

*City of Santa Fe, New Mexico*

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**



*For the Year Ended June 30, 2011*



**City of Santa Fe, New Mexico**

# **Comprehensive Annual Financial Report**

**For the Fiscal Year Ended June 30, 2011**

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**Prepared by:  
Finance Department  
Financial Management Division**

**Mayor  
David Coss**

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**CITY OF SANTA FE, NEW MEXICO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended June 30, 2011**

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## **Introductory Section**

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# City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909

David Coss, *Mayor*

Councilors:

Rebecca Wurzbarger, Mayor Pro Tem, Dist. 2

Patti J. Bushee, Dist. 1

Chris Calvert, Dist. 1

Rosemary Romero, Dist. 2

Miguel M. Chavez, Dist. 3

Carmichael A. Dominguez, Dist. 3

Matthew E. Ortiz, Dist. 4

Ronald S. Trujillo, Dist. 4

January 15, 2012

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Santa Fe:

State law requires the State Auditor to promulgate reasonable regulations necessary to carry out the duties of the office. These duties include regulations that require all municipalities in the state of New Mexico to submit a complete set of financial statements. These statements should be presented in conformity with generally accepted accounting principles (GAAP). They should also be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants for the previous fiscal year ending June 30. Pursuant to that requirement we hereby issue the comprehensive annual financial report of the City of Santa Fe for the fiscal year ending June 30, 2011.

This report consists of management's representations concerning the finances of the City of Santa Fe. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Santa Fe has established a comprehensive internal control framework. It is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Santa Fe's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Santa Fe's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

The City of Santa Fe's financial statements have been audited by Atkinson & Co. Ltd., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Santa Fe for the fiscal year ended June 30, 2011 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded; based upon the audit, that there was a



Honorable Mayor, Members of the Governing Council, and Citizens of the City of Santa Fe

reasonable basis for rendering an unqualified opinion that the City of Santa Fe's financial statements for the fiscal year ended June 30, 2011, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Santa Fe was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available herein as a separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

#### **PROFILE OF GOVERNMENT:**

The City of Santa Fe was founded in 1609 and chartered as a town in 1891 under territorial law. It is located in the central northern part of the state and is the oldest capital in the United States. The current population is approximately 67,749 people. The City in December 1997, by electoral vote, approved a Municipal Charter which became effective in March 1998. The City is empowered to levy a property tax on real property located within its boundaries. It's also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body.

The City of Santa Fe has operated under the mayor-council-city manager form of government since 1954. Policy-making and legislative authority are vested in the governing body consisting of the mayor and eight city councilors. The governing body serves as the principal policy maker of the City. The governing body is responsible for passing ordinances, management of City finances and property, adopting the budget and creation or abolition of departments. The mayor appoints and may remove the city manager, the city attorney, the city clerk and members of advisory commission subject to the approval of the governing body. The city manager is the chief administrative officer of the City and is responsible for carrying out the policies and ordinances approved by the governing body. In addition to overseeing the day-to-day operations of the City, the city manager also appoints the directors of the various departments, the preparation of the annual budget and keeps the governing body informed of the financial condition and needs of the City. The governing body is elected on a non-partisan basis. City council members serve four-year staggered terms with four city councilors elected every two

Honorable Mayor, Members of the Governing Council, and Citizens of the City of Santa Fe

years; districts elect the eight council members. The mayor is elected at large in addition to serving a four-year term.

The City provides a full range of services: including police and fire protection, public works, highways and streets, wastewater operations, refuse collection and transport, water services, transit, parking facilities operations, convention center services, recreational activities, cultural events, community welfare and municipal airport.

The annual budget serves as the foundation for the City of Santa Fe's financial planning and control. All departments of the City are required to submit requests for appropriations to the city manager in March of each year. The city manager uses these requests as the starting point for developing a proposed budget for the upcoming fiscal year. The city manager then presents this proposed budget to the finance committee (composed of five city councilors) in April through a series of public meetings. The city council reviews the finance committee's recommended budget for adoption of a final budget by June 1 for the fiscal year commencing July 1. The appropriated budget is prepared by fund, function (e.g., public safety), and division (e.g., water). The city manager may approve transfers of appropriations within a department up to \$50,000. Transfers over \$50,000 or between funds and budget increases require city council approval. Budget-to-actual comparisons are provided in this report at the function level for the general fund, at the fund level for the special revenue and capital improvement funds and at the division level for the proprietary funds for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 23 through 25 as part of the basic financial statements for the governmental funds. For funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the fund subsections of this report.

#### **FACTORS AFFECTING FINANCIAL CONDITION:**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Santa Fe operates.

**Local economy-** The City of Santa Fe has a relatively stable economy. As the state capital it benefits from a stable, educated government work-force. This total is estimated to be around 18,500 people which is about 28% of the workforce across all levels of government. Many residents also work at Los Alamos National Laboratory, one of the country's premier scientific research centers.

Santa Fe has been named as one of the top ten tourist destinations in the country by Travel and Leisure magazine. Furthermore, it is in the top five art markets in the world and is in the top three in the United States. The city's spectacular setting and abundant cultural resources – including over 200 art galleries, four star hotels and resorts, a nationally recognized opera company, music festivals, museums and more - draw visitors and second home owners from all over the world. These assets create a robust business environment.

Honorable Mayor, Members of the Governing Council, and Citizens of the City of Santa Fe

Like other communities Santa Fe continued to suffer a revenue decline and is taking measures to reduce expenditures and prioritize services and projects. The City's reliance on gross receipts tax as a funding source for many decades has made it vulnerable to reductions in consumer spending. In addition, the City's appeal to retirees and high-income vacation homeowners has produced high housing prices. The high prices have made it difficult for local workers to afford homes in Santa Fe and many live in lower cost communities and commute to Santa Fe. The City has established reserves as a buffer against economic slow downs and funds nearly 60% of its total expenditures from utility rates, fees and grants.

