure liability	-	2,447,480	2,447,480	-
Bond premium, net of amortization of \$309	-	11,744	11,744	-
Bonds and notes payable	4,299,005	14,241,301	18,540,306	-
Total noncurrent liabilities	4,682,416	16,700,525	21,382,941	73,452
Total liabilities	7,163,721	20,791,533	27,955,254	164,407
Net Assets				
Invested in capital assets, net of related debt	68,595,389	31,598,211	100,193,600	2,183,512
Restricted for:				
Debt service	225,715	-	225,715	-
Capital projects and improvements	1,605,321	-	1,605,321	-
Other purposes	567,854	-	567,854	395,599
Unrestricted	24,406,119	10,467,907	34,874,026	1,688,508
Total net assets	95,400,398	42,066,118	137,466,516	4,267,619
Total liabilities and net assets	\$ 102,564,119	62,857,651	165,421,770	4,432,026

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Activities
For the Year Ended June 30, 2011**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business Type Activities	Total	
Primary Government								
General government	\$ 6,439,558	118,013	2,886,754	-	(3,434,791)	-	(3,434,791)	-
Public safety	14,477,546	2,097,174	1,518,520	-	(10,861,852)	-	(10,861,852)	-
Public works	8,824,049	-	-	2,636,836	(6,187,213)	-	(6,187,213)	-
Culture and recreation	5,138,476	284,759	350,690	-	(4,503,027)	-	(4,503,027)	-
Health and welfare	809,131	41,025	664,119	-	(103,987)	-	(103,987)	-
Interest on long-term debt	176,483	-	-	-	(176,483)	-	(176,483)	-
<i>Total governmental activities</i>	<u>35,865,243</u>	<u>2,540,971</u>	<u>5,420,083</u>	<u>2,636,836</u>	<u>(25,267,353)</u>	<u>-</u>	<u>(25,267,353)</u>	<u>-</u>
Business-type Activities:								
Solid Waste	4,544,690	3,867,011	-	4,250	-	(673,429)	(673,429)	-
Wastewater	3,095,728	3,017,675	-	728,661	-	650,608	650,608	-
Airport	834,862	137,593	-	2,522,021	-	1,824,752	1,824,752	-
<i>Total business type activities</i>	<u>8,475,280</u>	<u>7,022,279</u>	<u>-</u>	<u>3,254,932</u>	<u>-</u>	<u>1,801,931</u>	<u>1,801,931</u>	<u>-</u>
<i>Total Primary Government</i>	<u>44,340,523</u>	<u>9,563,250</u>	<u>5,420,083</u>	<u>5,891,768</u>	<u>(25,267,353)</u>	<u>1,801,931</u>	<u>(23,465,422)</u>	<u>-</u>
Component Units:								
Housing Authority	\$ <u>3,052,728</u>	<u>324,758</u>	<u>3,114,717</u>	<u>362,550</u>	-	-	-	<u>749,297</u>
General Revenues:								
Taxes								
Property taxes, levied for general purposes					\$ 1,622,346	-	1,622,346	-
Gross receipts taxes					22,669,543	464,843	23,134,386	-
Gasoline and motor vehicle taxes					558,791	-	558,791	-
Franchise taxes					1,239,375	-	1,239,375	-
Cigarette and lodger's taxes					546,923	-	546,923	-
Licenses and fees					538,338	-	538,338	-
Fines, forfeitures, and penalties					435,636	-	435,636	-
Investment income					73,951	189,112	263,063	1,971
Miscellaneous income					2,995,923	455,591	3,451,514	62,251
Gain/(loss) on sale of capital assets					(178,112)	(15,234)	(193,346)	(290)
Transfers					(689,610)	689,610	-	-
Total general revenues and transfers					<u>29,813,104</u>	<u>1,783,922</u>	<u>31,597,026</u>	<u>813,229</u>
Change in net assets					4,545,751	3,585,853	8,131,604	813,229
Beginning net assets					90,854,647	38,480,265	129,334,912	3,454,390
Restatement					-	-	-	-
Beginning net assets as restated					<u>90,854,647</u>	<u>38,480,265</u>	<u>129,334,912</u>	<u>3,454,390</u>
Ending net assets					<u>\$ 95,400,398</u>	<u>42,066,118</u>	<u>137,466,516</u>	<u>4,267,619</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Balance Sheet
Governmental Funds
As of June 30, 2011**

	01, 18	Major Funds			Total
		Spec Revenue	Cap Projects	Other Non-Major Governmental Funds	
	General Fund	Eastern NM Rural Water	Street Construction		
<i>Assets</i>					
Cash and investments	\$ 4,193,059	-	-	12,704,857	16,897,916
Restricted cash and investments	-	108,667	334,608	658,938	1,102,213
Receivables:					
Property taxes	105,793	-	-	-	105,793
Intergovernmental	2,574,189	1,260,236	395,373	1,986,387	6,216,185
Other receivables	162,429	-	-	35,074	197,503
Inventory	6,247	-	-	60,626	66,873
Prepaid insurance	356,656	-	-	261,821	618,477
Due from other funds	2,028,289	-	-	-	2,028,289
<i>Total assets</i>	<u>\$ 9,426,662</u>	<u>1,368,903</u>	<u>729,981</u>	<u>15,707,703</u>	<u>27,233,249</u>
<i>Liabilities and fund balances</i>					
<i>Liabilities</i>					
Accounts payable	\$ 105,392	-	-	24,558	129,950
Accrued payroll expenses	694,233	-	-	122,377	816,610
Other accrued expenses	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Deposits held in trust	131,383	-	-	-	131,383
Deferred property tax revenue	67,476	-	-	-	67,476
Other deferred revenue	10,496	-	-	-	10,496
Due to other funds	-	1,238,628	-	556,857	1,795,485
<i>Total liabilities</i>	<u>1,008,980</u>	<u>1,238,628</u>	<u>-</u>	<u>703,792</u>	<u>2,951,400</u>
<i>Fund balances</i>					
Nonspendable	362,903	-	-	322,447	685,350
Restricted	-	108,667	729,981	684,902	1,523,550
Committed	-	-	-	11,639,515	11,639,515
Assigned	-	-	-	2,551,973	2,551,973
Unassigned	8,054,779	21,608	-	(194,926)	7,881,461
<i>Total fund balances</i>	<u>8,417,682</u>	<u>130,275</u>	<u>729,981</u>	<u>15,003,911</u>	<u>24,281,849</u>
<i>Total liabilities and fund balances</i>	<u>\$ 9,426,662</u>	<u>1,368,903</u>	<u>729,981</u>	<u>15,707,703</u>	<u>27,233,249</u>

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

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

Amounts reported for governmental activities in the statement of net assets are different because:

Fund balances - total governmental funds	\$	24,281,849
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		73,520,803
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		67,476
Other long-term assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Bond discounts		18,795
Bond issuance costs		38,582
Other liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued interest		(12,844)
Internal service funds assets and liabilities included governmental activities in the statement of net assets		3,535,822
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Current accrued compensated absences		(709,391)
Noncurrent accrued compensated absences		(383,411)
Current bonds and notes payable		(658,277)
Bonds payable		(4,299,005)
Differences due to rounding		(1)
Net assets of governmental activities	\$	<u><u>95,400,398</u></u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

	Major Funds				Total
	01, 18	36+38+93 94+97+99 Spec Revenue	87 Cap Projects	Other Non-major Governmental Funds	
	General Fund	Eastern NM Rural Water	Street Construction	Funds	Total
<i>Revenues:</i>					
Taxes:					
Property	\$ 1,613,698	-	-	-	1,613,698
Gross receipts	13,773,220	-	-	8,896,321	22,669,541
Gasoline and motor vehicle	26,863	-	-	531,928	558,791
Other	1,243,943	-	-	542,356	1,786,299
Intergovernmental:					
Federal operating grants	184,181	388,528	-	1,240,315	1,813,024
Federal capital grants	-	-	473,138	428,707	901,845
State operating grants	9,849	2,089,164	-	713,696	2,812,709
State capital grants	-	-	2,023,898	-	2,023,898
Charges for services	2,336,319	-	-	728,124	3,064,443
Fines, forfeitures, and penalties	157,626	-	-	15,213	172,839
Licenses and fees	463,502	-	-	484,064	947,566
Investment income	23,447	-	2,890	47,805	74,142
Miscellaneous	503,120	-	9,761	1,048,470	1,561,351
<i>Total revenues</i>	20,335,768	2,477,692	2,509,687	14,676,999	40,000,146
<i>Expenditures:</i>					
Current:					
General government	3,664,580	-	-	1,643,853	5,308,433
Public safety	13,175,822	-	-	407,955	13,583,777
Public works	283,655	2,547,563	53,587	2,186,266	5,071,071
Culture and recreation	2,251,958	-	-	2,591,473	4,843,431
Health and welfare	327,879	-	-	301,044	628,923
Capital outlay	591,514	-	2,673,887	2,845,243	6,110,644
Debt service:					
Principal	-	73,086	-	565,000	638,086
Interest	-	4,023	-	174,249	178,272
<i>Total expenditures</i>	20,295,408	2,624,672	2,727,474	10,715,083	36,362,637
<i>Excess (deficiency) of revenues over expenditures</i>	40,360	(146,980)	(217,787)	3,961,916	3,637,509
<i>Other financing sources (uses)</i>					
Transfers in/(out)	990,354	-	14,486	(1,746,670)	(741,830)
Proceeds from sale of capital asset	14,825	-	-	273	15,098
Proceeds from debt issuance	-	-	-	-	-
<i>Total other financing sources (uses)</i>	1,005,179	-	14,486	(1,746,397)	(726,732)
<i>Net change in fund balance</i>	1,045,539	(146,980)	(203,301)	2,215,519	2,910,777
<i>Beginning fund balance</i>	7,372,143	277,255	933,282	12,788,392	21,371,072
<i>Ending fund balance</i>	\$ 8,417,682	130,275	729,981	15,003,911	24,281,849

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2011

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

Net change in fund balances - total governmental funds	\$	2,910,777
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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	6,110,644
Capital assets received as donations	477,475
Capital expenditures recorded in other expense lines	69,189

Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore depreciation expense is not reported as expenditure in governmental funds.		(5,712,685)
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In the Statement of Activities, a loss is recorded for assets that are removed from service that are not fully depreciated. Thus, the change in net assets differs from the change in fund balance by the amount of loss recorded for deleted capital assets.		(178,112)
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Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The net change of the internal service funds resulting from transactions not recorded with governmental funds.		267,853
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The issuance of long-term debt (e.g. bonds, notes, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Amortization of bond discounts		(1,343)
Amortization of bond issuance costs		(2,756)
Decrease in accrued interest		1,788
Increase in noncurrent and current accrued compensated absences		(43,813)
Issuance of long-term debt		-
Principal payments on bonds and notes payable		638,086

Other reclassifications are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting to show the revenue earned from the current year's tax levy.		8,648
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Due to rounding		-
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Change in net assets of governmental activities	\$	4,545,751
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The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
CITY OF CLOVIS
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	(Unfavorable) Favorable Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ 1,555,188	1,555,188	1,629,641	74,453
Gross receipts	12,265,240	12,465,240	13,694,197	1,228,957
Gasoline and motor vehicle	38,000	38,000	26,399	(11,601)
Other	950,900	950,900	1,009,897	58,997
Intergovernmental income:				
Federal operating grants	562,290	768,550	548,767	(219,783)
Federal capital grants	-	-	-	-
State operating grants	9,850	18,636	9,849	(8,787)
State capital grants	-	-	-	-
Charges for services	1,869,850	1,894,786	2,363,702	468,916
Licenses and fees	354,000	354,000	463,502	109,502
Fines, forfeitures and penalties	178,000	178,000	157,626	(20,374)
Investment income	34,000	34,000	23,447	(10,553)
Miscellaneous	129,000	458,720	954,059	495,339
<i>Total revenues</i>	17,946,318	18,716,020	20,881,086	2,165,066
<i>Expenditures:</i>				
Current:				
General government	3,983,925	4,146,995	3,649,851	497,144
Public safety	14,080,683	14,492,105	13,251,846	1,240,259
Public Works	375,000	375,000	283,655	91,345
Culture and recreation	2,248,939	2,449,675	2,263,756	185,919
Health and welfare	443,991	451,408	329,855	121,553
Capital outlay	486,942	756,520	591,514	165,006
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	21,619,480	22,671,703	20,370,477	2,301,226
<i>Excess (deficiency) of revenues over expenditures</i>	(3,673,162)	(3,955,683)	510,609	4,466,292
<i>Other financing sources (uses)</i>				
Designated cash	2,517,273	2,957,182	-	(2,957,182)
Transfers in	2,796,880	2,905,255	2,897,108	(8,147)
Transfers out	(1,640,991)	(1,906,754)	(1,906,754)	-
<i>Total other financing sources (uses)</i>	3,673,162	3,955,683	990,354	(2,965,329)
<i>Net change in fund balance</i>	-	-	1,500,963	1,500,963
<i>Fund balance - beginning of year</i>	-	-	7,372,143	7,372,143
<i>Fund balance - end of year</i>	\$ -	-	8,873,106	8,873,106
Net change in fund balance (GAAP)				\$ 1,045,539
Adjustments to revenue for tax accruals and other miscellaneous revenue accruals				(530,497)
Adjustments to expenditures for accrued wages, compensated absences, insurance and function expenditures				75,073
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,500,963

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Eastern New Mexico Rural Water 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, 2011**

	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 operating grants	-	388,529	388,528	(1)
Federal capital grants	-	-	-	-
State operating grants	3,620,662	3,620,662	1,179,642	(2,441,020)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	3,620,662	4,009,191	1,568,170	(2,441,021)
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	3,445,891	3,834,420	2,624,791	1,209,629
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	73,090	94,694	94,694	-
Interest	3,476	4,024	4,023	1
<i>Total expenditures</i>	3,522,457	3,933,138	2,723,508	1,209,630
<i>Excess (deficiency) of revenues over expenditures</i>	98,205	76,053	(1,155,338)	(1,231,391)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	747,234	747,234	-	(747,234)
Transfers out	-	-	-	-
Proceeds from debt issuance	234,482	234,482	234,482	-
<i>Total other financing sources (uses)</i>	981,716	981,716	234,482	(747,234)
<i>Net change in fund balance</i>	1,079,921	1,057,769	(920,856)	(1,978,625)
<i>Fund balance - beginning of year</i>	-	-	277,255	277,255
<i>Fund balance - end of year</i>	\$ -	-	(643,601)	(1,701,370)
Net change in fund balance (GAAP)			\$	(146,980)
Adjustments to revenue for applicable accruals and deferrals				675,041
Adjustments to expenditures for applicable accruals and payments				98,835
Net change in fund balance (non-GAAP budgetary basis)			\$	(920,856)

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Fund Net Assets
Proprietary Funds
As of June 30, 2011

	Business-Type Activities Enterprise Funds				Governmental Activities
	Major Funds				48, 53, 54 Internal Service Funds
	2	10	12	Total	
	Solid Waste	Wastewater	Airport		
<i>Assets</i>					
<i>Current assets</i>					
Cash and investments	\$ 4,152,279	9,153,700	-	13,305,979	3,515,725
Receivables:					
Intergovernmental	78,315	-	470,718	549,033	-
Other receivables	-	-	-	-	-
Customer receivables, net of allowance	443,586	372,179	-	815,765	-
Notes receivable, current portion	-	-	-	-	-
Inventory	21,100	49,107	-	70,207	-
Prepays	46,560	20,639	23,620	90,819	581
<i>Total current assets</i>	<u>4,741,840</u>	<u>9,595,625</u>	<u>494,338</u>	<u>14,831,803</u>	<u>3,516,306</u>
<i>Noncurrent assets</i>					
Notes receivable, noncurrent portion	-	1,304,919	-	1,304,919	-
Capital assets	16,000,877	44,722,403	21,562,204	82,285,484	85,244
Less: accumulated depreciation	<u>(7,218,235)</u>	<u>(21,384,913)</u>	<u>(6,728,602)</u>	<u>(35,331,750)</u>	<u>(53,376)</u>
<i>Total noncurrent assets</i>	<u>8,782,642</u>	<u>24,642,409</u>	<u>14,833,602</u>	<u>48,258,653</u>	<u>31,868</u>
<i>Total Assets</i>	<u>\$ 13,524,482</u>	<u>34,238,034</u>	<u>15,327,940</u>	<u>63,090,456</u>	<u>3,548,174</u>
<i>Liabilities and Net Assets</i>					
<i>Liabilities:</i>					
<i>Current liabilities</i>					
Accounts payable	\$ -	1,026,123	329,163	1,355,286	-
Accrued payroll expenses	78,020	31,263	7,923	117,206	9,694
Accrued compensated absences	127,928	19,817	21,790	169,535	2,658
Accrued interest	7,149	22,691	-	29,840	-
Deferred revenue	-	1,304,919	-	1,304,919	-
Due to other funds	-	-	232,805	232,805	-
Current portion of bonds and notes payable	467,521	646,701	-	1,114,222	-
Current portion of capital leases	-	-	-	-	-
<i>Total current liabilities</i>	<u>680,618</u>	<u>3,051,514</u>	<u>591,681</u>	<u>4,323,813</u>	<u>12,352</u>
<i>Noncurrent liabilities</i>					
Landfill closure	2,447,480	-	-	2,447,480	-
Bonds and notes payable	489,371	13,751,930	-	14,241,301	-
Bond premium, net of amortization of \$309	-	11,744	-	11,744	-
<i>Total noncurrent liabilities</i>	<u>2,936,851</u>	<u>13,763,674</u>	<u>-</u>	<u>16,700,525</u>	<u>-</u>
<i>Total liabilities</i>	<u>3,617,469</u>	<u>16,815,188</u>	<u>591,681</u>	<u>21,024,338</u>	<u>12,352</u>
<i>Net Assets:</i>					
Invested in capital assets, net of related debt	8,782,642	8,938,859	14,833,602	32,555,103	31,868
Unrestricted net assets	1,124,371	8,483,987	(97,343)	9,511,015	3,503,954
<i>Total net assets</i>	<u>9,907,013</u>	<u>17,422,846</u>	<u>14,736,259</u>	<u>42,066,118</u>	<u>3,535,822</u>
<i>Total Liabilities and Net Assets</i>	<u>\$ 13,524,482</u>	<u>34,238,034</u>	<u>15,327,940</u>	<u>63,090,456</u>	<u>3,548,174</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011

	Business-Type Activities Enterprise Funds				Governmental Activities
	Major Funds				48, 53, 54 Internal Service Funds
	2 Solid Waste	10 Wastewater	12 Airport	Total	
<i>Operating revenues:</i>					
Charges for services	\$ 3,867,011	3,017,675	137,593	7,022,279	725,291
<i>Total operating revenues</i>	<u>3,867,011</u>	<u>3,017,675</u>	<u>137,593</u>	<u>7,022,279</u>	<u>725,291</u>
<i>Operating expenses:</i>					
General and administrative	262,966	40,726	-	303,692	492,486
Personnel services	1,812,134	728,687	182,602	2,723,423	79,085
Contractual services	-	-	-	-	-
Supplies and purchased power	562,399	78,636	-	641,035	-
Maintenance and materials	1,007,950	412,240	107,834	1,528,024	-
Utilities	38,449	272,116	36,178	346,743	-
Depreciation	799,062	1,235,617	508,248	2,542,927	4,928
Miscellaneous	-	11,106	-	11,106	-
<i>Total operating expenses</i>	<u>4,482,960</u>	<u>2,779,128</u>	<u>834,862</u>	<u>8,096,950</u>	<u>576,499</u>
<i>Operating income (loss)</i>	<u>(615,949)</u>	<u>238,547</u>	<u>(697,269)</u>	<u>(1,074,671)</u>	<u>148,792</u>
<i>Non-operating revenues (expenses):</i>					
Gain/loss on disposal of capital assets	(10,735)	(4,499)	-	(15,234)	-
State nonoperating grants	4,250	-	2,522,021	2,526,271	-
Interest income	93,557	93,417	2,138	189,112	7,301
Interest expense	(61,730)	(316,600)	-	(378,330)	-
Gross receipts and other taxes	464,843	-	-	464,843	-
Miscellaneous	67,759	357,087	30,745	455,591	67,352
<i>Total non-operating revenues (expenses)</i>	<u>557,944</u>	<u>129,405</u>	<u>2,554,904</u>	<u>3,242,253</u>	<u>74,653</u>
Federal capital grants	-	728,661	-	728,661	-
Transfers in	497,581	447,948	165,372	1,110,901	51,308
Transfers out	(259,482)	(161,809)	-	(421,291)	(6,900)
<i>Net capital grants and transfers</i>	<u>238,099</u>	<u>1,014,800</u>	<u>165,372</u>	<u>1,418,271</u>	<u>44,408</u>
<i>Change in net assets</i>	180,094	1,382,752	2,023,007	3,585,853	267,853
<i>Net assets, beginning of year</i>	9,726,919	16,040,094	12,713,252	38,480,265	3,267,969
<i>Restatement</i>	-	-	-	-	-
<i>Beginning net assets, as restated</i>	<u>9,726,919</u>	<u>16,040,094</u>	<u>12,713,252</u>	<u>38,480,265</u>	<u>3,267,969</u>
<i>Net assets, end of year</i>	<u>\$ 9,907,013</u>	<u>17,422,846</u>	<u>14,736,259</u>	<u>42,066,118</u>	<u>3,535,822</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Proprietary Funds
Statement of Cash Flows
For The Year Ended June 30, 2011

	Business-Type Activities Enterprise Funds				Governmental Activities
	Major Funds				
	2	10	12		48, 53, 54
	Solid Waste	Wastewater	Airport	Total	Internal Service Funds
Cash flows from operating activities					
Receipts from customers and users	\$ 3,886,669	3,102,203	(292,276)	6,696,596	-
Receipts from interfund services provided	-	-	-	-	725,291
Payments to suppliers and employees	(3,611,400)	(641,469)	(611)	(4,253,480)	(565,485)
Net cash provided (used) by operating activities	<u>275,269</u>	<u>2,460,734</u>	<u>(292,887)</u>	<u>2,443,116</u>	<u>159,806</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	497,581	447,948	398,177	1,343,706	51,306
Operating transfers to other funds	(262,171)	(150,000)	-	(412,171)	(8,206)
Payments received from note receivable	-	122,691	-	122,691	-
Tax receipts	464,843	-	-	464,843	-
Intergovernmental receipts	4,250	728,661	2,522,021	3,254,932	-
Miscellaneous income	67,759	234,084	30,743	332,586	67,353
Net cash provided (used) by noncapital financing activities	<u>772,262</u>	<u>1,383,384</u>	<u>2,950,941</u>	<u>5,106,587</u>	<u>110,453</u>
Cash flows from capital and related financing activities:					
Acquisitions and construction of capital assets	(160,352)	(4,354,051)	(2,815,453)	(7,329,856)	-
Proceeds from sale of capital assets	3,563	13,708	-	17,271	-
Principal paid on notes payable	(447,048)	(614,217)	-	(1,061,265)	-
Interest paid on notes payable	(61,730)	(316,600)	-	(378,330)	-
Long-term debt proceeds	-	7,012,054	-	7,012,054	-
Net cash provided (used) by capital and related financing activities	<u>(665,567)</u>	<u>1,740,894</u>	<u>(2,815,453)</u>	<u>(1,740,126)</u>	<u>-</u>
Cash flows from investing activities:					
Interest income	93,557	93,417	2,138	189,112	7,301
Net cash provided by investing activities	<u>93,557</u>	<u>93,417</u>	<u>2,138</u>	<u>189,112</u>	<u>7,301</u>
Net increase in cash and temporary investments	<u>\$ 475,521</u>	<u>5,678,429</u>	<u>(155,261)</u>	<u>5,998,689</u>	<u>277,560</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Proprietary Funds
Statement of Cash Flows
For The Year Ended June 30, 2011**

	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Major Funds				48, 53, 54
	2	10	12		Internal
	Solid Waste	Wastewater	Airport	Total	Service Funds
Net increase in cash and cash equivalents-previous page	\$ 475,521	5,678,429	(155,261)	5,998,689	277,560
Cash and investments June 30, 2010	<u>3,676,758</u>	<u>3,475,271</u>	<u>155,261</u>	<u>7,307,290</u>	<u>3,238,165</u>
Cash and investments June 30, 2011	<u>\$ 4,152,279</u>	<u>9,153,700</u>	<u>-</u>	<u>13,305,979</u>	<u>3,515,725</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (615,949)	238,547	(697,269)	(1,074,671)	148,792
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	799,062	1,235,617	508,248	2,542,927	4,928
(Increase) decrease in:					
Accounts receivable	19,658	84,528	(429,869)	(325,683)	-
Inventory	(3,381)	(18,611)	-	(21,992)	-
Prepays	(5,221)	(1,977)	(2,713)	(9,911)	(29)
(Decrease) increase in:					
Accounts payable	-	1,026,123	329,163	1,355,286	-
Accrued payroll	(4,791)	(1,866)	(1,022)	(7,679)	6,097
Deferred revenue	-	(122,691)	-	(122,691)	-
Compensated absences	9,058	3,596	575	13,229	18
Accrued interest	(3,767)	17,468	-	13,701	-
Estimated landfill postclosure costs	<u>80,600</u>	<u>-</u>	<u>-</u>	<u>80,600</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 275,269</u>	<u>2,460,734</u>	<u>(292,887)</u>	<u>2,443,116</u>	<u>159,806</u>
Non-cash transfer of capital assets	<u>2,689</u>	<u>(11,809)</u>	<u>-</u>	<u>-</u>	<u>1,306</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Fiduciary Assets and Liabilities
Agency Funds
As of June 30, 2011

Cash and investments	\$ <u>48,031</u>
<i>Total assets</i>	\$ <u><u>48,031</u></u>
<i>Liabilities</i>	
Deposits held in trust	\$ <u>48,031</u>
<i>Total liabilities</i>	\$ <u><u>48,031</u></u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2011**

NOTE 1 – Summary of Significant Accounting Policies

The City of Clovis (City) was incorporated during 1909 under the laws of the State of New Mexico. The City operates under an elected Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, water supply, airport operations, and general government administrative services.

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. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to the same limitation. The City has elected not to follow subsequent private-sector guidance. The more significant of the government's accounting policies are described below.

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 No. 14 and No. 39. 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.

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 following is a brief review of each potential component unit addressed in defining the City's reporting entity.

Discretely Presented Component Unit

City of Clovis Housing and Redevelopment Agency, Inc. (The Agency) – This component unit has a separately elected and/or appointed board and provides services to residents, generally within the geographic boundaries of the government.

The component unit's activities include enterprise funds as detailed on pages 10 thru 12 in the City's financial reports.

STATE OF NEW MEXICO
CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2011

Separately issued financial statements may be obtained directly from the Agency's administrative office by writing to Clovis Housing and Redevelopment Agency, Inc., 2101 W. Grand Ave., Clovis, New Mexico 87901.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities and changes in net assets) report information on all of the non-fiduciary 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 support.

In the government-wide Statement of Net Assets, 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 assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or 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, if applicable, 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.

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, if applicable. 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 billed.

Grants and similar items are recognized as revenue as soon as all eligibility requirements of time, reimbursement and contingencies 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 property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered available if they are collected within 90 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.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2011**

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. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental fund:

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.

Eastern NM Rural Water Fund (Authorized by Commission at Budget Approval) — To account for federal and state grants which are to be used for the study, design and implementation of a water system project to deliver 24,000 acre-feet of water per annum from the Ute Reservoir located on the Canadian River to 9 communities and 3 counties in eastern New Mexico.

Street Construction — To account for expenditures relating to state-shared projects, such as the repairs and maintenance of City streets, which are part of the State arterial system. Funding is from the Local Government road fund with matching funds transferred from the City of Clovis General Fund.

The government reports the following major proprietary funds:

The *Solid Waste Fund* accounts for the provision of garbage and refuse removal services to the residents of the City of Clovis. All activities necessary to provide such services are accounted for in this fund.

The *Wastewater Fund* accounts for the wastewater system service provided for residents of the City of Clovis, including administration, operation, maintenance, debt service, billing and collection.

The *Airport Fund* accounts for the activities of the City's airport. All activities necessary to provide such services are accounted for in this fund.

Additionally, the government reports the following fund types:

Internal Service Funds account for workers compensation, unemployment insurance services, and property and liability self-insurance provided to other departments of the government. Services are provided on a cost reimbursement basis.

Fiduciary Funds account for monies collected and expended to veterinarians on behalf of City residents who have had their unvaccinated animals detained and for the municipal court service used to account for bonds collected from alleged law violators.

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 and other charges between the government's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

STATE OF NEW MEXICO
CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2011

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 services, facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources are 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

D. Assets, Liabilities and Net Assets or Fund Equity

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the airport, solid waste and wastewater funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

E. 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 Local Government Investment Pool.

Investments for the City are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

F. 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 as revenue when levied, net of estimated refunds and uncollectable amounts.

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2011**

taxes uncollected after May 10th are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

G. Inventories and Prepaid Items

Inventories in governmental funds consist of expendable supplies held for consumption, and are valued at cost using a first-in, first-out (FIFO) method. Expendable supplies are accounted for using the consumption method. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis, and consist of operating supplies held for use in operations and are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns 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 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 historical cost of infrastructure assets, (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. Information technology equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense capitalized by the City during the current fiscal year was \$0. 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>Asset Type</u>	<u>Years</u>
Land	Perpetuity
Construction in progress	Perpetuity
Land improvements	40
Buildings and improvements	40
Infrastructure	25
Equipment and vehicles	3-10

I. Accrued Expenses

Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2011, along with applicable PERA and Retiree Health Care.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2011**

J. 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.

K. Compensated Absences

City employees are entitled to certain compensated absences based on their employment classification and length of employment. With minor exceptions, the City allows 40-hour workweek employees to accumulate unused sick leave to a maximum of 1,000 hours. 24-hour shift employees can accumulate up to 1,344 hours. Earned vacation, up to the amount the employee accrues each year, is allowed to be carried over from one calendar year to the next. Upon termination, employees shall receive payment for unused accrued vacation. Employees with service to City in excess of 20 years will be paid for 50% of accumulated sick leave.

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Accumulated unused vacation is payable upon retirement or termination from employment. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. For bonds issued after GASB 34 was implemented, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums, discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. Fund Equity

Equity is classified as net assets and displayed in three components in the government-wide financial statements and the proprietary funds:

- *Invested in capital assets, net of related debt* – Net assets invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted Net Assets* – Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.

STATE OF NEW MEXICO
CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2011

- *Unrestricted Net Assets* – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

N. Governmental Fund Balances

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. The Statement only applies to Governmental funds and does not extend to Proprietary fund types. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable* – Amounts not in a spendable form, such as prepaid expenses, inventories, or long-term portion of receivables or property held for resale, if the use of the proceeds from the collection/sale of property held for resale is not otherwise constrained. Nonspendable amounts also includes amounts legally or contractually required to remain intact, such as the principal of a permanent fund.
- *Restricted* – Amounts constrained to specific purposes that are externally imposed or imposed by law through constitutional provisions or enabling legislation (such as taxpayers, grantors, bondholders, and higher levels of government).
- *Committed* – Amounts constrained to specific purposes by the governmental entity’s highest level of decision-making authority (the City Commission). To be reported as committed, amounts cannot be used for any other purpose unless the City Commission takes the same highest level action to remove or change the constraint.
- *Assigned* – Amounts constrained by the City intends to be used for a specific purposes. Intent can be expressed by the governing body (City Commission) or an official or body to which the governing body delegates authority.
- *Unassigned* – Balances available for any purpose. Positive amounts are reported only in the general fund.

The City Commission establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by City through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

See the Schedule of Fund Balances on page 112 for additional information about fund balances.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Commission or the finance department has provided otherwise in its commitment or assignment actions.

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P. 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.

NOTE 2 – Stewardship, Compliance and Accountability

Budgetary Information

The City Charter establishes the City's fiscal year as the twelve-month period beginning July 1 and ending June 30. Prior to June 1 the Budget Director submits to management a proposed operating budget of estimated revenues, expenditures, and transfers for the ensuing fiscal year for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Fund and Enterprise Funds. Management subsequently submits the budget (1) to the New Mexico Department of Finance and Administration for review and approval; and (2) to the City Council for review and enactment of a resolution legally adopting the budget. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations. Additionally, the New Mexico Department of Finance and Administration must approve any amendments to the budget.

Each fund's appropriated budget is prepared on a Non-GAAP cash basis at the detailed line item level. Revenues are budgeted by department and general ledger account. Expenditures are budgeted by department and general ledger account. Expenditures may not exceed appropriations at the fund level. All budget revisions at this level are subject to final review and approval by the City Council. Revisions to the budget were made throughout the year.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

The accompanying Statements of Revenue, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present 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 accounting principles generally accepted in the United States of America (GAAP) 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, 2011 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

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NOTE 3 – Deposits and Investments

The City's cash, cash equivalents, investments, and collateral pledged are listed on pages 111-112 of this report.

A summary of the City's cash and investments as of June 30, 2011 is as follows:

<u>Cash and investments</u>	<u>Amount</u>
Cash and cash equivalents	
Cash on hand	\$ 7,180
Cash	14,138,379
NMFA Debt Service Fund	<u>2,492,783</u>
Subtotal cash and cash equivalents	<u>16,638,342</u>
Investments	
State Treasurer's Investment Pool	11,924,965
Certificates of deposit - maturities > 90 days	5,843,902
Federal Home Loan Notes - NMFA Reserve	<u>462,654</u>
Subtotal investments	<u>18,231,521</u>
Total cash and investments	<u>\$ 34,869,863</u>
<u>Cash and investments by fund type</u>	<u>Amount</u>
Governmental funds	\$ 18,000,129
Internal service funds	<u>3,515,724</u>
Subtotal governmental activities	21,515,853
Enterprise funds	13,305,979
Fiduciary funds	<u>48,031</u>
Total cash and investments	<u>\$ 34,869,863</u>

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, 2011.

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 by collateral deposited as security or by bond given by the financial institution.

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.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

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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. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the City for at least one half of the amount on deposit with the institution. At June 30, 2011, \$23,616,604 of the City's bank balances of \$24,790,354 was exposed to custodial credit risk because it was collateralized with collateral held by the pledging bank's trust department, not in the City's name. At June 30, 2011, \$173,750 was exposed to custodial credit risk because it was not collateralized or insured.

For the custodial credit risk of the workers compensation deposit of \$72,958 in the NM Self Insurer's fund and the New Mexico Finance Authority deposit of \$2,492,783 with the State Treasurer, see the separately issued financial statements for the NM Municipal Self Insurer's Fund and the NM Finance Authority available through the New Mexico Office of the State Auditor at www.saonm.org.

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 does not have an investment policy for custodial credit risk. At June 30, 2011, the City's investment balances were exposed to custodial credit risk as follows. The local short-term investment fund, along with other public monies in the State Treasurer's investment account including amounts held by the NM Self Insurer's fund, is invested in repurchase agreements secured at 102% by U.S. Government Securities. The State Treasurer has the responsibility to pledge collateral at 102% of investment balances for the City. All investing is performed in accordance with State Statutes and the City Charter. For more information, refer to separately issued financial statements for the State Treasurer, which disclose the collateral pledged to secure the State Treasurer's cash and investments.

The US Treasury Mutual Funds are all backed by the full faith and credit of the U.S. government and are therefore insured against loss.

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, City or political subdivision of the State of New Mexico.

Interest Rate Risk

The City does not have a formal policy limiting investment maturities to manage its exposure to fair value losses from increasing interest rates. In addition, the City places no limit on the amount it may invest in any one issuer. More than 5 percent of the City's investments are in the State LGIP, certificates of deposit, and Federal Reserve notes. These investments are 65%, 32%, and 3%, respectively, of the City's total investments. The City's investments at June 30, 2011 include the following:

Investments	Maturity	Fair Value
New MexiGROW LGIP	WAM - 36 days	11,924,965
Certificates of deposit	12 months	5,843,902
U.S. Government Obligations:		
Federal Home Loan Notes - NMFA Reserve	<90 days	462,654
Total		\$ <u>18,231,521</u>

The LGIP's portfolio's weighted average maturity (WAM) is a key determinant of the tolerance of a fund's investment to rising interest rates. In general, the longer the WAM, the more susceptible the fund is to rising interest rates. The LGIP portfolio's weighted average maturity (WAM) was 36 days as of June 30, 2011.

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The New MexiGROW Local Government Investment Pool's (LGIP) investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not SEC registered. The New Mexico State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10 I through 6-10-10 P and Sections 6-10-10.1 A and E, NMSA 1978. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the LGIP is voluntary. Collateral pledged to secure State Treasurer cash and investments is reported in the State Treasurer's separately issued financial statements.

Credit Risk

As of June 30, 2011, the City's investments were rated as follows:

Investment Type	Rating
New MexiGROW LGIP	AAAm
Certificates of deposit	No rating
U.S. Government Obligations:	
Federal Home Loan Notes - NMFA Reserve	AAA

NOTE 4 – Receivables

Receivables as of June 30, 2011, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Funds	(01) General Fund	(36, 38, 93) (94, 97, 99) Eastern NM Rural Water	(87) Street Repair	Nonmajor Funds	Total Governmental
Accounts	\$ 2,454,414	-	-	-	2,454,414
Taxes (Property, GRT, etc)	2,679,982	-	-	1,598,301	4,278,283
Grants:					
State	-	1,260,236	395,373	-	1,655,609
Federal	-	-	-	388,086	388,086
Other	20,000	-	-	35,074	55,074
Subtotal	5,154,396	1,260,236	395,373	2,021,461	8,831,466
Less: Allowance for uncollectibles	(2,311,985)	-	-	-	(2,311,985)
Net receivables	\$ 2,842,411	1,260,236	395,373	2,021,461	6,519,481
Proprietary Funds	(02) Solid Waste	(10) Wastewater	(12) Airport	Total Proprietary	Internal Service Funds
Accounts	\$ 593,602	504,653	151	1,098,406	-
Taxes (Property, GRT, etc)	78,315	-	-	78,315	-
Grants:					
State	-	-	90,816	90,816	-
Federal	-	-	379,902	379,902	-
Subtotal	671,917	504,653	470,869	1,647,439	-
Less: Allowance for uncollectibles	(150,016)	(132,474)	(151)	(282,641)	-
Net receivables	\$ 521,901	372,179	470,718	1,364,798	-

In accordance with GASB No. 33, the property tax revenues totaling \$77,973 that were not collected within the period of availability have been reclassified as deferred revenue in the governmental fund financial statements.

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NOTE 5 – Interfund Balances and Transfers

The City recorded interfund receivable/payable to reflect a temporary loan between funds. The purpose of the loans were to cover cash shortages until grant reimbursements could be obtained. All interfund receivables/payables are expected to be repaid within one year. Interfund balances as of June 30, 2011, are as follows:

Due from other funds	Fund #	Due to other funds	Fund #	Amount
General Fund	01	ENMR Water Grant - Major Fund - Special Revenue Fund	38	\$ 1,238,628
General Fund	01	Dept of Justice Fund - Non-major Spec Rev Fund	96	3,500
General Fund	01	Golf Course Fund - Non-major Spec Rev Fund	19	200,000
General Fund	01	ARRA Stimulus Fund - Non-major Spec Rev Fund	83	263,195
General Fund	01	Drug Control Fund - Non-major Spec Rev Fund	98	80,931
General Fund	01	Clovis Recycling Fund - Non-major Spec Rev Fund	76	9,231
General Fund	01	Airport Fund - Major Fund - Proprietary Fund	12	232,805
				<u>\$ 2,028,290</u>

The City recorded interfund transfers to reflect transfers of cash in accordance with the budget. Transfers and payments within the City are substantially for the purpose of subsidizing operating functions and funding capital projects, primarily street projects. All transfers made during the year were considered routine and were consistent with the general characteristics of the City's transfer policy. The composition of interfund transfers during the year ended June 30, 2011 is as follows:

	Transfers In							
	01	87	02	10, 11, 44 67, 68	12	Non-Major	48, 53, 54	
	General	Street Const.	Solid Waste	Waste- water	Airport	Govern- mental	Internal Service	Total
General	\$ -	-	-	-	161,151	1,695,603	51,308	1,908,062
Transfers Out								
Solid Waste	259,482	-	-	-	-	-	-	259,482
Wastewater	158,638	-	3,171	-	-	-	-	161,809
Non-Major Governmental	2,486,208	14,486	494,410	447,948	4,221	-	-	3,447,273
Internal Service	1,900	-	-	-	-	5,000	-	6,900
Total	<u>\$ 2,906,228</u>	<u>14,486</u>	<u>497,581</u>	<u>447,948</u>	<u>165,372</u>	<u>1,700,603</u>	<u>51,308</u>	<u>5,783,526</u>

Of the transfers in to the general fund shown above, a total of \$7,812 was related to the transfer of capital assets into the general fund from other fund types. These amounts are not shown on the governmental fund financial statements, but are reflected on the government-wide financial statements.