The City Council is confident that a broad ranging program of cost reduction, organizational change and service improvements, coupled with prudent use of reserves will allow the City to deal with long term decline in revenues if the national economy recovers slowly. By investing in the community the City made significant investments in the long-term health of the City. These include completion of a beautiful Convention Center and the successful completion of the Railyard Redevelopment Project area. Both the Railyard and the Convention Center are supported by dedicated gross receipts tax increments in addition to program revenues.

In fiscal 2009 commuter rail connections linked Santa Fe to Albuquerque and other communities. In addition, a major airline began direct commercial air service to Santa Fe. These changes have helped offset the reduction of economic activity resulting from the national downturn. The unemployment rate for the region (which includes the City of Santa Fe and the surrounding unincorporated areas within the same county) still remains lower than the state unemployment rate of 6.5% and the national rate of 9.0% for 2011. Toward the end of 2011, unemployment in Santa Fe hovered around 5.4%.

There was an improvement in the city's housing market in terms of the number of sales of homes from 525 in 2010 to 571 in 2011, or an 8.7% increase. The median home sales price in the City decreased somewhat to \$289,000 in 2011 from \$300,000 in 2010. In March 2012, the minimum wage in the City will increase about 3% per hour based on the increase in the consumer price index for the Western Region.

#### **LONG-TERM FINANCIAL PLANNING:**

The City completed the Santa Fe Community and Convention Center and the Railyard projects. Furthermore, the City has completed construction on a Rio Grande River Diversion project, the Buckman Diversion Dam, in partnership with Santa Fe County and a private development, Las Campanas. Funding for this \$216 million project will come from cash accumulated by the City's Water Division for this project, City and County bond proceeds, cash from Las Campanas and State and Federal grants and low interest loans. The City Council adopted a ten-year financial plan for the Water Division that includes annual rate increase of 8.2% for five years beginning in 2009. In the fall of 2011 Fitch Credit Rating Agency reaffirmed the City's Water bond rating at "AAA", which is a remarkable testament to sound financial management in the current economic climate.



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The City is also completing ten-year plans for its Wastewater Division and a five-year plan for the Solid Waste Division. In addition, the City has implemented five year planning models for other City funds and enterprises beginning in fiscal 2010. In fiscal 2010 the City plans to issue water revenue bonds and gross receipts tax revenue bonds for the Buckman Diversion Project. Other financial planning updates include a study of utility expansion charges and development impact fees, water service costs and indirect cost allocations to be completed in fiscal 2011. These planning efforts will assure that the City maintains the financial soundness of its enterprise operations and increases the resilience and flexibility of its governmental activities.

#### **CASH MANAGEMENT POLICIES AND PRACTICES:**

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, securities issued by the United States Government or its agencies or instrumentalities, money market savings accounts and the New Mexico State Treasurer Local Government Investment Pool (LGIP). The length of investment maturities, range from 6 months to 5 years, with an average maturity of 141 days. The average yield on investments was .96%.

#### **PROCUREMENT POLICIES AND PRACTICES:**

As a home rule city, the City of Santa Fe has in place a comprehensive procurement manual to guide and control all procurement done by the City and has a centralized purchasing office that reviews essentially all procurements for compliance. The procurement manual is updated regularly as needed to adopt changes in policies and to address issues that may arise over time. It also includes sections on federal procurement that may supersede the city policies and procedures when federal regulations are required to be complied with. The procurement manual and any changes are reviewed, approved and adopted by the City Finance Committee and the City Council.

**Risk management-** The risk management programs include workers' compensation, comprehensive loss coverage, medical, safety, and other employee coverage programs. As part of this comprehensive plan, resources are accumulated in internal service funds from premiums assessed to all departments and funds to cover the costs of potential losses. In addition, with the third party administrators certain controls are used including safety checks, employee prevention and reporting training, reviews to recognize liability exposure, health and wellness information and other cost controls.

**Pension and other post employment benefits-** The City of Santa Fe participates in the State of New Mexico Public Employees Retirement plan. Substantially all of the City's full-time employees participate in the retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan. The City fully funds the required payments as determined by PERA through City and member contributions.

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GAAP does not require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

The City also provides a Retiree Health Care Program through City and member contributions to the fund. As of January 1, 2006, the program was transferred to the State-sponsored New Mexico Retiree Health Care Authority.

Additional information of the City's pension arrangements and postemployment benefits can be found in Notes V. E. and F. on pages 72-73.

#### **AWARDS AND ACKNOWLEDGEMENTS:**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Santa Fe for its Comprehensive Annual Financial Report (CAFR) for the fiscal years ended June 30, 1988-95, 1997-99, and 2001-06. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated June 30, 2009 (as well as the previous years since FY 86/87). In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