NOTE 6 – Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2011, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

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<i>Governmental Activities includes</i>	Balance	Additions and	Deletions and	Reclass and	Balance
<i>Internal Service Funds</i>	June 30, 2010	Transfers In	Transfers Out	Adjustments	June 30, 2011
Capital assets not being depreciated:					
Land	\$ 3,019,938	10,551	-	-	3,030,489
Construction in progress	4,175,693	1,259,373	-	(3,662,092)	1,772,974
Total capital assets not being depreciated	<u>7,195,631</u>	<u>1,269,924</u>	<u>-</u>	<u>(3,662,092)</u>	<u>4,803,463</u>
Capital assets being depreciated:					
Land improvements	9,812,324	-	-	2,175,688	11,988,012
Buildings and improvements	25,577,429	412,110	-	928,685	26,918,224
Equipment and vehicles	19,074,283	1,229,557	(821,290)	45,599	19,528,149
Infrastructure	61,718,189	3,752,983	-	557,719	66,028,891
Total capital assets being depreciated	<u>116,182,225</u>	<u>5,394,650</u>	<u>(821,290)</u>	<u>3,707,691</u>	<u>124,463,276</u>
Total capital assets	<u>123,377,856</u>	<u>6,664,574</u>	<u>(821,290)</u>	<u>45,599</u>	<u>129,266,739</u>
Less accumulated depreciation:					
Land improvements	(3,423,842)	(516,069)	-	-	(3,939,911)
Buildings and improvements	(7,142,547)	(1,872,059)	-	-	(9,014,606)
Equipment and vehicles	(11,393,829)	(1,105,872)	628,080	(36,479)	(11,908,100)
Infrastructure	(28,627,838)	(2,223,613)	-	-	(30,851,451)
Total accumulated depreciation	<u>(50,588,056)</u>	<u>(5,717,613)</u>	<u>628,080</u>	<u>(36,479)</u>	<u>(55,714,068)</u>
Total capital assets net of depreciation	<u>\$ 72,789,800</u>	<u>946,961</u>	<u>(193,210)</u>	<u>9,120</u>	<u>73,552,671</u>
 <i>Business-Type Activities</i>	 Balance	 Additions and	 Deletions and	 Reclass and	 Balance
	June 30, 2010	Transfers In	Transfers Out	Adjustments	June 30, 2011
Capital assets not being depreciated:					
Land	\$ 4,137,890	729,000	-	-	4,866,890
Construction in progress	1,800,868	6,122,497	-	(1,801,888)	6,121,477
Total capital assets not being depreciated	<u>5,938,758</u>	<u>6,851,497</u>	<u>-</u>	<u>(1,801,888)</u>	<u>10,988,367</u>
Capital assets being depreciated:					
Land improvements	8,457,129	-	-	-	8,457,129
Buildings and improvements	10,632,691	15,132	-	-	10,647,823
Equipment and vehicles	9,848,523	215,220	(200,884)	(45,599)	9,817,260
Infrastructure	40,325,009	248,008	-	1,801,888	42,374,905
Total capital assets being depreciated	<u>69,263,352</u>	<u>478,360</u>	<u>(200,884)</u>	<u>1,756,289</u>	<u>71,297,117</u>
Total capital assets	<u>75,202,110</u>	<u>7,329,857</u>	<u>(200,884)</u>	<u>(45,599)</u>	<u>82,285,484</u>
Less accumulated depreciation:					
Land improvements	(2,413,663)	(254,152)	-	-	(2,667,815)
Buildings and improvements	(3,764,618)	(358,799)	-	-	(4,123,417)
Equipment and vehicles	(6,383,404)	(733,819)	168,380	36,479	(6,912,364)
Infrastructure	(20,431,997)	(1,196,157)	-	-	(21,628,154)
Total accumulated depreciation	<u>(32,993,682)</u>	<u>(2,542,927)</u>	<u>168,380</u>	<u>36,479</u>	<u>(35,331,750)</u>
Total capital assets net of depreciation	<u>\$ 42,208,428</u>	<u>4,786,930</u>	<u>(32,504)</u>	<u>(9,120)</u>	<u>46,953,734</u>

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Depreciation expense for the year ended June 30, 2011 was charged to the following functions and funds:

Governmental activities:	
General government	\$ 272,246
Public safety	729,284
Public works	3,848,065
Culture and recreation	696,907
Health and welfare	<u>166,183</u>
Total	5,712,685
Internal Service Fund	<u>4,928</u>
Total governmental activities	<u><u>5,717,613</u></u>
Business type activities:	
Solid Waste	799,062
Wastewater	1,235,617
Airport	<u>508,248</u>
Total business-type activities	<u><u>\$ 2,542,927</u></u>

NOTE 7 – Long-term Debt

Long-term liability activity for the year ended June 30, 2011, was as follows:

	Balance 30-Jun-10	Additions	Retirements	Balance 30-Jun-11	Due Within One Year
Governmental Activities:					
Gross receipts tax revenue bonds					
Series 1999	\$ 1,295,000	-	(415,000)	880,000	430,000
Series 2005	2,910,000	-	(150,000)	2,760,000	155,000
Total bonds payable	<u>4,205,000</u>	-	<u>(565,000)</u>	<u>3,640,000</u>	<u>585,000</u>
NMFA Notes payable					
2009 ENMRWUA No 84-WTB	415,160	-	(22,577)	392,583	22,637
2009 ENMRWUA No 56-WTB	114,236	-	(6,212)	108,024	6,228
2010 ENMRWUA - WTB	860,976	-	(44,301)	816,675	44,412
Total notes payable	<u>1,390,372</u>	-	<u>(73,090)</u>	<u>1,317,282</u>	<u>73,277</u>
Compensated Absences	<u>1,051,647</u>	<u>701,141</u>	<u>(657,328)</u>	<u>1,095,460</u>	<u>712,049</u>
Governmental-activities long-term liabilities	<u><u>\$ 6,647,019</u></u>	<u><u>701,141</u></u>	<u><u>(1,295,418)</u></u>	<u><u>6,052,742</u></u>	<u><u>1,370,326</u></u>

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	Balance 30-Jun-10	Additions	Retirements	Balance 30-Jun-11	Due Within One Year
Business-type Activities:					
Notes Payable					
NM Environmental Dept.	\$ 8,012,848	-	(374,217)	7,638,631	381,701
NM Finance Authority	1,403,940	-	(447,048)	956,892	467,521
Total notes payable	<u>9,416,788</u>	<u>-</u>	<u>(821,265)</u>	<u>8,595,523</u>	<u>849,222</u>
Gross receipts tax revenue bonds					
Series 2010	-	7,000,000	(240,000)	6,760,000	265,000
Total bonds payable	<u>-</u>	<u>7,000,000</u>	<u>(240,000)</u>	<u>6,760,000</u>	<u>265,000</u>
Compensated Absences	156,307	114,264	(101,036)	169,535	169,535
Business-type-activities long-term liabilities	<u>\$ 9,573,095</u>	<u>7,114,264</u>	<u>(1,162,301)</u>	<u>15,525,058</u>	<u>1,283,757</u>

In prior years, the general fund has typically been used to liquidate long-term compensated absence liabilities.

Bonds payable for governmental funds at June 30, 2011 are comprised of the following:

	Sales Tax Revenue Bonds Series February 1, 1999	Sales Tax Revenue Bonds Series June 1, 2005
Original issue:	1-Feb-99	1-Jun-05
Principal:	\$ 5,000,000	\$ 3,580,000
Interest:	June 1 & December 1	June 1 & December 1
Rates:	3.85% to 4.30%	2.50% to 4.50%

The February 1, 1999 Gross Receipts Tax Revenue Bonds, Series 1999, were issued to defray, in part (i) the cost of constructing, purchasing, furnishing, equipment (including, specifically, the purchase of computer hardware and software for use in taking care of "Year 2000" issues that the City may have), rehabilitating, making addition to or making improvement to one or more public buildings or purchasing or improving any ground relate thereto. The Bonds are being issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978, as amended. The 1999 Bonds and all payments of principal, premium, and interest thereon whether at maturity or on a redemption date shall be paid with pledged revenues payable from the revenues distributed to the City by the New Mexico Taxation and Revenue Department pursuant to Sections 7-9-4, NMSA 1978, as amended, 7-1-6.1 and 7-1-6.4 NMSA, as amended and 7-1-6.15 NMSA, 1978 as amended. The bonds mature on June 1, 2013.

The annual requirements to amortize the 1999 Bond Issue outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 430,000	37,400	467,400
2013	450,000	19,125	469,125
2014	-	-	-
2015	-	-	-
2016	-	-	-
	<u>\$ 880,000</u>	<u>56,525</u>	<u>936,525</u>

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The June 1, 2004 Gross Receipts Tax Revenue Bonds, Series 2004, were issued to defray, in part (i) the cost of constructing, purchasing, furnishing, equipping or making improvement to the public buildings of the City, including a City Convention Center and (ii) paying all costs incidental to the issuance of the bonds. The Bonds are being issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978, as amended. The 2004 Bonds and all payments of principal, premium, and interest thereon whether at maturity or on a redemption date shall be paid with pledged revenues payable from the revenues distributed to the City by the New Mexico Taxation and Revenue Department pursuant to Sections 7-9-4, NMSA 1978, as amended, 7-1-6.1 and 7-1-6.4 NMSA, as amended and 7-1-6.15 NMSA, 1978 as amended. The bonds mature on June 1, 2025.

The annual requirements to amortize the 2004 Bond Issue outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 155,000	113,419	268,419
2013	160,000	107,219	267,219
2014	165,000	100,819	265,819
2015	170,000	94,219	264,219
2016	175,000	86,569	261,569
2017-2021	995,000	321,244	1,316,244
2022-2026	940,000	101,320	1,041,320
	<u>\$ 2,760,000</u>	<u>924,809</u>	<u>3,684,809</u>

The annual requirements to amortize the combined revenue bond issues outstanding at June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 585,000	150,819	735,819
2013	610,000	126,344	736,344
2014	165,000	100,819	265,819
2015	170,000	94,219	264,219
2016	175,000	86,569	261,569
2017-2021	995,000	321,244	1,316,244
2022-2026	940,000	101,320	1,041,320
	<u>\$ 3,640,000</u>	<u>981,334</u>	<u>4,621,334</u>

The City of Clovis as fiscal agent for the Eastern New Mexico Rural Water Authority (ENMRWA) entered into two separate loan/grant agreements with the NM Finance Authority in September 2008 for the planning, design and engineering of a regional water supply project to provide potable water from Ute Reservoir on the Canadian River to the participating entities of the ENMRWA for municipal and industrial purposes. The terms of the first agreement call for a grant from the NMFA for \$1,125,000 along with a loan totaling \$125,000. The terms of the second agreement call for a grant from the NMFA for \$1,817,120 along with a loan totaling \$454,280. The interest/administrative fee on both notes is 0.25%. Both notes mature on June 1, 2028. The note principal, interest, and administrative fees will be paid for with pledged revenues from the net utility revenues or the City's wastewater utility system.

In March 2010, the City entered into a loan/grant agreement with the NM Finance Authority for activity associated with the ENMRWA project. The terms of the agreement call for a grant from the NMFA Water Trust Board for \$3,620,662 along with a loan totaling \$905,166. The interest/administrative fee on the note is 0.25% and the maturity date on the note is June 1, 2029. The note principal, interest, and

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For the Year Ended June 30, 2011**

administrative fees will be paid for with pledged revenues from the net utility revenues or the City's wastewater utility system.

In December 2010, the City entered into a loan/grant agreement with the NM Finance Authority for activity associated with the ENMRWA project. The terms of the agreement call for a grant from the NMFA Water Trust Board for \$3,982,500 along with a loan totaling \$442,500. The interest/administrative fee on the note is 0.25% and the maturity date on the note is June 1, 2030. The note principal, interest, and administrative fees will be paid for with pledged revenues from the net utility revenues or the City's wastewater utility system. As of June 30, 2011, no amounts had been received related to this agreement.

The annual requirements to amortize the combined NMFA notes outstanding at June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest & Admin Fees	Total Debt Service
2012	\$ 73,277	3,309	76,586
2013	73,456	3,127	76,583
2014	73,641	2,942	76,583
2015	73,826	2,758	76,584
2016	74,011	2,573	76,584
2017-2021	372,845	10,083	382,928
2022-2026	377,542	5,400	382,942
2027-2031	198,687	968	199,655
	<u>\$ 1,317,285</u>	<u>31,160</u>	<u>1,348,445</u>

Bonds payable for proprietary funds at June 30, 2011 are comprised of the following:

	Sales Tax Revenue Bonds Series <u>September 21, 2010</u>
Original issue:	21-Sep-10
Principal:	\$ 7,000,000
Interest:	June 1 & December 1
Rates:	2.00% to 4.00%

The September 21, 2010 Gross Receipts Tax Revenue Bonds, Series 2010, were issued to defray, in part (i) the cost of constructing, purchasing, furnishing, equipping or making improvement to the City's waste water treatment plant and (ii) paying all costs incidental to the issuance of the bonds. The Bonds are being issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978, as amended. The 2010 Bonds and all payments of principal, premium, and interest thereon whether at maturity or on a redemption date shall be paid with pledged revenues payable from the revenues distributed to the City by the New Mexico Taxation and Revenue Department pursuant to Sections 7-9-4, NMSA 1978, as amended, 7-1-6.1 and 7-1-6.4 NMSA, as amended and 7-1-6.15 NMSA, 1978 as amended. The bonds mature on June 1, 2025.

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The annual requirements to amortize the proprietary fund bonds outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 265,000	212,538	477,538
2013	270,000	207,238	477,238
2014	275,000	201,838	476,838
2015	280,000	196,338	476,338
2016	290,000	190,738	480,738
2017-2021	1,595,000	828,688	2,423,688
2022-2026	1,925,000	553,125	2,478,125
2027-2031	1,860,000	184,313	2,044,313
	<u>\$ 6,760,000</u>	<u>2,574,816</u>	<u>9,334,816</u>

The notes payable of the City's proprietary funds as of June 30, 2011 are comprised of the following:

Solid waste loan with the NM Finance Authority dated May 1, 1999, with annual principal installments ranging from \$153,737 to \$489,371 due May 1 annually. Interest rates range from 3.15% to 4.68%, due semi-annually on May 1, and November 1. The loan matures on May 1, 2013.

\$ 956,892

Wastewater loan with the NM Environment Department dated, May 19, 2006 with annual principal installments of \$318,652 due annually on the date of completion of the project. Interest rate at 2.0%. The loan matures on June 30, 2015.

7,638,631

8,595,523

(849,222)

Less current portion

Total outstanding long-term debt - proprietary funds

\$ 7,746,301

The annual requirements to amortize the proprietary fund loans outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 849,222	164,570	1,013,792
2013	878,706	136,801	1,015,507
2014	397,122	107,437	504,559
2015	405,064	101,224	506,288
2016	413,166	94,887	508,053
2017-2021	2,193,133	443,204	2,636,337
2022-2026	2,421,396	196,311	2,617,707
2027-2031	1,037,714	24,431	1,062,145
	<u>\$ 8,595,523</u>	<u>1,268,865</u>	<u>9,864,388</u>

NOTE 8 – Risk Management

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City established limited risk management programs for workers' compensation (as discussed below) and unemployment claims. Premiums for unemployment claims are paid to the appropriate internal service fund by all other funds and are available to pay claims, claims reserves, and administrative costs of the program.

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For the Year Ended June 30, 2011**

Effective January 1, 1991, the City established a limited risk management program for workers compensation. The City contracted with the New Mexico Self Insurer Fund (Fund) as administrator for this program. At the beginning of each policy period, the City pays a retention premium which covers expenses of the Fund, including, but not limited to, reinsurance expenses, claims adjusting, rating and underwriting, safety and loss control, reporting and administration. In the retention rating year (1/1/91 – 1/1/92), the City paid a “loss fund deposit” to the Fund equal to 15% of the estimated “manual premium”. This deposit is retained by the Fund for the benefit of the City in paying all applicable claims and costs for all policy periods. Each anniversary date, the deposit will be reviewed and revised if necessary. The City’s self-insured specific retention is \$250,000 per accident, with aggregate of 150% of the “manual premium” for a policy period.

The City accounts for this program in its Internal Service Fund, Workers Compensation. The Workers Compensation Fund allocates the cost of providing claim servicing and claim payments by charging a “premium” to each participating governmental and business-type activities fund, based on each fund’s percentage of the estimated “manual premium”. This charge considers recent trends in actual claims experience and makes provision for catastrophic loss.

The Workers Compensation fund liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payout), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claims adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Settlements have not exceeded coverage for the current fiscal year.

The City continues to carry commercial insurance for all other risks. The City is in the process of establishing a fund for property and liability self-insurance. As of June 30, 2011, no claims activity had taken place in the fund. The only activity for the year ended June 30, 2011 consisted of an operating transfer from the general fund.

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 for the plan. 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: Plan members are required to contribute the following percentages of their gross salary: 16.3% for law enforcement and fire protection employees; and 15.65% for municipal employees. The City was required to contribute the following percentages of the gross covered salary: 18.5% for law enforcement and fire protection plan members; and 11.65% for municipal plan members. The contribution requirements of plan members and the City of Clovis are established in State Statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The City of Clovis’ contributions to PERA for the years ending June 30, 2011, 2010 and 2009 were approximately \$564,727, \$547,065, and \$476,156, respectively, which equal the amount of the required contributions for all years.

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For the Year Ended June 30, 2011**

NOTE 10 – Pension Plan

The City contributes to a defined contribution pension plan adopted under the provision of Internal Revenue Code Section 401.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investment on those contributions. As established by local ordinance, all employees of the City participating in the Deferred Compensation Plan are eligible to participate. The City is required to contribute 14% of the employee's gross earnings. Contributions by the City belong to the participant upon retirement or termination, provided the vesting requirements have been satisfied.

The vesting provisions for all new employees hired on or after July 8, 1990, are as follows:

- 30% after 3 years of completed service
- 40% after 4 years of completed service
- 100% after 5 years of completed service

All employees hired prior to July 8, 1990, were 100% vested on the date of hire.

For the years ended June 30, 2011, 2010, and 2009, the City's required and actual contributions totaled \$1,377,992, \$1,393,291, and \$1,365,178, respectively.

NOTE 11 – Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by International City/County Management Association.

The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Employees are mandated to contribute a minimum of 3% of their gross salary but may elect to contribute up to 100% of their salary up to a maximum dollar amount of \$16,500 per year into the plan. Eligible employees may also make catch-up contributions totaling \$5,500 per year. There are employees that are making contributions to the Deferred Compensation Plan. All contributions withheld from participant's wages by the City have been paid to the plan administrator. Employee contributions withheld and remitted to the plan were \$894,976, \$825,910 and \$827,543 for the years ended June 30, 2011, 2010 and 2009, respectively.

NOTE 12 – Post Employment Benefits – State Retiree Healthcare Plan

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

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in

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Notes to Financial Statements
For the Year Ended June 30, 2011**

the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

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

Funding Policy: The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate 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, 2011, the statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee was required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for employees and employers will rise as follows:

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

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY12	1.834%	0.917%
FY13	2.000%	1.000%

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

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY12	2.292%	1.146%
FY13	2.500%	1.250%

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

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

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Notes to Financial Statements
For the Year Ended June 30, 2011**

For the fiscal years ended June 30, 2011, 2010, and 2009, City of Clovis remitted \$210,539, \$154,677, and \$144,619 in employer contributions, respectively, to the Retiree Health Care Authority.