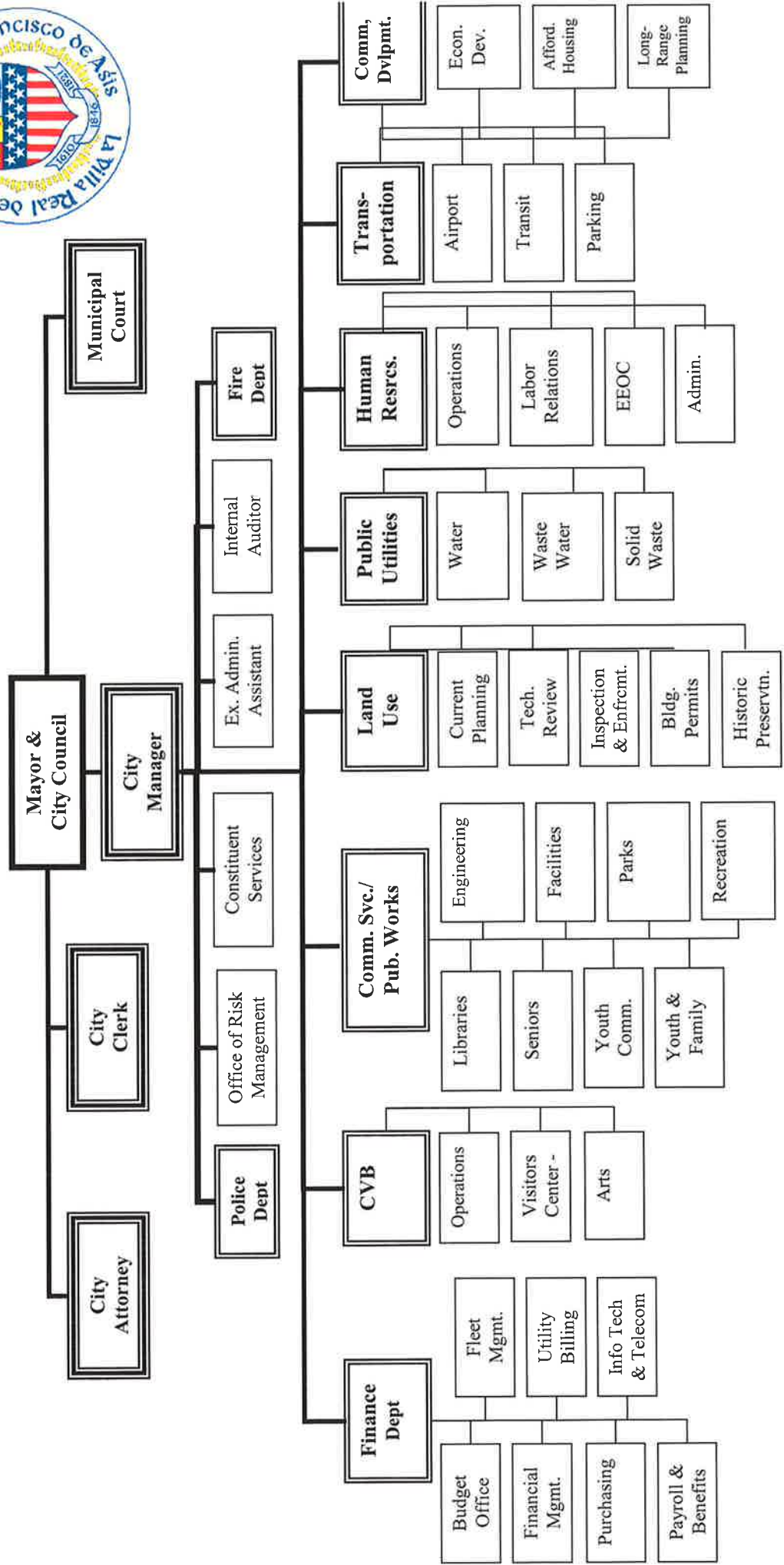
The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and the governing body for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

  
Robert P. Romero,  
City Manager

  
Dr. Melville L. Morgan,  
Finance Director

Approved City Organizational Chart 05/19/2010



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**CITY OF SANTA FE, NEW MEXICO  
PRINCIPAL OFFICIALS  
JUNE 30, 2011**

**MAYOR**

David Coss

**CITY COUNCIL**

Rebecca Wurzburger, Mayor Pro Tem.....District 2  
Patti J. Bushee.....District 1  
Chris Calvert.....District 1  
Rosemary Romero.....District 2  
Miguel M. Chavez.....District 3  
Carmichael A. Dominguez.....District 3  
Ronald S. Trujillo.....District 4  
Matthew E. Ortiz.....District 4

**CITY MANAGER**

Robert P. Romero

**FINANCE DEPARTMENT**

Dr. Melville L. Morgan  
Finance Department Director

Teresita Garcia  
Assistant Finance Director

Erica Martinez  
Senior Financial Analyst

Helene Hausman  
Cash/Investment Officer

Cal Probasco  
Budget Officer

SPECIAL ACKNOWLEDGMENT AND APPRECIATION FOR WORK  
ASSOCIATED WITH THE DEVELOPMENT OF THIS REPORT GO TO THE  
FOLLOWING:

FINANCE DEPARTMENT

Dr. Melville L. Morgan, Finance Department Director  
Teresita Garcia, Assistant Finance Director  
Helene Hausman, Cash/Investment Officer  
Erica Martinez, Senior Financial Analyst  
Amy Martinez-Duran, Accounting Supervisor  
Melissa D. Ortiz, Accounting Supervisor  
Clarence Romero, Accounting Supervisor  
Halona J. Crowe, Financial Analyst  
Tony S. Martinez, Financial Analyst  
Michelle Montoya, Financial Analyst  
Stephen Morales, Financial Analyst  
Jennifer Peabody, Financial Analyst  
Consuelo Pena, Financial Analyst

WEB PUBLICATION

Vincent S. Montoya, Business Analyst

GRAPHICS SECTION

Brian Ferns, Graphic Artist

## **Financial Section**

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CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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ALBUQUERQUE, NM 87110

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ATKINSONCPA.COM

PO BOX 25246  
ALBUQUERQUE, NM 87125

## INDEPENDENT AUDITORS' REPORT

City of Santa Fe  
Santa Fe, New Mexico  
Honorable Mayor and City Council  
and  
Hector H. Balderas  
New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the respective budgetary comparison for the general fund of City of Santa Fe 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 have also audited the financial statements of each of the City of Santa Fe, New Mexico's nonmajor governmental, nonmajor enterprise, and internal service funds and respective budgetary comparisons presented as supplementary information in the accompanying combining and individual fund financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Santa Fe's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Santa Fe as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, and internal service funds of the City of Santa Fe, New Mexico, as of June 30, 2011, and the respective changes in the financial position and cash flows, where applicable, thereof, and the respective budgetary comparisons of the major capital project and debt service funds and the nonmajor governmental and enterprise funds presented as supplementary information for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The City implemented Governmental Accounting Standards Board (GASB) Opinion No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in FY11. This standard affects governmental fund balance reporting and classifications as detailed in Note V-H.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2012, on our consideration of the City of Santa Fe'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.

Management's discussion and analysis on pages 3 through 17 is not a required part of the basic financial statements but are 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 basic financial statements, and the combining and individual fund financial statements and budgetary comparisons presented as supplementary information. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The additional schedules listed as "other supplementary information", "other supplementary financial data", and the capital assets schedules listed as "other supplementary schedules" in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

**Atkinson & Co., Ltd.**

Albuquerque, New Mexico  
February 13, 2012

## **Management's Discussion and Analysis (UNAUDITED)**

As management of the City of Santa Fe ("City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through vi of this report.

### **Financial Highlights**

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$608,268,547 (*net assets*). Of this amount, \$180,914,466 (*unrestricted net assets*) may be used to meet the City's obligations to citizens and creditors.
- The City's total assets increased by \$13,070,130 primarily because of significant construction activity for the Buckman Direct Diversion Project and the City's construction projects funded by general obligation bonds for the acquisition of land and to improve, public parks, trails and open space for recreational purpose.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$73,922,844 a decrease of \$536,229 in comparison with the prior year. This primarily reflected the expenditures of capital funds for parks and other projects financed through bonds the previous fiscal year and use of beginning year fund balances to finance the costs of current year operations in response to declines in gross receipts tax revenues.
- Of the total governmental fund balances of \$73,922,844 approximately 15% (\$11,625,297) is consider unspendable and approximately 74% (\$54,441,672) is spendable but reserved or designated for specific purposes. At the end of the current fiscal year, the unassigned fund balance is \$8,269,206 and is available for spending at the City's discretion.
- The City's total long-term liabilities decreased by \$6,020,669 during the fiscal year. In conjunction with the annual debt service payment, this reflects the issuance of several bond issues, two of which were refunding issues, and the acquisition of a number of loans.
  - The 2010 General Obligations Bonds issued in the par amount of \$10,300,000 (phase II of the 2008 voter-approved bonds) to be used exclusively for parks projects.

- The 2010A Gross Receipts Tax Refunding Revenue Bonds issued in the par amount of \$15,005,000 to refund the 2002 Gross Receipts Tax Improvement Revenue Bonds.
- The 2010B Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds issued in the par amount of \$10,490,000 to refund two New Mexico Finance Authority railyard project loans.
- Six loans received from NMFA to finance projects related to the Buckman Direct Diversion Project and City water treatment facility improvements and upgrades. Loans received totaled \$1,828,876 with several accompanied by grants totaling \$4,751,381. One of the new Buckman loan/grant awards is split with Santa Fe County per a joint powers agreement.
- A loan in the amount of \$840,000 with the Santa Fe Public Schools for the purchase of land, with a \$280,000 down payment and the balance paid over two years with a 1.78% interest rate. The current balance owed to the Santa Fe Public Schools is \$280,000.

## **Overview of the Financial Statements**

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

The *statement of net assets* presents information on all of the City's assets and liabilities, with the 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 is improving or declining.

The *statement of activities* presents information showing how the City'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 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 include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The business-type activities of the City include the operations of water, wastewater, solid waste, airport, convention center, transit, railyard property, College of Santa Fe property, and two recreation facilities.

The government-wide financial statements can be found on pages 18 and 19 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, 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 can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing 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 *government funds* with similar information presented for *government activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 51 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the CIP 1/2% Gross Receipt Tax Fund, and the Debt Service Fund, all of which are considered to be major funds. Data from the other 48 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for all its funds. A budgetary comparison statement has been provided for all its funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20 through 25 of this report.

**Proprietary funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Santa Fe Convention Center, Parking Operations, College of Santa Fe, Solid Waste Management, Water Management, Transit Operations, Wastewater Management, Municipal Recreation Complex, Genoveva Chavez Community Center, Railyard Property and Airport. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its Employee Health Care and Dental program, Risk Management Administration, Workers' Compensation and Union Sick Leave Bank. As the service of these funds listed predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

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 Water Management, Wastewater Management, Solid Waste Management, College of Santa Fe, Railyard Property, and the Santa Fe Convention Center, all of which are considered major funds of the City. Internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 26 through 31 of the 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 32 through 75 of this 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, assets exceeded liabilities by \$608,268,547 at the close of the most recent fiscal year.

A portion of the City's net assets (66 %) reflects its investment in capital assets (e.g., land, buildings, machinery, infrastructure, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, 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 SANTA FE'S						
NET ASSETS						
For Fiscal Years Ending June 30, 2011 and 2010						
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 106,030,828	\$ 108,484,656	\$ 143,742,028	\$ 141,558,645	\$ 249,772,856	\$ 250,043,301
Capital assets	310,769,990	309,367,770	468,124,424	456,186,069	778,894,414	765,553,839
Total assets	416,800,818	417,852,426	611,866,452	597,744,714	1,028,667,270	1,015,597,140
Long-term liability	121,958,434	117,963,794	253,132,579	259,862,408	375,091,013	377,826,202
Other liabilities	27,886,504	31,517,617	17,421,206	20,761,493	45,307,710	52,279,110
Total liabilities	149,844,938	149,481,411	270,553,785	280,623,901	420,398,723	430,105,312
Net assets:						
Invested in capital assets, net of related debt	191,538,696	188,345,882	208,210,696	174,237,581	399,749,392	362,583,463
Restricted	21,643,708	10,693,806	5,960,981	6,961,305	27,604,689	17,655,111
Unrestricted	53,773,476	69,331,327	127,140,990	135,921,927	180,914,466	205,253,254
Total net assets	\$ 266,955,880	\$ 268,371,015	\$ 341,312,667	\$ 317,120,813	\$ 608,268,547	\$ 585,491,828

An additional portion of the City's net assets (5.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$180,914,466) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City has maintained 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, however, it should be noted that net assets in the City's Municipal Recreation Complex (MRC) Fund show negative net asset balances of \$5,780,144.