NOTE 13 – Contingencies

The City of Clovis participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City of Clovis may be required to reimburse the grantor government. As of June 30, 2011, significant amounts of grant expenditures have not been audited by the grantor agencies. Management believes that any disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City of Clovis.

The City of Clovis is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 14 – Deficit Fund Balances, Excess of Expenditures Over Appropriations and Designated cash appropriation in excess of available balances

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

Deficit fund balances of individual funds:

None

Excess of expenditures over appropriations:

None

Designated cash appropriation in excess of available balances. The following funds exceeded approved budgetary authority for the year ended June 30, 2011:

None

NOTE 15 – Landfill Closure and Post-closure Care

State and federal laws and regulations require that the City of Clovis place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure of the landfill site. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste.

The recognition of these landfill closure and post-closure care costs is based on the amount of the landfill used during the year. The total estimated liability for landfill closure costs is \$2,447,480 as of June 30, 2011, which is based on the cumulative capacity to date as a percentage of projected capacity at the time of landfill closure. This represents an increase of \$80,600 from the prior year. It is estimated that an additional \$672,520 will be recognized as closure and post-closure care costs between the balance sheet date and the date the landfill site is expected to close in accordance with State of New Mexico Environmental Division and Federal EPA regulations. Approximately 89.86% of the landfill capacity has been used to date and the estimated remaining landfill life is four years. The estimated total current cost of the landfill closure and post-closure care of \$3,120,000 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2011. However, the actual cost of closure and post-closure care may be higher due to inflation,

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Notes to Financial Statements
For the Year Ended June 30, 2011**

changes in technology, or changes in state and federal landfill laws and regulations. The City of Clovis is required by the State of New Mexico Environmental Regulation Board to demonstrate financial assurance for the closure and post-closure costs. The City of Clovis obtained permanent financing from the NM Finance Authority for landfill expansion, closure, and post-closure care. The agreement establishes terms for use of the proceeds, and repayment of amounts loaned that are more fully discussed in Note 7. In addition, the City has designated funds totaling \$2,001,589 to offset the future estimated post-closure liability amounts.

NOTE 16 – Leases in the Financial Statements of Lessors

Operating leases arise from the leasing of the City’s land and buildings to customers in varying industries in Clovis. Initial lease terms generally range from 12 to 120 months. Leases are cancellable by the Lessee with 30-120 days’ notice as defined by the lease agreement. Depreciation expense for assets subject to operating leases is provided primarily on the straight-line method over the term of the lease in amounts necessary to reduce the carrying amount of the asset to its estimated residual value. Estimated and actual residual values are reviewed on a regular basis to determine that depreciation amounts are appropriate. Depreciation expense for the year ended June 30, 2011 related to land and buildings held as rental property under operating leases is included in depreciation expense of the Airport in the Proprietary Funds Statement of Revenues, Expenses, and Changes in Fund Net Assets. Historical cost and accumulated depreciation as of June 30, 2011 related to land and buildings held as rental property under operating leases is included in property, plant and equipment of the Airport in the Proprietary Funds Statement of Net Assets.

NOTE 17–Operating Leases

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

Fiscal Year	Amount
<u>Ending June 30,</u>	<u> </u>
2012	\$ 287,174
2013	334,067
2014	141,526
2015	69,800
2016	-
	<u>\$ 832,567</u>

Lease expenditures for the year ended June 30, 2011 were approximately \$567,664.

NOTE 18 – Commitments

Commitments for engineering and construction projects relating to construction or major repairs in progress aggregated approximately \$7,894,451 as of June 30, 2011. The estimated total cost of the projects is \$16,932,718 and as of the year ended June 30, 2011, the percentage of completion of the existing projects varies. These projects will be paid in future periods as work is performed. Payment will be made with proceeds remaining from past bond issues, operating revenues, and future grants to be received.

NOTE 19 – Restricted Net Assets

The government-wide statement of net assets reports \$15,842,559 of restricted assets, all of which is restricted by enabling legislation. For descriptions of the related enabling legislation for special revenue, debt service and capital project funds, see schedules in the supplementary information section of this report.

STATE OF NEW MEXICO
CITY OF CLOVIS
Notes to Financial Statements
For the Year Ended June 30, 2011

NOTE 20 – Surety Bonds

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

Employee Position		Coverage
Finance	Director/City	\$ 50,000
Clerk		

NOTE 21 – Subsequent Events

As per the agreement for the creation of the Eastern New Mexico Water Utility Authority (Authority), the City transferred all funds held in the ENMRWA fund (major special revenue fund) as identified in the Governmental Funds Balance Sheet as of July 1, 2011. At that time all assets/liabilities were transferred to the Authority and the City no longer held administrative control over the funds.

SUPPLEMENTAL INFORMATION

**STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Funds
For the Year Ended June 30, 2011**

NONMAJOR SPECIAL REVENUE FUNDS

Municipal Road Fund (NMSA, 7-24A-1 to 7-24A-21) - To account for motor vehicle fees – 10 percent, which is to be used only for additions and improvements to the City's streets and highways.

Recreation Fund (NMSA, 7-12-1 to 7-12-17) - To account for state and city cigarette tax revenue, which is to be used to operate and maintain the City's various recreational facilities.

Older Adults Division Fund (Authorized by Commission at Budget Approval) - To account for the City's share of the cost of operating and administering a senior citizens facility. Funding is contributed directly to the facility from other governmental agencies.

Environmental Tax Fund (NMSA, 7-19D-1 to 7-19D-11) - To account for the City's share of gross receipts taxes that are to be used for environmental clean-up issues.

Fire Equipment Fund (NMSA, 59-15-1 to 59-15-17) – Annual grant from the State of New Mexico Fire Marshall's office. Funds are restricted for use on the maintenance of the fire department, the purchase, construction, maintenance, repair and operation of fire apparatus and equipment.

Sanitary Sewer Improvement Fund (NMSA, 3-26) - To account for the proceeds of wastewater connection fees, which are to be used for the improvement of sewer distribution lines.

Ned Houk Park Fund (Ordinance 864) - To account for state and county grants that are to be used for the operation, maintenance of and additions to park facilities.

Carver Library Fund (Ordinance 864) - To account for all revenues directly related to or assigned to use for Carver Library. This includes grants, charges for services, fines and other revenues.

Golf Course Fund (Ordinance 864) - To account for all revenues directly related to or assigned to use for the City golf course. This includes grants, charges for services, and other revenues.

Infrastructure Improvement Fund (Authorized by Commission at Budget Approval) - To account for the City's cost of rehabilitating, making additions to or making improvements to one or more public buildings, public parks, public recreational buildings and other public facilities.

Special Parks Improvement Fund (Ordinance 1520-96) – To account for municipal gross receipts revenue, which will be used for the acquisition, construction, operation and maintenance of parks and recreation facilities.

Civic Center Fund (Ordinance 1520-96) - To account for municipal gross receipts revenue, which will be used for the acquisition, construction, operation and maintenance of a multi-purpose special events center.

Special Designated Fund (Authorized by Commission at Budget Approval) – To account for excess revenues generated in various funds for use on specific department improvements.

Economic Development Fund (Ordinance 1615-99) – To account for municipal gross receipts revenue, which will be used for the purpose of furthering or implementing economic development plans and projects as defined in the Local Economic Act and in accordance with the regulation.

Capital Outlay Gross Receipts Tax Fund (NMSA, 7-19-10 to 7-19-18) – To account for the City's portion of gross receipts taxes collected by the State of New Mexico. These proceeds are used for various department capital asset replacements.

Emergency Medical Services Fund (NMSA, 24-10A to 24-10A-9) – To account for annual grant from the Emergency Medical Services Fund Act. Funding is made available to municipalities in proportion to their needs,

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

for use in the establishment and enhancement of local emergency medical services that assist in reducing injury and loss of life.

Special Street Fund (NMSA, 3-34-1 to 3-34-5; 7-19A-1 to 7-19A-7) – To account for specifically designated state shared gross receipts taxes. Expenditures are restricted to street maintenance.

Recycling Fund (Authorized by Commission at Budget Approval) – To account for revenues and expenditures related to refuse recycling.

Lodger's Tax Fund (NMSA, 3-38-18 to 3-38-24) – To account for the collections and disbursement of local lodging tax whose use is restricted to the promotion of rural areas within the County.

Stimulus Funding (Authorized by Commission at Budget Approval) – To account for American Recovery and Reinvestment Act (ARRA) grants received by the City which are to be used for specific purposes related to each grant.

Special Fire & Police Fund (NMSA, 59A-53-1 to 59A-53-16) – To account for the City's share of gross receipts taxes and the City's share of revenues that are restricted to expenditure for fire protection equipment and supplies.

Local Government Corrections Fund (NMSA, 33-3-25) – To account for the proceeds of State of New Mexico approved assessments by the City's municipal court, for which expenditures are designated for the care of prisoners.

Law Enforcement Protection Fund (NMSA, 29-13-1 to 29-13-9) – To account for state grant funds from the State of New Mexico which are to be utilized to enhance the efficiency and effectiveness of law enforcement protection.

Area Agency on Aging Fund (Authorized by Commission at Budget Approval) – To account for grants from the State of New Mexico, which are to be used for the improvement of facilities and services for older adults.

Clovis Area Transit System Fund (authorized by Commission at Budget Approval) – To account for state and federal grants, which are to provide transportation service to the general public.

Department of Justice Fund (Authorized by Commission at Budget Approval) – To account for federal grants, which are to provide law enforcement with opportunities to reduce crime and improve public safety by increasing personnel and equipment resources.

Drug Control Fund (Authorized by Commission at Budget Approval) – To account for state and federal grants which are to be used for implementation of improved drug control and awareness.

NONMAJOR DEBT SERVICE FUNDS

Drainage Improvement Fund – To account for the accumulation of resources for, and the payment of governmental activities long-term debt principal, interest and related costs specifically for the drainage acquisition and improvement excise tax bonds. The fund's source of revenue is a one sixteenth of one percent gross receipts tax and a 1.5 property tax mill levy approved by the City of Clovis Commission for note obligation repayment.

Civic Center Fund – To account for the accumulation of resources for, and the payment of governmental activities long-term debt principal, interest and related costs specifically for the civic center excise tax bonds. The fund's source of revenue is a one and two hundred and twenty-five thousandths percent gross receipts tax approved by the City of Clovis Commission for note obligation repayment.

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CITY OF CLOVIS
Nonmajor Funds
For the Year Ended June 30, 2011**

Parks & Infrastructure Fund – To account for the accumulation of resources for, and the payment of governmental activities long-term debt principal, interest and related costs specifically for the parks and infrastructure excise tax bonds. The fund's source of revenue is a one eighth of one percent gross receipts tax approved by the City of Clovis Commission for note obligation repayment.

NONMAJOR CAPITAL PROJECTS FUND

Drainage Improvement Fund – To account for the City's cost of constructing, acquiring and improving the City's storm drainage system.

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

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<i>Assets</i>				
Cash and investments	\$ 11,892,277	-	812,580	12,704,857
Restricted Cash and investments	433,223	225,715	-	658,938
Receivables:				
Property taxes	-	-	-	-
Intergovernmental	1,907,101	-	79,286	1,986,387
Other receivables	35,074	-	-	35,074
Inventory	60,626	-	-	60,626
Prepaid insurance	261,821	-	-	261,821
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>14,590,122</u>	<u>225,715</u>	<u>891,866</u>	<u>15,707,703</u>
<i>Liabilities</i>				
Accounts payable	8,032	-	16,526	24,558
Accrued payroll expenses	122,377	-	-	122,377
Other accrued expenses	-	-	-	-
Accrued compensated absences	-	-	-	-
Deferred property tax revenue	-	-	-	-
Other deferred revenue	-	-	-	-
Due to other funds	556,857	-	-	556,857
<i>Total liabilities</i>	<u>687,266</u>	<u>-</u>	<u>16,526</u>	<u>703,792</u>
<i>Fund balances</i>				
Nonspendable	322,447	-	-	322,447
Restricted	459,187	225,715	-	684,902
Committed	10,764,175	-	875,340	11,639,515
Assigned	2,551,973	-	-	2,551,973
Unassigned	(194,926)	-	-	(194,926)
<i>Total fund balances</i>	<u>13,902,856</u>	<u>225,715</u>	<u>875,340</u>	<u>15,003,911</u>
<i>Total liabilities and fund balances</i>	<u>\$ 14,590,122</u>	<u>225,715</u>	<u>891,866</u>	<u>15,707,703</u>

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

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

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	8,425,930	-	470,391	8,896,321
Gasoline and motor vehicle	531,928	-	-	531,928
Other	542,356	-	-	542,356
<i>Intergovernmental:</i>				
Federal operating grants	1,240,315	-	-	1,240,315
Federal capital grants	428,707	-	-	428,707
State operating grants	713,696	-	-	713,696
State capital grants	-	-	-	-
Charges for services	728,124	-	-	728,124
Fines, forfeitures & penalties	15,213	-	-	15,213
Licenses and fees	484,064	-	-	484,064
Investment income	37,656	8,592	1,557	47,805
Miscellaneous	1,048,470	-	-	1,048,470
<i>Total revenues</i>	<u>14,196,459</u>	<u>8,592</u>	<u>471,948</u>	<u>14,676,999</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	1,643,853	-	-	1,643,853
Public safety	407,955	-	-	407,955
Public works	2,176,393	7,490	2,383	2,186,266
Culture and recreation	2,591,473	-	-	2,591,473
Health and welfare	301,044	-	-	301,044
Capital outlay	2,529,460	-	315,783	2,845,243
<i>Debt service:</i>				
Principal	-	565,000	-	565,000
Interest	-	174,249	-	174,249
<i>Total expenditures</i>	<u>9,650,178</u>	<u>746,739</u>	<u>318,166</u>	<u>10,715,083</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>4,546,281</u>	<u>(738,147)</u>	<u>153,782</u>	<u>3,961,916</u>
<i>Other financing sources (uses)</i>				
Transfers in/(out)	(2,088,217)	739,249	(397,702)	(1,746,670)
Proceeds from sale of capital assets	273	-	-	273
<i>Total other financing sources (uses)</i>	<u>(2,087,944)</u>	<u>739,249</u>	<u>(397,702)</u>	<u>(1,746,397)</u>
<i>Net change in fund balances</i>	2,458,337	1,102	(243,920)	2,215,519
<i>Fund balances - beginning of year</i>	<u>11,444,519</u>	<u>224,613</u>	<u>1,119,260</u>	<u>12,788,392</u>
<i>Fund balances - end of year</i>	<u>\$ 13,902,856</u>	<u>225,715</u>	<u>875,340</u>	<u>15,003,911</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Balance Sheet
As of June 30, 2011**

	3	4	5	6	7	8
	Municipal Road	Recreation	Older Adults Division	Environmental Tax	Fire Equipment	Sanitary Sewer Improvement
<i>Assets</i>						
Cash and investments	\$ -	46,976	13,866	2,001,589	-	607,955
Restricted Cash and investments	2,721	-	-	-	287,045	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	8,425	-	-	78,368	-	-
Other receivables	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid insurance	-	4,269	5,890	-	-	-
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>11,146</u>	<u>51,245</u>	<u>19,756</u>	<u>2,079,957</u>	<u>287,045</u>	<u>607,955</u>
<i>Liabilities</i>						
Accounts payable	-	-	-	-	-	-
Accrued payroll expenses	-	7,702	7,053	-	-	-
Other accrued expenses	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Deferred property tax revenue	-	-	-	-	-	-
Other deferred revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>7,702</u>	<u>7,053</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>						
Nonspendable	-	4,269	5,890	-	-	-
Restricted	11,146	-	-	-	287,045	-
Committed	-	39,274	6,813	2,079,957	-	607,955
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>11,146</u>	<u>43,543</u>	<u>12,703</u>	<u>2,079,957</u>	<u>287,045</u>	<u>607,955</u>
<i>Total liabilities and fund balances</i>	<u>\$ 11,146</u>	<u>51,245</u>	<u>19,756</u>	<u>2,079,957</u>	<u>287,045</u>	<u>607,955</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Balance Sheet
As of June 30, 2011**

	13	14+95	19	60	61	62
	Ned Houk Park	Carver Library	Golf Course	Infrastructure Improvement	Special Parks Improvement	Civic Center
<i>Assets</i>						
Cash and investments	\$ 40,425	144,783	-	380,907	258,940	48,119
Restricted Cash and investments	-	-	-	-	-	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	79,286	79,286	79,286
Other receivables	-	-	5,074	-	-	30,000
Inventory	813	-	-	-	-	-
Prepaid insurance	3,631	9,740	200,000	-	-	3,982
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>44,869</u>	<u>154,523</u>	<u>205,074</u>	<u>460,193</u>	<u>338,226</u>	<u>161,387</u>
<i>Liabilities</i>						
Accounts payable	-	-	-	-	-	-
Accrued payroll expenses	5,572	19,314	-	-	-	-
Other accrued expenses	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Deferred property tax revenue	-	-	-	-	-	-
Other deferred revenue	-	-	-	-	-	-
Due to other funds	-	-	200,000	-	-	-
<i>Total liabilities</i>	<u>5,572</u>	<u>19,314</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>						
Nonspendable	4,444	9,740	200,000	-	-	3,982
Restricted	-	-	-	-	-	-
Committed	-	-	-	460,193	338,226	-
Assigned	34,853	125,469	-	-	-	157,405
Unassigned	-	-	(194,926)	-	-	-
<i>Total fund balances</i>	<u>39,297</u>	<u>135,209</u>	<u>5,074</u>	<u>460,193</u>	<u>338,226</u>	<u>161,387</u>
<i>Total liabilities and fund balances</i>	<u>\$ 44,869</u>	<u>154,523</u>	<u>205,074</u>	<u>460,193</u>	<u>338,226</u>	<u>161,387</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Balance Sheet
As of June 30, 2011**

	<u>63</u>	<u>64</u>	<u>65</u>	<u>72</u>	<u>75</u>	<u>76</u>
	Special Designated	Economic Development	Capital Outlay Gross Receipts Tax	Emergency Medical Services	Special Street	Recycling
<i>Assets</i>						
Cash and investments	\$ 1,384,551	3,304,182	1,904,534	-	721,838	14,691
Restricted Cash and investments	-	-	-	189	-	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	-	156,629	312,852	-	348,686	-
Other receivables	-	-	-	-	-	-
Inventory	-	-	-	-	59,813	-
Prepaid insurance	-	-	-	-	22,783	-
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>1,384,551</u>	<u>3,460,811</u>	<u>2,217,386</u>	<u>189</u>	<u>1,153,120</u>	<u>14,691</u>
<i>Liabilities</i>						
Accounts payable	-	-	-	-	8,032	-
Accrued payroll expenses	-	-	-	-	59,802	-
Other accrued expenses	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Deferred property tax revenue	-	-	-	-	-	-
Other deferred revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	9,231
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,834</u>	<u>9,231</u>
<i>Fund balances</i>						
Nonspendable	-	-	-	-	82,596	-
Restricted	-	-	-	189	-	-
Committed	-	3,460,811	2,217,386	-	1,002,690	5,460
Assigned	1,384,551	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>1,384,551</u>	<u>3,460,811</u>	<u>2,217,386</u>	<u>189</u>	<u>1,085,286</u>	<u>5,460</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,384,551</u>	<u>3,460,811</u>	<u>2,217,386</u>	<u>189</u>	<u>1,153,120</u>	<u>14,691</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Balance Sheet
As of June 30, 2011**

	<u>77+78</u>	<u>83</u>	<u>86</u>	<u>89</u>	<u>90</u>	<u>91</u>
	Lodger's Tax	Stimulus Funding	Special Fire & Police	Local Government Corrections	Law Enforcement Protection	Area Agency on Aging
<i>Assets</i>						
Cash and investments	\$ 842,119	-	176,789	-	-	-
Restricted Cash and investments	-	-	-	-	17,373	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	59,054	269,830	317,143	-	-	-
Other receivables	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>901,173</u>	<u>269,830</u>	<u>493,932</u>	<u>-</u>	<u>17,373</u>	<u>-</u>
<i>Liabilities</i>						
Accounts payable	-	-	-	-	-	-
Accrued payroll expenses	-	-	-	-	-	-
Other accrued expenses	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Deferred property tax revenue	-	-	-	-	-	-
Other deferred revenue	-	-	-	-	-	-
Due to other funds	-	263,195	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>263,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>						
Nonspendable	-	-	-	-	-	-
Restricted	-	6,635	-	-	17,373	-
Committed	51,478	-	493,932	-	-	-
Assigned	849,695	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>901,173</u>	<u>6,635</u>	<u>493,932</u>	<u>-</u>	<u>17,373</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 901,173</u>	<u>269,830</u>	<u>493,932</u>	<u>-</u>	<u>17,373</u>	<u>-</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Balance Sheet
As of June 30, 2011**