For the Municipal Recreation Complex fund this results from the excess of long term bonds payable over capital assets net of depreciation. MRC operations are supplemented by an annual transfer for debt service and operations from the Capital Improvement Program Gross Receipts Tax Fund.

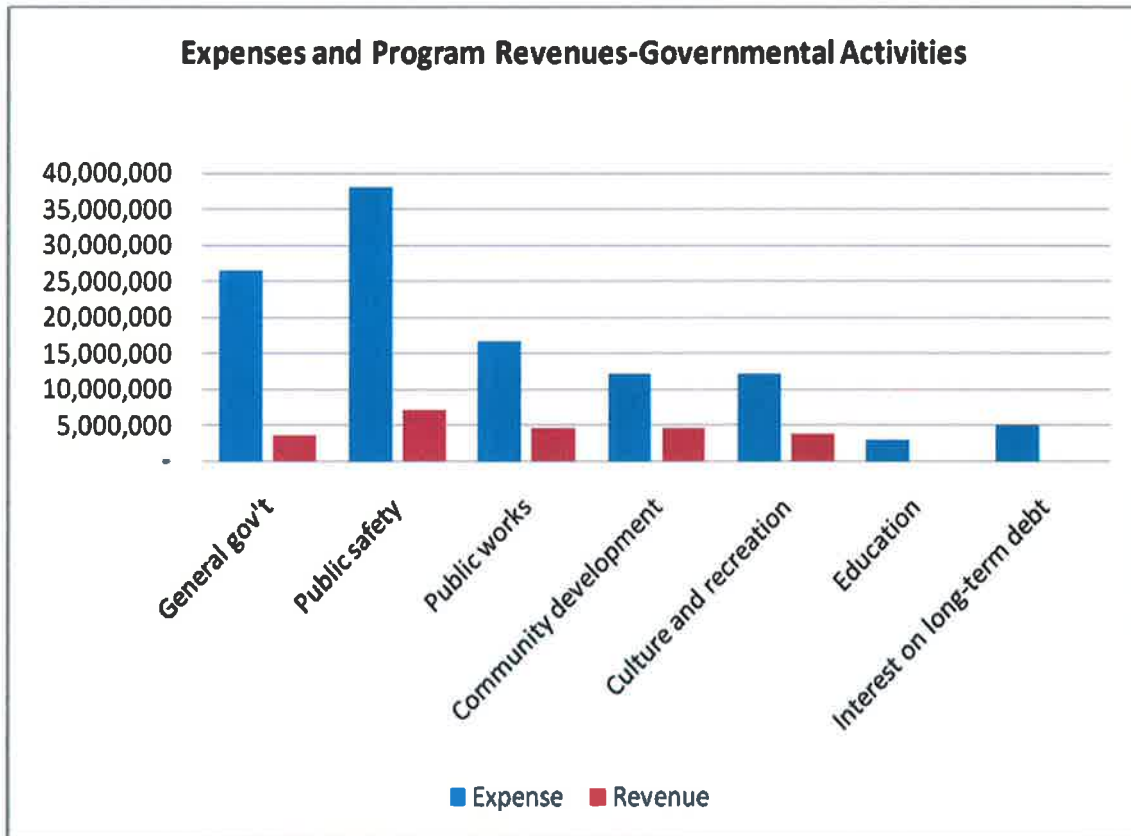
The City's net assets increased by \$22,776,719 during the current fiscal year. This growth largely reflects increases in capital assets in business-type activities related to the Buckman Direct Diversion Project and construction projects for public parks, trails and open space for recreation purpose.

**Governmental activities.** Governmental activities decreased the City's net assets by \$1,415,135. This was primarily due to an increase in general obligation debt for capital assets. Taxes provide 79% of governmental activities revenues. 80% of the taxes are provided by a gross receipts tax (GRT) levied on goods and services in the amount of \$77,533,815. This was a slight increase from the gross receipts tax revenues received in 2010 in the amount of \$76,345,768.

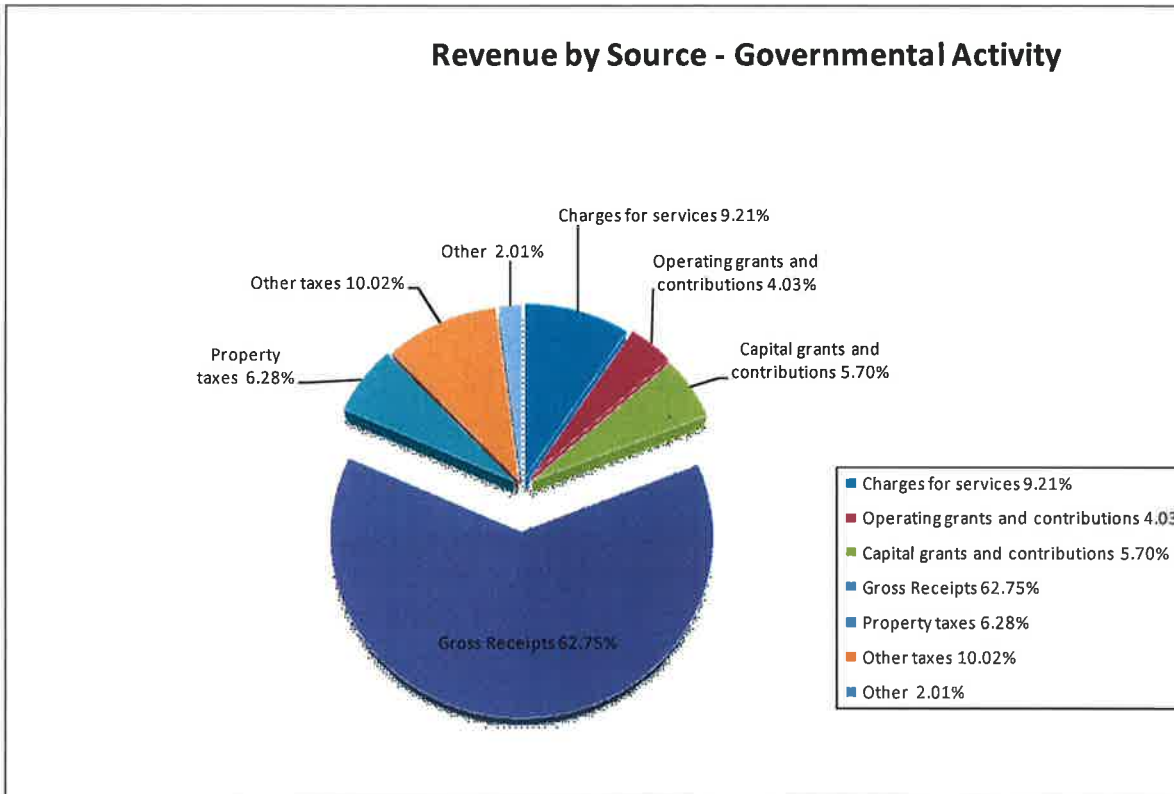
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 11,386,805	\$ 8,109,597	\$ 71,475,547	\$ 61,932,944	\$ 82,862,352	\$ 70,042,541
Operating grants and contributions	4,979,757	8,388,100	1,021,037	1,021,037	6,000,794	9,409,137
Capital grants and contributions	7,041,732	7,059,698	7,262,014	16,201,128	14,303,746	23,260,826
General revenues:						
Sales taxes	77,533,815	76,345,768	10,615,795	10,451,588	88,149,610	86,797,356
Other taxes	20,141,698	18,321,908	-	-	20,141,698	18,321,908
Donated Land and Building	-	-	-	16,683,838	-	16,683,838
Other	2,485,431	2,418,408	5,092,937	1,122,950	7,578,368	3,541,358
Total revenues	123,569,238	120,643,479	95,467,330	107,413,485	219,036,568	228,056,964
Expenses:						
General Government	26,391,068	27,660,875	-	-	26,391,068	27,660,875
Public Safety	38,015,879	38,313,141	-	-	38,015,879	38,313,141
Public Works	16,653,193	15,869,603	-	-	16,653,193	15,869,603
Community Development	12,191,952	15,145,394	-	-	12,191,952	15,145,394
Culture and Recreation	12,218,375	13,580,296	-	-	12,218,375	13,580,296
Education	2,846,887	2,988,945	-	-	2,846,887	2,988,945
Interest on long-term debt	4,952,563	5,485,953	-	-	4,952,563	5,485,953
Wastewater Management	-	-	14,705,132	12,312,850	14,705,132	12,312,850
Water Management	-	-	28,452,091	22,369,231	28,452,091	22,369,231
Solid Waste Management	-	-	10,992,656	9,942,609	10,992,656	9,942,609
College of Santa Fe	-	-	1,946,703	2,436,088	1,946,703	-
Railyard Center	-	-	1,748,903	1,741,983	1,748,903	1,741,983
Santa Fe Convention Center	-	-	2,950,521	5,280,908	2,950,521	5,280,908
All other proprietary funds	-	-	22,193,926	24,327,366	22,193,926	24,327,366
Total expenses	113,269,917	119,044,207	82,989,932	78,411,035	196,259,849	197,455,242
Increase in net assets before transfers:	10,299,321	1,599,272	12,477,398	29,002,450	22,776,719	30,601,722
Transfers net	(11,714,456)	(15,734,696)	11,714,456	15,734,696	-	-
Increase (decrease) in net assets	(1,415,135)	(14,135,424)	24,191,854	44,737,146	22,776,719	30,601,722
Beginning balance	268,371,015	282,506,439	317,120,813	272,383,667	585,491,828	554,890,106
Ending balance	\$ 266,955,880	\$ 268,371,015	\$ 341,312,667	\$ 317,120,813	\$ 608,268,547	\$ 585,491,828