	92	96	98	
	Clovis Area Transit System	Department of Justice	Drug Control	Total Special Revenue Funds
<i>Assets</i>				
Cash and investments	\$ -	-	13	11,892,277
Restricted Cash and investments	110,536	1,032	14,327	433,223
Receivables:				-
Property taxes	-	-	-	-
Intergovernmental	33,838	3,500	80,918	1,907,101
Other receivables	-	-	-	35,074
Inventory	-	-	-	60,626
Prepaid insurance	11,526	-	-	261,821
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>155,900</u>	<u>4,532</u>	<u>95,258</u>	<u>14,590,122</u>
<i>Liabilities</i>				
Accounts payable	-	-	-	8,032
Accrued payroll expenses	22,934	-	-	122,377
Other accrued expenses	-	-	-	-
Accrued compensated absences	-	-	-	-
Deferred property tax revenue	-	-	-	-
Other deferred revenue	-	-	-	-
Due to other funds	-	3,500	80,931	556,857
<i>Total liabilities</i>	<u>22,934</u>	<u>3,500</u>	<u>80,931</u>	<u>687,266</u>
<i>Fund balances</i>				
Nonspendable	11,526	-	-	322,447
Restricted	121,440	1,032	14,327	459,187
Committed	-	-	-	10,764,175
Assigned	-	-	-	2,551,973
Unassigned	-	-	-	(194,926)
<i>Total fund balances</i>	<u>132,966</u>	<u>1,032</u>	<u>14,327</u>	<u>13,902,856</u>
<i>Total liabilities and fund balances</i>	<u>\$ 155,900</u>	<u>4,532</u>	<u>95,258</u>	<u>14,590,122</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Debt Service Funds
Combining Balance Sheet
As of June 30, 2011**

	<u>45</u>	<u>46</u>	<u>47</u>	
	<u>Drainage Improvement</u>	<u>Civic Center</u>	<u>Parks & Infrastructure</u>	<u>Total Debt Service Funds</u>
<i>Assets</i>				
Cash and investments	\$ -	-	-	-
Restricted Cash and investments	-	66,001	159,714	225,715
Receivables:				-
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid insurance	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>66,001</u>	<u>159,714</u>	<u>225,715</u>
<i>Liabilities</i>				
Accounts payable	-	-	-	-
Accrued payroll expenses	-	-	-	-
Other accrued expenses	-	-	-	-
Accrued compensated absences	-	-	-	-
Deferred property tax revenue	-	-	-	-
Other deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable	-	-	-	-
Restricted	-	66,001	159,714	225,715
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>66,001</u>	<u>159,714</u>	<u>225,715</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>66,001</u>	<u>159,714</u>	<u>225,715</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Capital Project Funds
Combining Balance Sheet
As of June 30, 2011

	88	
	Drainage Improvement	Total Capital Project Funds
<i>Assets</i>		
Cash and investments	\$ 812,580	812,580
Restricted Cash and investments	-	-
Receivables:		
Property taxes	-	-
Intergovernmental	79,286	79,286
Other receivables	-	-
Inventory	-	-
Prepaid insurance	-	-
Due from other funds	-	-
<i>Total assets</i>	891,866	891,866
<i>Liabilities</i>		
Accounts payable	16,526	16,526
Accrued payroll expenses	-	-
Other accrued expenses	-	-
Accrued compensated absences	-	-
Deferred property tax revenue	-	-
Other deferred revenue	-	-
Due to other funds	-	-
<i>Total liabilities</i>	16,526	16,526
<i>Fund balances</i>		
Nonspendable	-	-
Restricted	-	-
Committed	875,340	875,340
Assigned	-	-
Unassigned	-	-
<i>Total fund balances</i>	875,340	875,340
<i>Total liabilities and fund balances</i>	\$ 891,866	891,866

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2011

	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
	Municipal Road	Recreation	Older Adults Division	Environmental Tax	Fire Equipment	Sanitary Sewer Improvement
<i>Revenues:</i>						
Taxes:						
Property	\$ -	-	-	-	-	-
Gross receipts	-	-	-	464,925	-	-
Gasoline and motor vehicle	93,135	-	-	-	-	-
Other	-	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	-	-	-	591,388	-
State capital grants	-	-	-	-	-	-
Charges for services	-	2,292	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	59,951
Investment income	100	396	225	4,498	1,097	2,229
Miscellaneous	-	120,773	10,393	-	-	-
<i>Total revenues</i>	<u>93,235</u>	<u>123,461</u>	<u>10,618</u>	<u>469,423</u>	<u>592,485</u>	<u>62,180</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	101,761	-
Public works	-	-	-	-	-	-
Culture and recreation	-	342,015	-	-	-	-
Health and welfare	-	-	262,448	-	-	-
Capital outlay	-	-	-	-	588,716	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>342,015</u>	<u>262,448</u>	<u>-</u>	<u>690,477</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>93,235</u>	<u>(218,554)</u>	<u>(251,830)</u>	<u>469,423</u>	<u>(97,992)</u>	<u>62,180</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	(89,102)	221,881	204,728	(462,900)	5,000	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Proceeds from debt issuance	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(89,102)</u>	<u>221,881</u>	<u>204,728</u>	<u>(462,900)</u>	<u>5,000</u>	<u>-</u>
<i>Net change in fund balances</i>	4,133	3,327	(47,102)	6,523	(92,992)	62,180
<i>Fund balance - beginning of year</i>	7,013	40,216	59,805	2,073,434	380,037	545,775
<i>Fund balances - end of year</i>	<u>\$ 11,146</u>	<u>43,543</u>	<u>12,703</u>	<u>2,079,957</u>	<u>287,045</u>	<u>607,955</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2011

	13	14+95	19	60	61	62
	Ned Houk Park	Carver Library	Golf Course	Infrastructure Improvement	Special Parks Improvement	Civic Center
<i>Revenues:</i>						
Taxes:						
Property	\$ -	-	-	-	-	-
Gross receipts	-	-	-	470,391	470,391	470,391
Gasoline and motor vehicle	-	-	-	-	-	-
Other	-	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	33,243	-	-	-	-
State capital grants	-	-	-	-	-	-
Charges for services	-	17,196	-	-	-	620,102
Fines, forfeitures & penalties	-	15,213	-	-	-	-
Licenses and fees	-	-	-	-	-	-
Investment income	346	395	-	506	657	949
Miscellaneous	2,076	113,099	5,074	-	-	22,362
<i>Total revenues</i>	<u>2,422</u>	<u>179,146</u>	<u>5,074</u>	<u>470,897</u>	<u>471,048</u>	<u>1,113,804</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Culture and recreation	204,459	786,405	-	-	-	966,711
Health and welfare	-	-	-	-	-	-
Capital outlay	-	10,724	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>204,459</u>	<u>797,129</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>966,711</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(202,037)</u>	<u>(617,983)</u>	<u>5,074</u>	<u>470,897</u>	<u>471,048</u>	<u>147,093</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	207,858	722,139	-	(234,915)	(379,625)	(126,419)
Proceeds from sale of capital assets	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>207,858</u>	<u>722,139</u>	<u>-</u>	<u>(234,915)</u>	<u>(379,625)</u>	<u>(126,419)</u>
<i>Net change in fund balances</i>	5,821	104,156	5,074	235,982	91,423	20,674
<i>Fund balances - beginning of year</i>	33,476	31,053	-	224,211	246,803	140,713
<i>Fund balances - end of year</i>	<u>\$ 39,297</u>	<u>135,209</u>	<u>5,074</u>	<u>460,193</u>	<u>338,226</u>	<u>161,387</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2011

	63	64	65	72	75	76
	Special Designated	Economic Development	Capital Outlay Gross Receipts Tax	Emergency Medical Services	Special Street	Recycling
<i>Revenues:</i>						
Taxes:						
Property	\$ -	-	-	-	-	-
Gross receipts	-	929,685	1,857,019	-	1,881,564	-
Gasoline and motor vehicle	-	-	-	-	438,793	-
Other	-	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	-	-	20,000	-	5,465
State capital grants	-	-	-	-	-	-
Charges for services	47,509	-	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	290,270	-	-	-	-	-
Investment income	8,530	7,211	4,223	-	2,932	-
Miscellaneous	525,720	129,450	-	-	98,475	7,354
<i>Total revenues</i>	<u>872,029</u>	<u>1,066,346</u>	<u>1,861,242</u>	<u>20,000</u>	<u>2,421,764</u>	<u>12,819</u>
<i>Expenditures:</i>						
Current:						
General government	-	98,019	747,234	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	2,176,393	-
Culture and recreation	-	-	-	-	-	-
Health and welfare	-	-	-	19,841	-	18,755
Capital outlay	-	-	-	-	1,026,079	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>98,019</u>	<u>747,234</u>	<u>19,841</u>	<u>3,202,472</u>	<u>18,755</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>872,029</u>	<u>968,327</u>	<u>1,114,008</u>	<u>159</u>	<u>(780,708)</u>	<u>(5,936)</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	(166,627)	(445,405)	(987,911)	-	1,254,844	(19,149)
Proceeds from sale of capital assets	273	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(166,354)</u>	<u>(445,405)</u>	<u>(987,911)</u>	<u>-</u>	<u>1,254,844</u>	<u>(19,149)</u>
<i>Net change in fund balances</i>	705,675	522,922	126,097	159	474,136	(25,085)
<i>Fund balances - beginning of year</i>	678,876	2,937,889	2,091,289	30	611,150	30,545
<i>Fund balances - end of year</i>	<u>\$ 1,384,551</u>	<u>3,460,811</u>	<u>2,217,386</u>	<u>189</u>	<u>1,085,286</u>	<u>5,460</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2011

	77+78	83	86	89	90	91
	Lodger's Tax	Stimulus Funding	Special Fire & Police	Local Government Corrections	Law Enforcement Protection	Area Agency on Aging
<i>Revenues:</i>						
Taxes:						
Property	\$ -	-	-	-	-	-
Gross receipts	-	-	1,881,564	-	-	-
Gasoline and motor vehicle	-	-	-	-	-	-
Other	542,356	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	928,895	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	-	-	-	63,600	-
State capital grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	-	-	-	133,843	-	-
Investment income	2,592	-	153	110	452	-
Miscellaneous	-	392	6	-	-	-
<i>Total revenues</i>	<u>544,948</u>	<u>929,287</u>	<u>1,881,723</u>	<u>133,953</u>	<u>64,052</u>	<u>-</u>
<i>Expenditures:</i>						
Current:						
General government	-	52,664	-	-	-	-
Public safety	-	-	-	-	61,973	-
Public works	-	-	-	-	-	-
Culture and recreation	291,883	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	870,641	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>291,883</u>	<u>923,305</u>	<u>-</u>	<u>-</u>	<u>61,973</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>253,065</u>	<u>5,982</u>	<u>1,881,723</u>	<u>133,953</u>	<u>2,079</u>	<u>-</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	<u>(150,000)</u>	<u>-</u>	<u>(1,763,614)</u>	<u>(134,575)</u>	<u>-</u>	<u>-</u>
<i>Total other financing sources (uses)</i>	<u>(150,000)</u>	<u>-</u>	<u>(1,763,614)</u>	<u>(134,575)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	103,065	5,982	118,109	(622)	2,079	-
<i>Fund balances - beginning of year</i>	<u>798,108</u>	<u>653</u>	<u>375,823</u>	<u>622</u>	<u>15,294</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 901,173</u>	<u>6,635</u>	<u>493,932</u>	<u>-</u>	<u>17,373</u>	<u>-</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2011

	92 Clovis Area Transit System	96 Dept of Justice	98 Drug Control	Total Special Revenue Funds
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	-	-	-	8,425,930
Gasoline and motor vehicle	-	-	-	531,928
Other	-	-	-	542,356
<i>Intergovernmental:</i>				
Federal operating grants	-	35,753	275,667	1,240,315
Federal capital grants	428,707	-	-	428,707
State operating grants	-	-	-	713,696
State capital grants	-	-	-	-
Charges for services	41,025	-	-	728,124
Fines, forfeitures & penalties	-	-	-	15,213
Licenses and fees	-	-	-	484,064
Investment income	-	21	34	37,656
Miscellaneous	13,007	-	289	1,048,470
<i>Total revenues</i>	<u>482,739</u>	<u>35,774</u>	<u>275,990</u>	<u>14,196,459</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	745,936	-	-	1,643,853
Public safety	-	2,453	241,768	407,955
Public works	-	-	-	2,176,393
Culture and recreation	-	-	-	2,591,473
Health and welfare	-	-	-	301,044
Capital outlay	-	33,300	-	2,529,460
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>745,936</u>	<u>35,753</u>	<u>241,768</u>	<u>9,650,178</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(263,197)</u>	<u>21</u>	<u>34,222</u>	<u>4,546,281</u>
<i>Other financing sources (uses)</i>				
Transfers in/(out)	255,575	-	-	(2,088,217)
Proceeds from sale of capital assets	-	-	-	273
Proceeds from debt issuance	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>255,575</u>	<u>-</u>	<u>-</u>	<u>(2,087,944)</u>
<i>Net change in fund balances</i>	(7,622)	21	34,222	2,458,337
<i>Fund balances - beginning of year</i>	140,588	1,011	(19,895)	11,444,519
<i>Fund balances - end of year</i>	<u>\$ 132,966</u>	<u>1,032</u>	<u>14,327</u>	<u>13,902,856</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2011

	45	46	47	
	Drainage Improvement	Civic Center	Parks & Infrastructure	Total Debt Service Funds
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	7,490	373	729	8,592
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>7,490</u>	<u>373</u>	<u>729</u>	<u>8,592</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	7,490	-	-	7,490
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	150,000	415,000	565,000
Interest	-	119,419	54,830	174,249
<i>Total expenditures</i>	<u>7,490</u>	<u>269,419</u>	<u>469,830</u>	<u>746,739</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(269,046)</u>	<u>(469,101)</u>	<u>(738,147)</u>
<i>Other financing sources (uses)</i>				
Transfers in/(out)	-	269,419	469,830	739,249
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>269,419</u>	<u>469,830</u>	<u>739,249</u>
<i>Net change in fund balances</i>	-	373	729	1,102
<i>Fund balances - beginning of year</i>	-	65,628	158,985	224,613
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>66,001</u>	<u>159,714</u>	<u>225,715</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Nonmajor Governmental Funds - Capital Project Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2011**

	88	
	Drainage Improvement	Total Capital Project Funds
<i>Revenues:</i>		
Taxes:		
Property	\$ -	-
Gross receipts	470,391	470,391
Gasoline and motor vehicle	-	-
Other	-	-
Intergovernmental:		
Federal operating grants	-	-
Federal capital grants	-	-
State operating grants	-	-
State capital grants	-	-
Charges for services	-	-
Fines, forfeitures & penalties	-	-
Licenses and fees	-	-
Investment income	1,557	1,557
Miscellaneous	-	-
<i>Total revenues</i>	471,948	471,948
<i>Expenditures:</i>		
Current:		
General government	-	-
Public safety	-	-
Public works	2,383	2,383
Culture and recreation	-	-
Health and welfare	-	-
Capital outlay	315,783	315,783
Debt service:		
Principal	-	-
Interest	-	-
<i>Total expenditures</i>	318,166	318,166
<i>Excess (deficiency) of revenues over expenditures</i>	153,782	153,782
<i>Other financing sources (uses)</i>		
Transfers in/(out)	(397,702)	(397,702)
<i>Total other financing sources (uses)</i>	(397,702)	(397,702)
<i>Net change in fund balances</i>	(243,920)	(243,920)
<i>Fund balances - beginning of year</i>	1,119,260	1,119,260
<i>Fund balances - end of year</i>	\$ 875,340	875,340

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Schedule of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
ASSETS				
Veterinary				
Cash and cash equivalents	\$ 42,850	4,018	-	46,868
Municipal Court				
Cash and cash equivalents	<u>2,244</u>	<u>-</u>	<u>(1,080)</u>	<u>1,164</u>
<i>Total assets</i>	<u>\$ 45,094</u>	<u>4,018</u>	<u>(1,080)</u>	<u>48,032</u>
 LIABILITIES				
Veterinary				
Deposits held in trust for others	\$ 42,850	4,018	-	46,868
Municipal Court				
Deposits held in trust for others	<u>2,244</u>	<u>-</u>	<u>(1,080)</u>	<u>1,164</u>
<i>Total liabilities</i>	<u>\$ 45,094</u>	<u>4,018</u>	<u>(1,080)</u>	<u>48,032</u>

See independent auditor's report.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Municipal Road 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	90,000	90,000	91,720	1,720
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	100	100	100	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>90,100</u>	<u>90,100</u>	<u>91,820</u>	<u>1,720</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>90,100</u>	<u>90,100</u>	<u>91,820</u>	<u>1,720</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(89,102)	(89,102)	(89,102)	-
<i>Total other financing sources (uses)</i>	<u>(89,102)</u>	<u>(89,102)</u>	<u>(89,102)</u>	<u>-</u>
<i>Net change in fund balance</i>	998	998	2,718	1,720
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,013</u>	<u>7,013</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>9,731</u>	<u>8,733</u>
Net change in fund balance (GAAP)			\$	4,133
Adjustments to revenue for applicable accruals and deferrals				1,415
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>2,718</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Recreation 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	4,906	4,906
Licenses and fees	-	-	-	-
Investment income	250	250	396	146
Miscellaneous	-	103,912	120,773	16,861
<i>Total revenues</i>	<u>250</u>	<u>104,162</u>	<u>126,075</u>	<u>21,913</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	260,730	366,834	342,770	24,064
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>260,730</u>	<u>366,834</u>	<u>342,770</u>	<u>24,064</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(260,480)</u>	<u>(262,672)</u>	<u>(216,695)</u>	<u>45,977</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	40,791	40,791	-	(40,791)
Transfers in	219,689	221,881	221,881	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>260,480</u>	<u>262,672</u>	<u>221,881</u>	<u>(40,791)</u>
<i>Net change in fund balance</i>	-	-	5,186	5,186
<i>Fund balance - beginning of year</i>	-	-	40,216	40,216
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>45,402</u>	<u>45,402</u>
Net change in fund balance (GAAP)			\$	3,327
Adjustments to revenue for applicable accruals and deferrals				(2,614)
Adjustments to expenditures for applicable accruals and payments				755
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>5,186</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Older Adults Division 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	275	275	225	(50)
Miscellaneous	-	1,870	10,393	8,523
<i>Total revenues</i>	<u>275</u>	<u>2,145</u>	<u>10,618</u>	<u>8,473</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	237,149	268,150	262,718	5,432
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>237,149</u>	<u>268,150</u>	<u>262,718</u>	<u>5,432</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(236,874)</u>	<u>(266,005)</u>	<u>(252,100)</u>	<u>13,905</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	60,163	61,277	-	(61,277)
Transfers in	176,711	204,728	204,728	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>236,874</u>	<u>266,005</u>	<u>204,728</u>	<u>(61,277)</u>
<i>Net change in fund balance</i>	-	-	(47,372)	(47,372)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>59,805</u>	<u>59,805</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>12,433</u>	<u>12,433</u>
Net change in fund balance (GAAP)			\$	(47,102)
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				<u>270</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(47,372)</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Environmental 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	424,360	424,360	462,900	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	5,700	5,700	4,498	(1,202)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>430,060</u>	<u>430,060</u>	<u>467,398</u>	<u>(1,202)</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>430,060</u>	<u>430,060</u>	<u>467,398</u>	<u>(1,202)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	32,840	-	(32,840)
Transfers in	-	-	-	-
Transfers out	(424,360)	(462,900)	(462,900)	-
<i>Total other financing sources (uses)</i>	<u>(424,360)</u>	<u>(430,060)</u>	<u>(462,900)</u>	<u>(32,840)</u>
<i>Net change in fund balance</i>	5,700	-	4,498	4,498
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,073,434</u>	<u>2,073,434</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>2,077,932</u>	<u>2,077,932</u>
Net change in fund balance (GAAP)			\$	6,523
Adjustments to revenue for applicable accruals and deferrals				2,025
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>4,498</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Fire Equipment 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, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	491,388	591,388	591,388	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	800	800	1,097	297
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>492,188</u>	<u>592,188</u>	<u>592,485</u>	<u>297</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	117,850	268,697	101,761	166,936
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	754,375	708,528	588,716	119,812
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>872,225</u>	<u>977,225</u>	<u>690,477</u>	<u>286,748</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(380,037)</u>	<u>(385,037)</u>	<u>(97,992)</u>	<u>287,045</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	380,037	380,037	-	(380,037)
Transfers in	-	5,000	5,000	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>380,037</u>	<u>385,037</u>	<u>5,000</u>	<u>(380,037)</u>
<i>Net change in fund balance</i>	-	-	(92,992)	(92,992)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>380,037</u>	<u>380,037</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>287,045</u>	<u>287,045</u>
Net change in fund balance (GAAP)			\$	(92,992)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(92,992)</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Sanitary Sewer Improvement 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	85,000	85,000	59,951	(25,049)
Investment income	4,100	4,100	2,229	(1,871)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	89,100	89,100	62,180	(26,920)
<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>	89,100	89,100	62,180	(26,920)
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	89,100	89,100	62,180	151,280
<i>Fund balance - beginning of year</i>	-	-	545,775	545,775
<i>Fund balance - end of year</i>	\$ -	-	607,955	697,055
Net change in fund balance (GAAP)			\$	62,180
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	62,180