**CITY OF SANTA FE  
Fiscal Year 10/11**

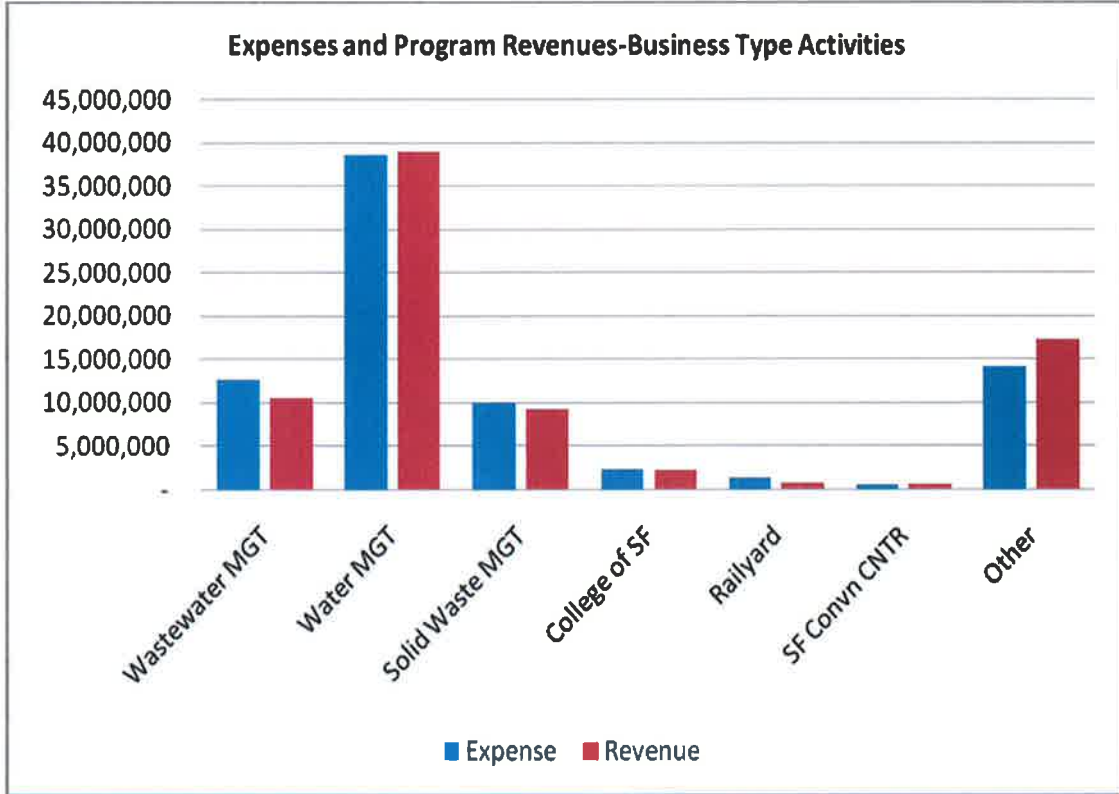


**CITY OF SANTA FE  
Fiscal Year 10/11**

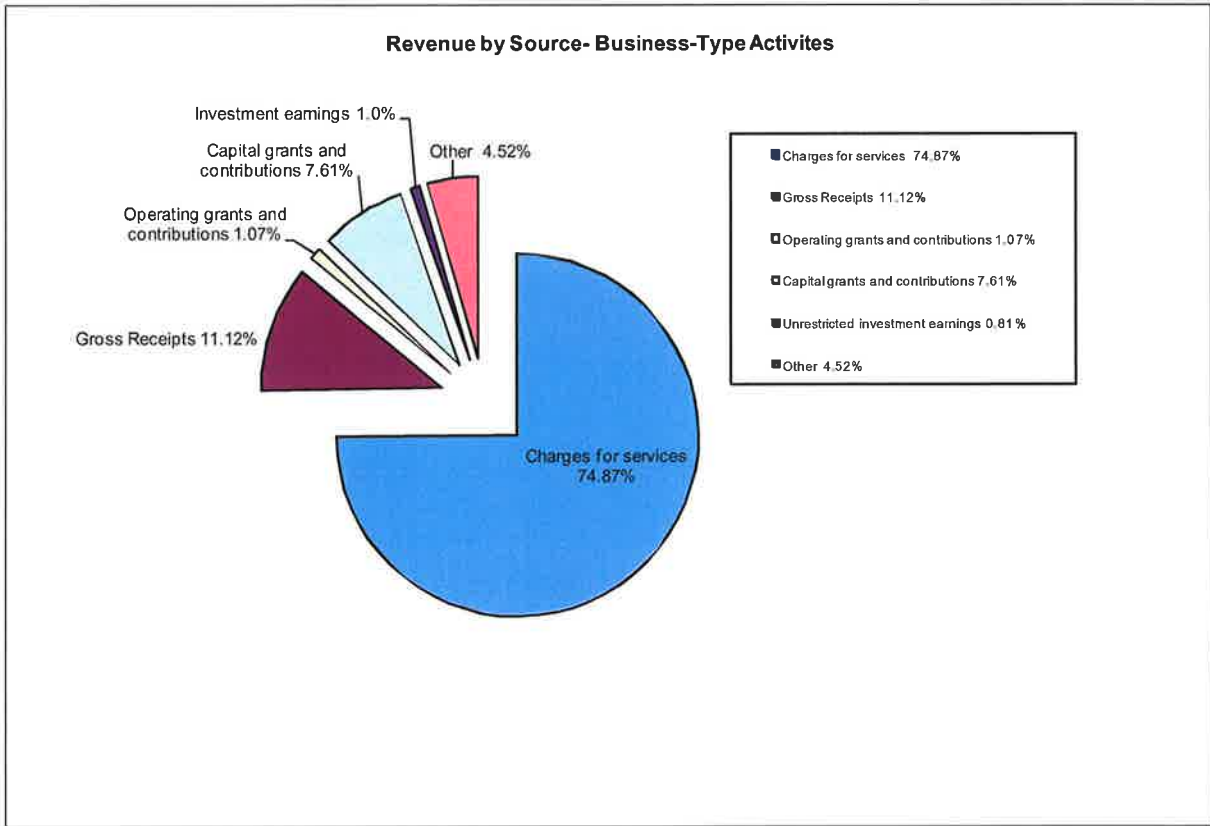


**Business-type activities.** Business-type activities increased net assets by \$24,191,854. The increase, net of transfers from Governmental activities, was \$12,477,398. Transfers from Governmental activities total \$11,714,456. Increase in Business type activities were primarily attributed to utility rate increases in the Water and Wastewater Divisions and increase in accounts for Solid Waste based on implementation of phase 1 annexing master plan. In funds where revenues exceed operating expenses, rate revenues are set at a level that in combination with net assets support long term capital investment programs and maintenance of prudent reserves. Much of the accumulated cash in the Water, Wastewater, Convention Center and other business type activities are being used for large capital projects begin or are completed.