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Ned Houk Park 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, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	15,000	15,000	-	(15,000)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	346	346
Miscellaneous	-	2,076	2,076	-
<i>Total revenues</i>	<u>15,000</u>	<u>17,076</u>	<u>2,422</u>	<u>(14,654)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	232,469	239,769	205,557	34,212
Health and welfare	-	-	-	-
Capital outlay	20,000	20,000	-	20,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>252,469</u>	<u>259,769</u>	<u>205,557</u>	<u>54,212</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(237,469)</u>	<u>(242,693)</u>	<u>(203,135)</u>	<u>39,558</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	34,835	34,835	-	(34,835)
Transfers in	202,634	207,858	207,858	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>237,469</u>	<u>242,693</u>	<u>207,858</u>	<u>(34,835)</u>
<i>Net change in fund balance</i>	-	-	4,723	4,723
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>33,476</u>	<u>33,476</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>38,199</u>	<u>38,199</u>
Net change in fund balance (GAAP)			\$	5,821
No adjustments to revenue				-
Adjustments to expenditures for applicable accruals and payments				<u>1,098</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>4,723</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Carver Library 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, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	66,182	66,182	40,889	(25,293)
State capital grants	-	-	-	-
Charges for services	6,500	6,500	17,196	10,696
Fines, forfeitures & penalties	16,000	16,000	15,213	(787)
Licenses and fees	-	-	-	-
Investment income	350	350	395	45
Miscellaneous	500	106,354	113,099	6,745
<i>Total revenues</i>	89,532	195,386	186,792	(8,594)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	829,799	942,082	796,593	145,489
Health and welfare	-	-	-	-
Capital outlay	10,725	10,725	10,724	1
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	840,524	952,807	807,317	145,490
<i>Excess (deficiency) of revenues over expenditures</i>	(750,992)	(757,421)	(620,525)	136,896
<i>Other financing sources (uses)</i>				
Designated cash/other assets	35,282	35,282	-	(35,282)
Transfers in	715,710	722,139	722,139	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	750,992	757,421	722,139	(35,282)
<i>Net change in fund balance</i>	-	-	101,614	101,614
<i>Fund balance - beginning of year</i>	-	-	31,053	31,053
<i>Fund balance - end of year</i>	\$ -	-	132,667	132,667
Net change in fund balance (GAAP)			\$	104,156
Adjustments to revenue for applicable accruals and deferrals				(7,646)
Adjustments to expenditures for applicable accruals and payments				10,188
Net change in fund balance (non-GAAP budgetary basis)			\$	101,614

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Golf Course 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	-	-	-	-
Gross receipts	\$ -	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
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/other assets	-	-	-	-
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 (GAAP)			\$	5,074
Adjustments to revenue for applicable accruals and deferrals				5,074
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>-</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Infrastructure Improvement 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	-	-	-	-
Gross receipts	\$ 424,360	424,360	468,343	43,983
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	2,050	2,050	505	(1,545)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>426,410</u>	<u>426,410</u>	<u>468,848</u>	<u>42,438</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>426,410</u>	<u>426,410</u>	<u>468,848</u>	<u>42,438</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(234,915)	(234,915)	(234,915)	-
<i>Total other financing sources (uses)</i>	<u>(234,915)</u>	<u>(234,915)</u>	<u>(234,915)</u>	<u>-</u>
<i>Net change in fund balance</i>	191,495	191,495	233,933	42,438
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>224,211</u>	<u>224,211</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>458,144</u>	<u>266,649</u>
Net change in fund balance (GAAP)			\$	235,982
Adjustments to revenue for applicable accruals and deferrals				2,049
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>233,933</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Special Parks Improvement 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	424,360	424,360	468,343	43,983
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	900	900	657	(243)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>425,260</u>	<u>425,260</u>	<u>469,000</u>	<u>43,740</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>425,260</u>	<u>425,260</u>	<u>469,000</u>	<u>43,740</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(287,462)	(379,625)	(379,625)	-
<i>Total other financing sources (uses)</i>	<u>(287,462)</u>	<u>(379,625)</u>	<u>(379,625)</u>	<u>-</u>
<i>Net change in fund balance</i>	137,798	45,635	89,375	43,740
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>246,803</u>	<u>246,803</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>336,178</u>	<u>290,543</u>
Net change in fund balance (GAAP)			\$	91,423
Adjustments to revenue for applicable accruals and deferrals				2,048
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>89,375</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Civic Center 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	424,360	468,342	468,343	1
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	659,537	659,537	620,102	(39,435)
Licenses and fees	-	-	-	-
Investment income	200	200	949	749
Miscellaneous	-	500,681	22,362	(478,319)
<i>Total revenues</i>	<u>1,084,097</u>	<u>1,628,760</u>	<u>1,111,756</u>	<u>(517,004)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	955,123	1,043,660	1,005,332	38,328
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>955,123</u>	<u>1,043,660</u>	<u>1,005,332</u>	<u>38,328</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>128,974</u>	<u>585,100</u>	<u>106,424</u>	<u>(478,676)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	150,000	150,000	150,000	-
Transfers out	(276,419)	(276,419)	(276,419)	-
<i>Total other financing sources (uses)</i>	<u>(126,419)</u>	<u>(126,419)</u>	<u>(126,419)</u>	<u>-</u>
<i>Net change in fund balance</i>	2,555	458,681	(19,995)	(478,676)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>140,713</u>	<u>140,713</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>120,718</u>	<u>(337,963)</u>
Net change in fund balance (GAAP)			\$	20,674
Adjustments to revenue for applicable accruals and deferrals				2,048
Adjustments to expenditures for applicable accruals and payments				38,621
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(19,995)</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Special Designated 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	29,000	29,000	47,509	18,509
Licenses and fees	252,000	252,000	290,270	38,270
Investment income	3,000	3,000	8,530	5,530
Miscellaneous	3,200	3,200	525,720	522,520
<i>Total revenues</i>	<u>287,200</u>	<u>287,200</u>	<u>872,029</u>	<u>584,829</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>287,200</u>	<u>287,200</u>	<u>872,029</u>	<u>584,829</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	7,000	7,000	7,000	-
Transfers out	(142,929)	(173,627)	(173,627)	-
<i>Total other financing sources (uses)</i>	<u>(135,929)</u>	<u>(166,627)</u>	<u>(166,627)</u>	<u>-</u>
<i>Net change in fund balance</i>	151,271	120,573	705,402	584,829
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>678,876</u>	<u>678,876</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,384,278</u>	<u>1,263,705</u>
Net change in fund balance (GAAP)			\$ 705,675	
Adjustments to revenue for applicable accruals and deferrals				273
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$ 705,402	

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Economic Development 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	848,720	848,720	925,711	76,991
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	15,000	15,000	7,211	(7,789)
Miscellaneous	-	-	129,450	129,450
<i>Total revenues</i>	<u>863,720</u>	<u>863,720</u>	<u>1,062,372</u>	<u>198,652</u>
<i>Expenditures:</i>				
Current:				
General government	720,000	720,000	98,019	621,981
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	363,389	363,389	63,388	300,001
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,083,389</u>	<u>1,083,389</u>	<u>161,407</u>	<u>921,982</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(219,669)</u>	<u>(219,669)</u>	<u>900,965</u>	<u>1,120,634</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	665,074	665,074	-	(665,074)
Transfers in	-	-	-	-
Transfers out	(445,405)	(445,405)	(445,405)	-
<i>Total other financing sources (uses)</i>	<u>219,669</u>	<u>219,669</u>	<u>(445,405)</u>	<u>(665,074)</u>
<i>Net change in fund balance</i>	-	-	455,560	455,560
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,937,889</u>	<u>2,937,889</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>3,393,449</u>	<u>3,393,449</u>
Net change in fund balance (GAAP)			\$	522,922
Adjustments to revenue for applicable accruals and deferrals				3,974
Adjustments to expenditures for applicable accruals and payments				<u>63,388</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>455,560</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Capital Outlay Gross Receipts 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	1,697,440	1,697,440	1,849,066	151,626
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	11,000	11,000	4,223	(6,777)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,708,440	1,708,440	1,853,289	144,849
<i>Expenditures:</i>				
Current:				
General government	-	747,234	747,234	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	747,234	747,234	-
<i>Excess (deficiency) of revenues over expenditures</i>	1,708,440	961,206	1,106,055	144,849
<i>Other financing sources (uses)</i>				
Designated cash/other assets	3,915	773,939	-	(773,939)
Transfers in	(1,712,355)	(1,735,145)	(987,911)	747,234
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	(1,708,440)	(961,206)	(987,911)	(26,705)
<i>Net change in fund balance</i>	-	-	118,144	118,144
<i>Fund balance - beginning of year</i>	-	-	2,091,289	2,091,289
<i>Fund balance - end of year</i>	\$ -	-	2,209,433	2,209,433
Net change in fund balance (GAAP)			\$	126,097
Adjustments to revenue for applicable accruals and deferrals				7,953
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	118,144

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Emergency Medical Services 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	20,000	20,000	20,000	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	2,030	20,030	19,841	189
Capital outlay	18,000	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>20,030</u>	<u>20,030</u>	<u>19,841</u>	<u>189</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(30)</u>	<u>(30)</u>	<u>159</u>	<u>189</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	30	30	-	(30)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>30</u>	<u>30</u>	<u>-</u>	<u>(30)</u>
<i>Net change in fund balance</i>	-	-	159	159
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>30</u>	<u>30</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>189</u>	<u>189</u>
Net change in fund balance (GAAP)			\$	159
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>159</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Special Streets 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, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	1,697,440	1,697,440	1,873,370	175,930
Gasoline and motor vehicle	453,000	453,000	451,415	(1,585)
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	2,207,645	2,207,645	-	(2,207,645)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	2,500	2,500	2,932	432
Miscellaneous	12,060	76,142	98,474	22,332
<i>Total revenues</i>	<u>4,372,645</u>	<u>4,436,727</u>	<u>2,426,191</u>	<u>(2,010,536)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	2,310,859	2,394,419	2,226,950	167,469
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	3,552,026	3,589,984	1,026,079	2,563,905
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,862,885</u>	<u>5,984,403</u>	<u>3,253,029</u>	<u>2,731,374</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,490,240)</u>	<u>(1,547,676)</u>	<u>(826,838)</u>	<u>720,838</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	292,832	292,832	-	(292,832)
Transfers in	1,197,408	1,254,844	1,254,844	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,490,240</u>	<u>1,547,676</u>	<u>1,254,844</u>	<u>(292,832)</u>
<i>Net change in fund balance</i>	-	-	428,006	428,006
<i>Fund balance - beginning of year</i>	-	-	611,150	611,150
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,039,156</u>	<u>1,039,156</u>
Net change in fund balance (GAAP)			\$	474,136
Adjustments to revenue for applicable accruals and deferrals				(4,428)
Adjustments to expenditures for applicable accruals and payments				50,558
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>428,006</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Recycling 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	15,594	15,594	5,465	(10,129)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	250	7,354	7,104
<i>Total revenues</i>	15,594	15,844	12,819	(3,025)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	23,000	23,250	18,755	4,495
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	23,000	23,250	18,755	4,495
<i>Excess (deficiency) of revenues over expenditures</i>	(7,406)	(7,406)	(5,936)	1,470
<i>Other financing sources (uses)</i>				
Designated cash/other assets	7,406	26,555	-	(26,555)
Transfers in	-	-	-	-
Transfers out	-	(19,149)	(19,149)	-
<i>Total other financing sources (uses)</i>	7,406	7,406	(19,149)	(26,555)
<i>Net change in fund balance</i>	-	-	(25,085)	(25,085)
<i>Fund balance - beginning of year</i>	-	-	30,545	30,545
<i>Fund balance - end of year</i>	\$ -	-	5,460	5,460
Net change in fund balance (GAAP)			\$	(25,085)
No adjustments to revenue				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	(25,085)

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	470,000	535,234	535,234	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	2,000	2,000	2,594	594
Miscellaneous	-	-	-	-
<i>Total revenues</i>	472,000	537,234	537,828	594
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	199,000	319,450	291,883	27,567
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	199,000	319,450	291,883	27,567
<i>Excess (deficiency) of revenues over expenditures</i>	273,000	217,784	245,945	28,161
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	329,000	374,664	374,664	-
Transfers out	(479,000)	(524,664)	(524,664)	-
<i>Total other financing sources (uses)</i>	(150,000)	(150,000)	(150,000)	-
<i>Net change in fund balance</i>	123,000	67,784	95,945	28,161
<i>Fund balance - beginning of year</i>	-	-	798,108	798,108
<i>Fund balance - end of year</i>	\$ -	-	894,053	826,269
Net change in fund balance (GAAP)			\$	103,065
Adjustments to revenue for applicable accruals and deferrals				7,120
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	95,945

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Stimulus Funding 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	1,155,525	1,167,233	858,389	(308,844)
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,155,525</u>	<u>1,167,233</u>	<u>858,781</u>	<u>(308,452)</u>
<i>Expenditures:</i>				
Current:				
General government	66,400	66,385	52,010	14,375
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	889,800	901,523	870,641	30,882
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>956,200</u>	<u>967,908</u>	<u>922,651</u>	<u>45,257</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>199,325</u>	<u>199,325</u>	<u>(63,870)</u>	<u>(263,195)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
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>	199,325	199,325	(63,870)	(263,195)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>653</u>	<u>653</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(63,217)</u>	<u>(262,542)</u>
Net change in fund balance (GAAP)			\$	5,982
Adjustments to revenue for applicable accruals and deferrals				70,505
Adjustments to expenditures for applicable accruals and payments				<u>(653)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(63,870)</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Special Fire & Police 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	1,697,440	1,697,440	1,873,370	175,930
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	300	300	153	(147)
<i>Total revenues</i>	<u>1,697,740</u>	<u>1,697,740</u>	<u>1,873,530</u>	<u>175,790</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>1,697,740</u>	<u>1,697,740</u>	<u>1,873,530</u>	<u>175,790</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	65,874	65,874	-	(65,874)
Transfers in	-	-	-	-
Transfers out	(1,763,614)	(1,763,614)	(1,763,614)	-
<i>Total other financing sources (uses)</i>	<u>(1,697,740)</u>	<u>(1,697,740)</u>	<u>(1,763,614)</u>	<u>(65,874)</u>
<i>Net change in fund balance</i>	-	-	109,916	109,916
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>375,823</u>	<u>375,823</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>485,739</u>	<u>485,739</u>
Net change in fund balance (GAAP)			\$	118,109
Adjustments to revenue for applicable accruals and deferrals				8,193
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>109,916</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Local Government Corrections 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	143,000	143,000	133,843	(9,157)
Investment income	100	100	110	10
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>143,100</u>	<u>143,100</u>	<u>133,953</u>	<u>(9,147)</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>143,100</u>	<u>143,100</u>	<u>133,953</u>	<u>(9,147)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(142,722)	(142,722)	(134,575)	8,147
<i>Total other financing sources (uses)</i>	<u>(142,722)</u>	<u>(142,722)</u>	<u>(134,575)</u>	<u>8,147</u>
<i>Net change in fund balance</i>	378	378	(622)	(1,000)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>622</u>	<u>622</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(378)</u>
Net change in fund balance (GAAP)			\$	(622)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(622)</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Law Enforcement Protection 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	63,600	63,600	63,600	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	500	500	452	(48)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	64,100	64,100	64,052	(48)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	79,394	79,394	61,973	17,421
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	79,394	79,394	61,973	17,421
<i>Excess (deficiency) of revenues over expenditures</i>	(15,294)	(15,294)	2,079	17,373
<i>Other financing sources (uses)</i>				
Designated cash/other assets	15,294	15,294	-	(15,294)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	15,294	15,294	-	(15,294)
<i>Net change in fund balance</i>	-	-	2,079	2,079
<i>Fund balance - beginning of year</i>	-	-	15,294	15,294
<i>Fund balance - end of year</i>	\$ -	-	17,373	17,373
Net change in fund balance (GAAP)			\$	2,079
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	2,079

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Area Agency on Aging 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
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/other assets	-	-	-	-
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 (GAAP)			\$	-
No adjustments to revenue				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	-

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Clovis Area Transit System Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	688,712	1,004,712	432,401	(572,311)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	44,000	44,000	41,025	(2,975)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	732,712	1,060,373	486,433	(573,940)
<i>Expenditures:</i>				
Current:				
General government	1,019,125	1,039,111	750,735	288,376
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	395,000	-	395,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	1,019,125	1,434,111	750,735	683,376
<i>Excess (deficiency) of revenues over expenditures</i>	(286,413)	(373,738)	(264,302)	109,436
<i>Other financing sources (uses)</i>				
Designated cash/other assets	118,163	118,163	-	(118,163)
Transfers in	168,250	255,575	255,575	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	286,413	373,738	255,575	(118,163)
<i>Net change in fund balance</i>	-	-	(8,727)	(8,727)
<i>Fund balance - beginning of year</i>	-	-	140,588	140,588
<i>Fund balance - end of year</i>	\$ -	-	131,861	131,861
Net change in fund balance (GAAP)			\$	(7,622)
Adjustments to revenue for applicable accruals and deferrals				(3,694)
Adjustments to expenditures for applicable accruals and payments				4,799
Net change in fund balance (non-GAAP budgetary basis)			\$	(8,727)

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Department of Justice 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	3,623	36,925	32,253	(4,672)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	21	21
Miscellaneous	-	-	-	-
<i>Total revenues</i>	3,623	36,925	32,274	(4,651)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	3,623	3,625	2,453	1,172
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	33,300	33,300	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	3,623	36,925	35,753	1,172
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(3,479)	(3,479)
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	(3,479)	(3,479)
<i>Fund balance - beginning of year</i>	-	-	1,011	1,011
<i>Fund balance - end of year</i>	\$ -	-	(2,468)	(2,468)
Net change in fund balance (GAAP)			\$	21
Adjustments to revenue for applicable accruals and deferrals				3,500
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	(3,479)

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Drug Control 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	216,278	293,926	202,706	(91,220)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	34	34
Miscellaneous	-	9,000	290	(8,710)
<i>Total revenues</i>	<u>216,278</u>	<u>302,926</u>	<u>203,030</u>	<u>(99,896)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	174,934	258,844	240,874	17,970
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>174,934</u>	<u>258,844</u>	<u>240,874</u>	<u>17,970</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>41,344</u>	<u>44,082</u>	<u>(37,844)</u>	<u>(81,926)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
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>	41,344	44,082	(37,844)	(81,926)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(19,895)</u>	<u>(19,895)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(57,739)</u>	<u>(101,821)</u>
Net change in fund balance (GAAP)			\$	34,222
Adjustments to revenue for applicable accruals and deferrals				72,960
Adjustments to expenditures for applicable accruals and payments				(894)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(37,844)</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Drainage Improvement 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, 2011**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
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/other assets	-	-	-	-
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 (GAAP)			\$	-
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	-

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Civic Center 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	200	200	373	173
Miscellaneous	-	-	-	-
<i>Total revenues</i>	200	200	373	173
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	150,000	150,000	150,000	-
Interest	119,419	119,419	119,419	-
<i>Total expenditures</i>	269,419	269,419	269,419	-
<i>Excess (deficiency) of revenues over expenditures</i>	(269,219)	(269,219)	(269,046)	173
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	269,419	269,419	269,419	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	269,419	269,419	269,419	-
<i>Net change in fund balance</i>	200	200	373	173
<i>Fund balance - beginning of year</i>	-	-	65,628	65,628
<i>Fund balance - end of year</i>	\$ -	-	66,001	65,801
Net change in fund balance (GAAP)			\$	373
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	373

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Parks & Infrastructure 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	3,500	3,500	729	(2,771)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	3,500	3,500	729	(2,771)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	415,000	415,000	415,000	-
Interest	54,830	54,830	54,830	-
<i>Total expenditures</i>	469,830	469,830	469,830	-
<i>Excess (deficiency) of revenues over expenditures</i>	(466,330)	(466,330)	(469,101)	(2,771)
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	469,830	469,830	469,830	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	469,830	469,830	469,830	-
<i>Net change in fund balance</i>	3,500	3,500	729	(2,771)
<i>Fund balance - beginning of year</i>	-	-	158,985	158,985
<i>Fund balance - end of year</i>	\$ -	-	159,714	156,214
Net change in fund balance (GAAP)			\$	729
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	729

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Street 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	110,812	(1,082,642)	(1,193,454)
State operating grants	-	-	-	-
State capital grants	4,270,515	4,470,515	3,024,056	(1,446,459)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	2,890	2,890
Miscellaneous	-	-	9,761	9,761
<i>Total revenues</i>	<u>4,270,515</u>	<u>4,581,327</u>	<u>1,954,065</u>	<u>(2,627,262)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	124,105	53,587	70,518
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	3,424,289	3,674,879	3,421,016	253,863
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,424,289</u>	<u>3,798,984</u>	<u>3,474,603</u>	<u>324,381</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>846,226</u>	<u>782,343</u>	<u>(1,520,538)</u>	<u>(2,302,881)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	14,486	14,486	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>14,486</u>	<u>14,486</u>	<u>-</u>
<i>Net change in fund balance</i>	846,226	796,829	(1,506,052)	(2,302,881)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>933,282</u>	<u>933,282</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(572,770)</u>	<u>(1,369,599)</u>
Net change in fund balance (GAAP)			\$	(203,301)
Adjustments to revenue for applicable accruals and deferrals				555,622
Adjustments to expenditures for applicable accruals and payments				747,129
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(1,506,052)</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Drainage 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, 2011**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	424,360	424,360	468,343	43,983
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	10,000	10,000	1,557	(8,443)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>434,360</u>	<u>434,360</u>	<u>469,900</u>	<u>35,540</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	215,181	196,150	2,383	193,767
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	270,202	448,688	299,257	149,431
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>485,383</u>	<u>644,838</u>	<u>301,640</u>	<u>343,198</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(51,023)</u>	<u>(210,478)</u>	<u>168,260</u>	<u>378,738</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	442,393	608,180	-	(608,180)
Transfers in	-	-	-	-
Transfers out	(391,370)	(397,702)	(397,702)	-
<i>Total other financing sources (uses)</i>	<u>51,023</u>	<u>210,478</u>	<u>(397,702)</u>	<u>(608,180)</u>
<i>Net change in fund balance</i>	-	-	(229,442)	(229,442)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,119,260</u>	<u>1,119,260</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>889,818</u>	<u>889,818</u>
Net change in fund balance (GAAP)			\$	(243,920)
Adjustments to revenue for applicable accruals and deferrals				2,048
Adjustments to expenditures for applicable accruals and payments				(16,526)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(229,442)</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenses and Changes in Net Assets
Budget (Non-GAAP Budgetary Basis) and Actual
Solid Waste Proprietary Fund
For the Year Ended June 30, 2011

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 3,382,000	3,382,000	3,863,657	481,657
<i>Total operating revenues</i>	<u>3,382,000</u>	<u>3,382,000</u>	<u>3,863,657</u>	<u>481,657</u>
<i>Operating expenses:</i>				
General and administrative	739,317	725,147	253,851	471,296
Personnel services	1,918,046	1,911,094	1,807,867	103,227
Contractual services	-	-	-	-
Supplies and purchased power	915,001	994,120	655,045	339,075
Maintenance and materials	874,550	1,104,272	1,009,391	94,881
Utilities	25,383	48,883	38,449	10,434
Miscellaneous	-	-	447,048	(447,048)
<i>Total operating expenses</i>	<u>4,472,297</u>	<u>4,783,516</u>	<u>4,211,651</u>	<u>571,865</u>
<i>Operating income (loss)</i>	<u>(1,090,297)</u>	<u>(1,401,516)</u>	<u>(347,994)</u>	<u>1,053,522</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	25,000	25,000	29,250	4,250
Miscellaneous income	25,000	53,180	67,758	14,578
Interest income	71,500	71,500	93,557	22,057
Interest expense	(65,497)	(65,497)	(65,497)	-
Net proceeds from sale of capital assets	-	-	3,563	3,563
Gross receipts and other taxes	424,360	462,856	462,856	-
Landfill closure/postclosure care costs	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>480,363</u>	<u>547,039</u>	<u>591,487</u>	<u>44,448</u>
Capital grants	-	-	-	-
Transfers in	848,720	983,564	983,564	-
Transfers out	(683,360)	(748,154)	(748,154)	-
<i>Capital grants and net transfers</i>	<u>165,360</u>	<u>235,410</u>	<u>235,410</u>	<u>-</u>
<i>Change in net assets</i>	(444,574)	(619,067)	478,903	1,097,970
Designated cash/other assets	<u>444,574</u>	<u>619,067</u>	<u>-</u>	<u>-</u>
<i>Total net assets, beginning of year</i>	<u>-</u>	<u>-</u>	<u>9,726,919</u>	<u>9,726,919</u>
<i>Total net assets, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>10,205,822</u>	<u>10,824,889</u>
Net change in net assets (GAAP)			\$	180,094
Adjustments to revenue for charges for services, miscellaneous revenue and capital grant accruals				(30,395)
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				537,820
Depreciation and other non-cash items				<u>(806,234)</u>
Net change in net assets (non-GAAP budgetary basis)			\$	<u>478,903</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenses and Changes in Net Assets
Budget (Non-GAAP Budgetary Basis) and Actual
Wastewater Proprietary Fund
For the Year Ended June 30, 2011

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 2,834,541	2,834,541	2,979,511	144,970
<i>Total operating revenues</i>	<u>2,834,541</u>	<u>2,834,541</u>	<u>2,979,511</u>	<u>144,970</u>
<i>Operating expenses:</i>				
General and administrative	64,224	64,224	40,950	23,274
Personnel services	841,330	851,532	726,956	124,576
Contractual services	16,714	285,979	104,825	181,154
Supplies and purchased power	1,328,431	2,615,614	829,320	1,786,294
Maintenance and materials	666,322	7,644,727	2,715,386	4,929,341
Utilities	339,422	339,422	272,116	67,306
Miscellaneous	389,217	629,217	625,324	3,893
<i>Total operating expenses</i>	<u>3,645,660</u>	<u>12,430,715</u>	<u>5,314,877</u>	<u>7,115,838</u>
<i>Operating income (loss)</i>	<u>(811,119)</u>	<u>(9,596,174)</u>	<u>(2,335,366)</u>	<u>7,260,808</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	-	-	-	-
Miscellaneous income	159,366	163,099	368,831	205,732
Interest income	57,250	57,250	93,417	36,167
Interest expense	(160,257)	(311,186)	(299,132)	12,054
Net proceeds from sale of capital assets	-	-	13,708	13,708
Gross receipts and other taxes	-	-	-	-
Landfill closure/postclosure care costs	-	-	-	-
Issuance of debt	-	7,000,000	7,000,000	-
<i>Total non-operating revenues (expenses)</i>	<u>56,359</u>	<u>6,909,163</u>	<u>7,176,824</u>	<u>267,661</u>
Capital grants	728,899	728,899	728,661	(238)
Transfers in	621,404	1,063,742	1,063,742	-
Transfers out	(325,999)	(765,794)	(765,794)	-
<i>Capital grants and net transfers</i>	<u>1,024,304</u>	<u>1,026,847</u>	<u>1,026,609</u>	<u>(238)</u>
<i>Change in net assets</i>	269,544	(1,660,164)	5,868,067	7,528,231
Designated cash/other assets	-	1,660,164	-	-
<i>Total net assets, beginning of year</i>	<u>-</u>	<u>-</u>	<u>16,040,094</u>	<u>-</u>
<i>Total net assets, end of year</i>	<u>\$ 269,544</u>	<u>-</u>	<u>21,908,161</u>	<u>7,528,231</u>
Net change in net assets (GAAP)				\$ 1,382,752
Adjustments to revenue for charges for services, taxes, interest and capital grant accruals				(6,973,580)
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				3,714,673
Depreciation and other non-cash items				<u>(1,226,408)</u>
Net change in net assets (non-GAAP budgetary basis)				<u>\$ 5,868,067</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenses and Changes in Net Assets
Budget (Non-GAAP Budgetary Basis) and Actual
Airport Proprietary Fund
For the Year Ended June 30, 2011

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 131,441	131,441	137,593	6,152
<i>Total operating revenues</i>	<u>131,441</u>	<u>131,441</u>	<u>137,593</u>	<u>6,152</u>
<i>Operating expenses:</i>				
General and administrative	-	-	-	-
Personnel services	190,566	192,703	183,050	9,653
Contractual services	757,364	811,300	404,295	407,005
Supplies and purchased power	-	-	-	-
Maintenance and materials	260,250	6,816,920	2,192,543	4,624,377
Utilities	48,080	37,180	36,178	1,002
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	<u>1,256,260</u>	<u>7,858,103</u>	<u>2,816,066</u>	<u>5,042,037</u>
<i>Operating income (loss)</i>	<u>(1,124,819)</u>	<u>(7,726,662)</u>	<u>(2,678,473)</u>	<u>5,048,189</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	992,145	7,378,252	2,092,152	(5,286,100)
Miscellaneous income	4,400	25,767	30,745	4,978
Interest income	1,000	1,000	2,138	1,138
Interest expense	-	-	-	-
Gross receipts and other taxes	-	-	-	-
Landfill closure/postclosure care costs	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>997,545</u>	<u>7,405,019</u>	<u>2,125,035</u>	<u>(5,279,984)</u>
Capital grants	-	-	-	-
Transfers in	122,014	165,372	165,372	-
Transfers out	-	-	-	-
<i>Capital grants and net transfers</i>	<u>122,014</u>	<u>165,372</u>	<u>165,372</u>	<u>-</u>
<i>Change in net assets</i>	(5,260)	(156,271)	(388,066)	(231,795)
Designated cash/other assets	<u>5,260</u>	<u>156,271</u>	<u>-</u>	<u>-</u>
<i>Total net assets, beginning of year</i>	<u>-</u>	<u>-</u>	<u>12,713,252</u>	<u>12,713,252</u>
<i>Total net assets, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>12,325,186</u>	<u>(231,795)</u>
Net change in net assets (GAAP)				\$ 2,023,007
Adjustments to revenue for charges for services and miscellaneous revenue accruals				429,869
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				2,489,452
Depreciation				<u>(508,248)</u>
Net change in net assets (non-GAAP budgetary basis)				<u>\$ (388,066)</u>

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

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

INTERNAL SERVICE FUNDS

Workers Compensation Fund – To account for the provision of workers compensation coverage for employees of the City of Clovis.

Unemployment Reserve Fund – To account for the provision of unemployment insurance coverage for employees of the City of Clovis.

Property and Liability Self-Insurance Fund – To account for property and liability self-insurance costs for the City.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Combining Balance Sheet
Internal Service Funds
As of June 30, 2011**

	48	53	54	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
<i>Assets</i>				
<i>Current assets</i>				
Cash and investments	\$ 2,926,761	438,530	150,434	3,515,725
Prepays	581	-	-	581
<i>Total current assets</i>	<u>2,927,342</u>	<u>438,530</u>	<u>150,434</u>	<u>3,516,306</u>
<i>Noncurrent assets</i>				
Restricted Cash and investments	-	-	-	-
Capital assets	85,244	-	-	85,244
Less: accumulated depreciation	(53,376)	-	-	(53,376)
<i>Total noncurrent assets</i>	<u>31,868</u>	<u>-</u>	<u>-</u>	<u>31,868</u>
<i>Total Assets</i>	<u><u>2,959,210</u></u>	<u><u>438,530</u></u>	<u><u>150,434</u></u>	<u><u>3,548,174</u></u>
<i>Liabilities and Net Assets</i>				
<i>Liabilities:</i>				
<i>Current liabilities</i>				
Accounts payable	-	-	-	-
Accrued payroll expenses	9,694	-	-	9,694
Accrued compensated absences	2,658	-	-	2,658
<i>Total current liabilities</i>	<u>12,352</u>	<u>-</u>	<u>-</u>	<u>12,352</u>
<i>Net Assets:</i>				
Invested in capital assets, net of related debt	31,868	-	-	31,868
Restricted net assets	-	-	-	-
Unrestricted net assets	2,914,990	438,530	150,434	3,503,954
<i>Total net assets</i>	<u>2,946,858</u>	<u>438,530</u>	<u>150,434</u>	<u>3,535,822</u>
<i>Total Liabilities and Net Assets</i>	<u>\$ <u>2,959,210</u></u>	<u><u>438,530</u></u>	<u><u>150,434</u></u>	<u><u>3,548,174</u></u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended June 30, 2011

	48	53	54	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
<i>Operating revenues:</i>				
Charges for services	\$ 725,291	-	-	725,291
<i>Total operating revenues</i>	<u>725,291</u>	<u>-</u>	<u>-</u>	<u>725,291</u>
<i>Operating expenses:</i>				
General and administrative	423,667	68,819	-	492,486
Personnel services	79,085	-	-	79,085
Depreciation	4,928	-	-	4,928
<i>Total operating expenses</i>	<u>507,680</u>	<u>68,819</u>	<u>-</u>	<u>576,499</u>
<i>Operating income (loss)</i>	<u>217,611</u>	<u>(68,819)</u>	<u>-</u>	<u>148,792</u>
<i>Non-operating revenues (expenses):</i>				
Gain/(loss) on disposal of capital assets	-	-	-	-
Interest income	5,469	1,595	237	7,301
Miscellaneous	944	66,408	-	67,352
<i>Total non-operating revenues (expenses)</i>	<u>6,413</u>	<u>68,003</u>	<u>237</u>	<u>74,653</u>
Transfers in	1,308	-	50,000	51,308
Transfers out	(6,900)	-	-	(6,900)
<i>Net transfers</i>	<u>(5,592)</u>	<u>-</u>	<u>50,000</u>	<u>44,408</u>
<i>Change in net assets</i>	218,432	(816)	50,237	267,853
<i>Net assets, beginning of year</i>	<u>2,728,426</u>	<u>439,346</u>	<u>100,197</u>	<u>3,267,969</u>
<i>Net assets, end of year</i>	<u>\$ 2,946,858</u>	<u>438,530</u>	<u>150,434</u>	<u>3,535,822</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Internal Service Funds
Statement of Cash Flows
For the Year Ended June 30, 2011**

	48	53	54	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
Cash flows from operating activities				
Receipts from interfund services provided	\$ 725,291	-	-	725,291
Payments to suppliers and employees	(496,666)	(68,819)	-	(565,485)
Net cash provided by operating activities	228,625	(68,819)	-	159,806
Cash flows from noncapital financing activities:				
Transfers in (out)	(6,900)	-	50,000	43,100
Miscellaneous income	945	66,408	-	67,353
Net cash provided (used) by noncapital financing activities	(5,955)	66,408	50,000	110,453
Cash flows from capital and related financing activities:				
Acquisitions of capital assets	-	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-	-
Cash flows from investing activities:				
Interest income	5,469	1,595	237	7,301
Net cash provided by investing activities	5,469	1,595	237	7,301
Net increase in cash and investments	\$ 228,139	(816)	50,237	277,560
Balances-beginning of year	2,698,622	439,346	100,197	3,238,165
Balances-end of year	\$ 2,926,761	438,530	150,434	3,515,725
Reconciliation of operating income (loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ 217,611	(68,819)	-	148,792
Adjustments:				
Depreciation expense	4,928	-	-	4,928
(Increase) decrease in:				
Prepays	(29)	-	-	(29)
(Decrease) increase in:				
Accrued payroll	6,097	-	-	6,097
Compensated absences	18	-	-	18
Net cash provided by operating activities	\$ 228,625	(68,819)	-	159,806
Non-cash transfer of capital assets into fund	1,308	-	-	-

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenses and Changes in Net Assets
Budget (Non-GAAP Budgetary Basis) and Actual
Workers Compensation Internal Service Fund
For the Year Ended June 30, 2011

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 675,622	675,622	725,291	49,669
<i>Total operating revenues</i>	<u>675,622</u>	<u>675,622</u>	<u>725,291</u>	<u>49,669</u>
<i>Operating expenses:</i>				
General and administrative	502,386	497,386	354,877	142,509
Personnel services	74,862	75,847	72,970	2,877
<i>Total operating expenses</i>	<u>577,248</u>	<u>573,233</u>	<u>427,847</u>	<u>145,386</u>
<i>Operating income (loss)</i>	<u>98,374</u>	<u>102,389</u>	<u>297,444</u>	<u>195,055</u>
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	-	-	(65,464)	(65,464)
Interest income	25,000	25,000	3,874	(21,126)
<i>Total non-operating revenues (expenses)</i>	<u>25,000</u>	<u>25,000</u>	<u>(61,590)</u>	<u>(86,590)</u>
Transfers in	-	-	1,308	1,308
Transfers out	(1,900)	(6,900)	(6,900)	-
<i>Change in net assets</i>	121,474	120,489	230,262	109,773
Designated cash/other assets	-	-	-	-
<i>Total net assets, beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,728,426</u>	<u>2,728,426</u>
<i>Total net assets, end of year</i>	<u>\$ 121,474</u>	<u>120,489</u>	<u>2,958,688</u>	<u>2,838,199</u>
Net change in net assets (GAAP)				\$ 218,432
Adjustments to revenue for charges for services, miscellaneous revenue and grant accruals				68,003
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				(74,905)
Depreciation				<u>(4,928)</u>
Net change in net assets (non-GAAP budgetary basis)				<u>\$ 230,262</u>

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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenses and Changes in Net Assets
Budget (Non-GAAP Budgetary Basis) and Actual
Unemployment Reserve Internal Service Fund
For the Year Ended June 30, 2011**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 66,227	66,227	-	(66,227)
<i>Total operating revenues</i>	<u>66,227</u>	<u>66,227</u>	<u>-</u>	<u>(66,227)</u>
<i>Operating expenses:</i>				
General and administrative	66,227	66,227	68,819	(2,592)
<i>Total operating expenses</i>	<u>66,227</u>	<u>66,227</u>	<u>68,819</u>	<u>(2,592)</u>
<i>Operating income (loss)</i>	<u>-</u>	<u>-</u>	<u>(68,819)</u>	<u>(68,819)</u>
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	-	-	66,408	66,408
Interest income	5,000	5,000	1,595	(3,405)
<i>Total non-operating revenues (expenses)</i>	<u>5,000</u>	<u>5,000</u>	<u>68,003</u>	<u>63,003</u>
<i>Change in net assets</i>	5,000	5,000	(816)	(5,816)
Designated cash/other assets	-	-	-	-
<i>Total net assets, beginning of year</i>	<u>-</u>	<u>-</u>	<u>439,346</u>	<u>439,346</u>
<i>Total net assets, end of year</i>	<u>\$ 5,000</u>	<u>5,000</u>	<u>438,530</u>	<u>433,530</u>
Net change in net assets (GAAP)				\$ (816)
No adjustments to revenues				-
No adjustments to expenses				-
Net change in net assets (non-GAAP budgetary basis)				<u>\$ (816)</u>

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

STATE OF NEW MEXICO
CITY OF CLOVIS
Statement of Revenues, Expenses and Changes in Net Assets
Budget (Non-GAAP Budgetary Basis) and Actual
Property and Liability Self-Insurance Internal Service Fund
For the Year Ended June 30, 2011

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ -	-	-	-
<i>Total operating revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Operating expenses:</i>				
General and administrative	-	-	-	-
Personnel services	-	-	-	-
<i>Total operating expenses</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Operating income (loss)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	-	-	-	-
Interest income	100	100	237	137
<i>Total non-operating revenues (expenses)</i>	<u>100</u>	<u>100</u>	<u>237</u>	<u>137</u>
Transfers in	-	50,000	50,000	-
Transfers out	-	-	-	-
	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Change in net assets</i>	100	50,100	50,237	137
Designated cash/other assets	-	-	-	-
<i>Total net assets, beginning of year</i>	<u>-</u>	<u>-</u>	<u>100,197</u>	<u>100,197</u>
<i>Total net assets, end of year</i>	<u>\$ 100</u>	<u>50,100</u>	<u>150,434</u>	<u>100,334</u>
Net change in net assets (GAAP)				\$ 50,237
No adjustments to revenues				-
No adjustments to expenses				<u>-</u>
Net change in net assets (non-GAAP budgetary basis)				<u>\$ 50,237</u>

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

SUPPORTING SCHEDULES

**STATE OF NEW MEXICO
CITY OF CLOVIS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011**

	<u>CFDA Number</u>	<u>Federal Grantors Number</u>	<u>Federal Expenditures</u>
U.S. Department of Transportation			
Passed through NM Department of Transportation			
Federal Transit Formula Grants - Urbanized Area Formula Program	(1) 20.507		\$ 428,707
ARRA-Federal Transit_Formula Grants	(1) 20.507	M00869	<u>169,095</u>
Subtotal CFDA# 20.507			597,802
Highway Safety Cluster			
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	11-OP-RF-023/ 11-63-DS-023	9,386
Safety Belt Performance Grant	20.609	11-OP-CIOT-023	<u>2,519</u>
Subtotal Highway Safety Cluster			11,905
Airport Improvement Program	20.106	3-35-0011-025	956,650
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	11-AL-64-023	33,629
Highway Planning and Construction	(1) 20.205		<u>967,042</u>
Total U.S. Department of Transportation			<u>2,567,028</u>
U.S. Department of Justice			
Passed through NM Department of Public Safety			
Edward Byrne Memorial Grant Program	(1) 16.738	10-JAG-RegionV	<u>319,378</u>
Total U.S. Department of Justice			<u>319,378</u>
U.S. Department of Homeland Security			
Passed through NM Department of Homeland Security			
Homeland Security Grant Program	97.067	2007-GE-T7-0023	157,366
Emergency Management Performance Grants	97.042		<u>41,448</u>
Total U.S. Department of Homeland Security			<u>198,814</u>
U.S. Department of the Interior			
WaterSMART (Sustaining and Manage America's Resources for Tomorrow)	15.507		<u>388,528</u>
Total U.S. Department of the Interior			<u>388,528</u>
U.S. Department of Energy			
ARRA-Energy Efficiency and Conservation Block Grant Program (EECBG)	(1) 81.128	DE-RW0000169	489,578
Total U.S. Department of Energy			<u>489,578</u>
Total Federal Financial Assistance			<u>\$ 3,963,326</u>

(1) Denotes Major Program

STATE OF NEW MEXICO
CITY OF CLOVIS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

Notes to Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant expenditure activity for the financial statements of the organization. The schedule is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

Note 2 - Non-Cash Federal Assistance

No non-cash federal assistance was received during the year ended June 30, 2011.

Note 3 - Subrecipients

The organization provided no federal awards presented above to sub-recipients during the year.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Schedule of Fund Balances
As of June 30, 2011**

	Major Funds				Other Non-Major Governmental Funds	Total
	01, 18	36+38+93 94+97+99 Spec Revenue	87 Cap Projects	Street Construction		
	General Fund	Eastern NM Rural Water	Street Construction	Street Construction	Other Non-Major Governmental Funds	Total
Fund Balances:						
Nonspendable:						
Inventory	\$ 6,247	-	-	-	60,626	66,873
Prepaid expenses	356,656	-	-	-	261,821	618,477
Subtotal nonspendable	<u>362,903</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,447</u>	<u>685,350</u>
Restricted for:						
Development of regional water supply	-	108,667	-	-	-	108,667
Improvement of emergency medical services	-	-	-	-	189	189
Road/drainage improvements	-	-	729,981	-	17,781	747,762
Transportation services	-	-	-	-	121,440	121,440
Drug abuse prevention/awareness	-	-	-	-	14,327	14,327
Debt service reserve	-	-	-	-	225,715	225,715
Fire fighting efforts/equipment	-	-	-	-	287,045	287,045
Law enforcement enhancement	-	-	-	-	18,405	18,405
Subtotal restricted	<u>-</u>	<u>108,667</u>	<u>729,981</u>	<u>-</u>	<u>684,902</u>	<u>1,523,550</u>
Committed to:						
Operate/maintain recreational facilities	-	-	-	-	377,500	377,500
Operating/administering senior citizens facility	-	-	-	-	6,813	6,813
Improvement of sewer distribution lines	-	-	-	-	607,955	607,955
Public safety efforts/equipment	-	-	-	-	493,932	493,932
Improvement of City property/equipment	-	-	-	-	2,677,579	2,677,579
Recycling efforts	-	-	-	-	5,460	5,460
Economic development projects	-	-	-	-	3,512,289	3,512,289
Road/drainage improvements	-	-	-	-	1,878,030	1,878,030
Environmental projects	-	-	-	-	2,079,957	2,079,957
Subtotal committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,639,515</u>	<u>11,639,515</u>
Assigned to:						
Operate/maintain recreational facilities	-	-	-	-	34,853	34,853
Library operations	-	-	-	-	125,469	125,469
Departmental improvements	-	-	-	-	1,384,551	1,384,551
Economic development projects	-	-	-	-	849,695	849,695
Multi-purpose special events center	-	-	-	-	157,405	157,405
Subtotal assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,551,973</u>	<u>2,551,973</u>
Unassigned:	8,054,779	21,608	-	-	(194,926)	7,881,461
Total fund balances	<u>8,417,682</u>	<u>130,275</u>	<u>729,981</u>	<u>-</u>	<u>15,003,911</u>	<u>24,281,849</u>

CITY OF CLOVIS
Schedule of Joint Powers Agreements and Memorandums of Understanding
For the Year Ended June 30, 2011

Joint Powers Agreement	Participants	Responsible Party	Description	Beginning and Ending Dates	Total estimated project amount and amount applicable to Agency	Amount contributed by City during current FY	Audit Responsibility	Fiscal agent and responsible reporting entity
1 Older Adults Services	Curry County City of Clovis	City	Provide services for older adults program	8/4/1969 indefinite	N/A	\$ -	N/A	City of Clovis
2 Emergency Override System	Cannon AFB City of Clovis	City Cos Communication	Provide Cannon AFB an Emergency Override System	7/1/1992 thru 6/30/2002 or term of franchise agree	N/A	-	N/A	City of Clovis
3 Drug Task Force	City of Clovis Curry County City of Portales Roosevelt County Quay County City of Tucumcari any other agencies involved in Region V Task Force	City	Region V Task Force for prevention, investigation control & prosecution of drugs	7/1/1992 continues with existence of task force	Federal/state funds \$299,414 No matching required	-	City	City of Clovis
4 Ute Reservoir	City of Clovis Curry County City of Portales Village of Grady Town of Elida City of Texico City of Melrose	City	Acquisition and distribution of waters from Ute Reservoir	10/13/1987 indefinite	\$440,000,000 Member share is 10% State share is 15% Fed share is 75%	225,273	City	City of Clovis
5 Fire Control	City of Clovis State of New Mexico	City	Control of fires in and adjacent to suburban areas	4/19/1979 indefinite	n/a	-	N/A	City of Clovis
6 Emergency Services	City of Clovis Clovis Comm College	City	Define conditions under which emergency services are to be provided	1/27/1982 indefinite	n/a	-	N/A	City of Clovis

CITY OF CLOVIS
Schedule of Joint Powers Agreements and Memorandums of Understanding
For the Year Ended June 30, 2011

	Joint Powers Agreement	Participants	Responsible Party	Description	Beginning and Ending Dates	Total estimated project amount and amount applicable to Agency	Amount contributed by City during current FY	Audit Responsibility	Fiscal agent and responsible reporting entity
7	Civil Defense	City of Clovis Curry County	City	Combining of civil defense efforts	8/29/1969 to 8/29/1970 and then continuing indefinitely.	\$0.00	-	N/A	n/a
8	Street Maintenance	City of Clovis Curry County	City	Street Maintenance through own available services	1/1/1976 to 12/31/1976 then indefinite	\$0.00	-	N/A	n/a
9	DWI Prevention	City of Clovis Curry County City of Texico	City	Funds for comprehensive community programs for DWI prevention purposes/	1/14/1992 to 1/13/1993 then as long as funding is available thru state	State funding of \$16,528 No matching funds	-	City	City of Clovis
10	Self Insurance	NMSIF City of Clovis	NMSIF	Insurance services, needs and pooling	7/1/1996 until terminated	Varies	288,473	NMSIF	NMSIF
11	Services for Community	City of Clovis Curry County	City and County	Providing or receiving services from one entity to the other	7/1/1999 to 6/30/2000 Subject to annual renewal	Net amount is in favor of County for jail services	\$ 100,000	City and County	County

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

Account Name	Account Type	New Mexico Bank and Trust	Citizen's Bank	NM Finance Authority	Mellon Bank	Western Bank	NM Self-Insurer's Fund	Reconciling Items	Book Balance
Cash and cash equivalents									
General Fund Investment	Money Market	5,044,642	-	-	-	-	-	(1,109,897)	3,934,745
Series 2010 Revenue Bonds WW	Money Market	5,561,212	-	-	-	-	-	(824,757)	4,736,455
Money Market Account	Money Market	1,101,049	-	-	-	-	-	-	1,101,049
Fire Account (7)	Money Market	157,562	-	-	-	-	-	-	157,562
Payroll Account (18)	Money Market	59,035	-	-	-	-	-	(989)	58,046
Dept of Justice	Money Market	30,832	-	-	-	-	-	(29,800)	1,032
Credit Cards Account	Money Market	47,600	-	-	-	-	-	(11,306)	36,294
Finance Credit Card	Money Market	610	-	-	-	-	-	114	724
Zoo Credit Card	Money Market	7,734	-	-	-	-	-	(1,462)	6,272
Landfill Credit Card	Money Market	27,100	-	-	-	-	-	-	27,100
EFT Account	Money Market	1,526	-	-	-	-	-	-	1,526
Municipal Court	Money Market	1,427	-	-	-	-	-	(345)	1,082
Drug Control Fund	Money Market	8,661	-	-	-	-	-	1,520	10,181
General Fund	Checking	-	3,016,245	-	-	-	-	326,000	3,342,245
Special Streets	Checking	-	299,821	-	-	-	-	(74,788)	225,033
NM Law Enforcement	Checking	-	19,299	-	-	-	-	(1,926)	17,373
Lodgers' Tax	Money Market	-	-	-	-	533,702	-	(125,000)	408,702
Policy Deposit	Deposit	-	-	-	-	-	72,958	-	72,958
NMFA Debt Service	Money Market	-	-	2,492,783	-	-	-	-	2,492,783
Petty cash	Petty Cash	-	-	-	-	-	-	-	7,180
Subtotal cash and cash equivalents		<u>12,048,990</u>	<u>3,335,365</u>	<u>2,492,783</u>	<u>-</u>	<u>533,702</u>	<u>72,958</u>	<u>(1,852,636)</u>	<u>16,638,342</u>
Investments									
Certificates of deposit	CD maturity >90 days	-	5,843,902	-	-	-	-	-	5,843,902
NMFA Reserve	Reserve	-	-	-	462,654	-	-	-	462,654
State of New Mexico	LGIP Fund	-	-	-	-	-	-	-	11,887,256
State of New Mexico	LGIP Reserve	-	-	-	-	-	-	-	37,709
Subtotal investments		<u>-</u>	<u>5,843,902</u>	<u>-</u>	<u>462,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,231,521</u>
Total amount of deposit in bank		<u>12,048,990</u>	<u>9,179,267</u>	<u>2,492,783</u>	<u>462,654</u>	<u>533,702</u>	<u>72,958</u>	<u>-</u>	<u>34,869,863</u>
FDIC coverage		(250,000)	(500,000)	-	-	(250,000)	-	-	-
Total uninsured public funds		<u>11,798,990</u>	<u>8,679,267</u>	<u>2,492,783</u>	<u>462,654</u>	<u>283,702</u>	<u>72,958</u>	<u>-</u>	<u>-</u>
50% Collateral Requirement									
(Section 6-10-17 NMSA 1978)		\$ 5,899,495	4,339,634	1,246,392	231,327	141,851	36,479	-	-
Pledged security at:									
Commerce Bank of St. Louis 5.25% - 31394KNR1 Due 7/15/32		\$ 332,704	-	-	-	-	-	-	-
Commerce Bank of St. Louis 5.50% - 38376FBB7 Due 12/20/28		2,804,388	-	-	-	-	-	-	-
Commerce Bank of St. Louis 5.50% - 38376FBB7 Due 12/20/28		2,181,191	-	-	-	-	-	-	-
Commerce Bank of St. Louis 5.50% - 31396LQK9 Due 7/25/34		2,540,173	-	-	-	-	-	-	-
Commerce Bank of St. Louis 5.00% - 31397RLX2 Due 2/15/35		5,894,837	-	-	-	-	-	-	-
The Independent Bankers, Dallas, TX									

STATE OF NEW MEXICO
CITY OF CLOVIS
SCHEDULE OF CASH, INVESTMENTS AND PLEDGED COLLATERAL
BY BANK AND ACCOUNT
As of June 30, 2011

Account Name	Account Type	New Mexico Bank and Trust	Citizen's Bank	NM Finance Authority	Mellon Bank	Western Bank	NM Self-Insurer's Fund	Reconciling Items	Book Balance
GNMA II Pool #4632 5.00% - 36202FED4 Due 2/20/40		-	1,329,950	-	-	-	-		
GNMA II Pool #80747 2.125% - 36225CZM1 Due 10/20/33		-	209,648	-	-	-	-		
GNR 2010-69 ME 3.00% - 3837GEWS Due 4/20/40		-	2,800,267	-	-	-	-		
GNR 2010-68 YH 3.50% - 38377GYU7 Due 5/20/39		-	2,859,510	-	-	-	-		
GNMA II Pool #80680 2.00% - 36225CXJO Due 3/20/33		-	137,228	-	-	-	-		
GNMA II Pool #80900 3.00% - 36225DAA2 Due 5/20/34		-	189,472	-	-	-	-		
GNMA II Pool #81090 1.75% - 36225DF82 Due 10/20/34		-	760,433	-	-	-	-		
GNMA II Pool #81613 1.75% - 36225DYK4 Due 2/20/36		-	683,806	-	-	-	-		
GNR 2010-68 YE 3.00% - 38377GYS2 Due 5/20/39		-	2,859,510	-	-	-	-		
GNMA II Pool #4632 5.00% - 36202FED4 Due 2/20/40		-	1,852,471	-	-	-	-		
The Independent Bankers, Dallas, TX									
GNMA II Pool #8871 5.00% - 3620K2C8		-	-	-	-	88,232	-		
FNMA 5.00% - 313625AJ4		-	-	-	-	21,720	-		
Invested in government issued bonds		-	-	-	462,654	-	-		
See NMFA audited financials		-	-	2,492,783	-	-	-		
See NMSIF audited financials		-	-	-	-	-	72,958		
Total collateral		<u>13,753,293</u>	<u>13,682,295</u>	<u>2,492,783</u>	<u>462,654</u>	<u>109,952</u>	<u>72,958</u>		
Amount over/(under) collateralized		<u>\$ 7,853,798</u>	<u>9,342,662</u>	<u>1,246,392</u>	<u>231,327</u>	<u>(31,899)</u>	<u>36,479</u>		
Total book balance		<u>10,072,068</u>	<u>3,584,651</u>	<u>2,492,783</u>	<u>462,654</u>	<u>408,702</u>	<u>72,958</u>		

COMPLIANCE SECTION



**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**

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
To the City Manager and City Commission
The City of Clovis
Clovis, New Mexico

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

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

November 29, 2011

Report On Internal Control Over Financial Reporting And On Compliance And Other Matters On Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards, continued

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

This report is intended solely for the information and use of management, the City Commission, Legislative Finance Committee, Department of Finance and Administration, the State Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Hinkle & Landers, P.C.

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

FEDERAL FINANCIAL ASSISTANCE



REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget and
The City Commission
City of Clovis
Clovis, New Mexico

Compliance

We have audited the City of Clovis, State of New Mexico's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Clovis, State of New Mexico's major federal programs for the year ended June 30, 2011. The City of Clovis, State of New Mexico's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Clovis, State of New Mexico's management. Our responsibility is to express an opinion on the City of Clovis, State of New Mexico's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Clovis, State of New Mexico's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Clovis, State of New Mexico's compliance with those requirements.

In our opinion, the City of Clovis, State of New Mexico complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of the City of Clovis, State of New Mexico, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Clovis, State of New Mexico's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the City Commission, management, Legislative Finance Committee, Department of Finance and Administration, the State Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



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

**STATE OF NEW MEXICO
CITY OF CLOVIS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011**

A. SUMMARY OF AUDIT RESULTS

Financial Statements:

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

Federal Awards:

- | | |
|---|-------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditors' report issued on compliance for major programs | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | No |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
20.507	Federal Transit Formula Grants – Urbanized Area Formula Program
20.507	ARRA-Federal Transit Formula Grants
20.205	Highway Planning and Construction
16.738	Edward Byrne Memorial Grant Program
81.128	ARRA-Energy Efficiency and Conservation Block Grant Program (EECBG)

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee? | No |

**STATE OF NEW MEXICO
CITY OF CLOVIS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011**

Finding	Status of Current and Prior Year Findings	Financial Statement Finding	Federal Awards Finding
Prior Year Findings			
07-02 SAS 115 MATERIAL ADJUSTMENTS BY AUDITOR	Resolved	yes	no
Current Year Findings			
11-01 UNDER COLLATERALIZED BANK ACCOUNT	Current	yes	no

PRIOR YEAR FINDINGS

ALL RESOLVED

CURRENT YEAR FINDINGS

11-01 – UNDER COLLATERALIZED BANK ACCOUNT – NON-COMPLIANCE

Statement of Condition

The City's Lodger's Tax bank account was under collateralized at June 30, 2011 as follows:

Bank balance	\$533,702
FDIC	<u>(250,000)</u>
	283,702
50% collateral requirement	<u>(141,851)</u>
	141,851
Collateral pledged	<u>(109,952)</u>
Under collateralized	\$ <u>31,899</u>

Criteria

Section 6-10-17 NMSA requires 50% collateral requirement for municipal monies deposited in each financial institution.

Effect

The City is not following State Statutes concerning safekeeping of public monies.

Cause

The City inadvertently calculated the collateral requirement incorrectly resulting in the account being under-collateralized.

Recommendation

The City maintain State collateral requirements according to State collateral calculations.

Management Response

As part of the monthly bank reconciliation review, the Budget Officer will review the bank collateral reports for compliance. Any discrepancies will be addressed and corrected according to State requirements.

**STATE OF NEW MEXICO
CITY OF CLOVIS
Other Disclosures
For the Year Ended June 30, 2011**

A. AUDITOR PREPARED FINANCIAL STATEMENTS

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

B. EXIT CONFERENCE

The contents of the report for the City of Clovis were discussed on November 29, 2011. The following individuals were in attendance.

City of Clovis Officials

Gayla Brumfield, Mayor

Joe Thomas, City Manager

Don Clifton, Budget Officer

LeighAnn Melancon, Finance Director

Hinkle + Landers, P.C.

Farley Vener, CPA, CFE

Erick Robinson, CPA, CFE