**CITY OF SANTA FE  
Fiscal Year 10/11**



**CITY OF SANTA FE**  
**Fiscal Year 10/11**



**Financial Analysis of the City’s Funds**

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

**Governmental funds.** The focus of the City’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City’s financing requirements. In particular, *unreserved 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 close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$73,922,844 a decrease of \$536,229 in comparison with the prior year. Most of the ending fund balance is total amount (\$66,027,029) constitutes *reserved and designated fund balance*. Uses of these funds are limited to various degrees by legal, contractual and policy restrictions.

Unlike government-wide financial statements debt is not included in fund financial statements and expenditures for capital assets are not capitalized. Expenditures of fund balances and revenues in special revenue funds, capital project funds and debt related funds are generally subject to legal restrictions that limit use of those funds to specific purposes. The balance in those funds are considered designated as are amounts set aside by the City Council to provide funding for economic uncertainties and contingencies or liabilities not accrued in the fund balance sheet under the principles of modified accrual accounting.

The General Fund is the chief operating fund for the City. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$8,269,206 while total fund balance was \$16,024,659. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 10.76 % of total expenditures.

The fund balance of the City's General Fund increased by \$352,826 during the current fiscal year. A key factor in this increase was the increase in revenues from \$62,271,665 to \$64,061,456 because of an increase in gross receipts tax revenues.

The Debt Service fund has a total fund balance of \$16,409,322 all of which is reserved for projects and the payment of debt service. The net increase in fund balance during the current year in the debt service fund was \$9,964,400 due to the increase in general obligation bond proceeds available for park improvements and capital projects from debt issued in the prior fiscal year.

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

Unrestricted net assets at the end of the year amounted to \$127,140,990 of which 61% is for water management. In total, net assets for enterprise funds increased by \$24,191,854.

### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were relatively minor (\$2,271,784 increase in appropriations) and can be briefly summarized as follows:

- \$1,237,258 increase in general government
- \$ 211,627 decrease in public safety
- \$ 42,100 decrease in public works
- \$ 233,007 increase in community development
- \$ 255,813 decrease in culture & recreation
- \$ 44,100 decrease in education
- \$1,280,918 increase in transfers in from other programs
- \$ 74,241 increase in transfers out to other programs

The increase in transfers in from other funds covered some of the budgeted increases; however cash balances funded the difference, which included carryover commitments from

the prior fiscal year. With some cost control measures enacted during the fiscal year as it became apparent that revenues (particularly gross receipts tax revenues) would not be realized, actual expenditures were 1.2% below the final budget in the amount of \$1,322,637. The actual revenues for the General Fund were \$952,282 below budget.

### **Capital Asset and Debt Administration**

**Capital assets.** The City's investment in capital assets for its governmental and business-type activities as of June 30, 2011 amounts to \$778,894,414 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, vehicles, infrastructure, and park facilities. The total increase in the City's investment in capital assets for the current fiscal year was 17% (a 2% increase for governmental activities and 15% increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- Construction in progress in various City facilities totaled \$204,014,298 in both governmental-type and business-type funds. This is an increase from the previous fiscal year due primarily to increases in construction activity related to the Buckman Direct Diversion Project.
- General City projects in progress included street paving, signalization, river channel improvements, park improvements, building renovations, and street traffic calming projects for a total amount of \$17.1 million.

<b>CITY OF SANTA FE's Capital Assets (Net of Depreciation)</b>						
<b>For Fiscal Years Ending June 30, 2011 and 2010</b>						
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Land and Water Rights	\$ 169,939,946	\$ 169,562,174	\$ 39,176,924	\$ 41,893,052	\$ 209,116,870	\$ 211,455,226
Construction in Progress	16,747,696	17,132,182	177,679,207	168,037,613	194,426,903	185,169,795
Art	922,920	922,920	185,971	185,971	1,108,891	1,108,891
Buildings and Systems	45,458,208	43,442,222	152,545,558	154,090,682	198,003,766	197,532,904
Improvements	21,023,799	17,169,481	35,084,481	25,889,488	56,108,280	43,058,969
Sewerlines	-	-	47,510,641	50,662,427	47,510,641	50,662,427
Equipment and Machinery	2,337,665	2,419,264	5,809,162	6,585,215	8,146,827	9,004,479
Furniture and Fixtures	298,986	346,026	30,284	41,731	329,270	387,757
Vehicles	6,541,865	7,142,634	9,080,140	7,616,384	15,622,005	14,759,018
Data Processing and Software	3,383,381	4,406,649	1,022,056	1,183,506	4,405,437	5,590,155
Traffic Signals	2,201,948	2,873,685	-	-	2,201,948	2,873,685
Streets and Bridges	41,913,576	43,950,533	-	-	41,913,576	43,950,533
<b>Total</b>	<b>\$ 310,769,990</b>	<b>\$ 309,367,770</b>	<b>\$ 468,124,424</b>	<b>\$ 456,186,069</b>	<b>\$ 778,894,414</b>	<b>\$ 765,553,839</b>

Additional information on the City's capital assets can be found in note IV-D on pages 50 and 51 of this report.

**Long-term debt** at the end of the current fiscal year, the City had total outstanding debt of \$372,376,728. Of this amount, governmental activity related debt consisted of \$71,545,000 in debt backed by gross receipts tax revenues and lodgers tax, \$18,736,291 in outstanding revenue-backed loans, and \$28,950,000 in outstanding property tax supported general obligation debt. In addition, business type debt backed by specified operational revenue sources consisted of \$206,040,000 in bonds and \$47,105,437 in loans.

<b>For Fiscal Years Ending June 30, 2011 and 2010</b>						
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Revenue Bonds	\$ 71,545,000	\$ 78,660,000	\$ 206,040,000	\$ 202,545,000	\$ 277,585,000	\$ 281,205,000
General Obligation Loans	\$ 18,736,291	\$ 19,655,504	\$ 47,105,437	\$ 58,686,893	\$ 65,841,728	\$ 78,342,397
<b>TOTAL</b>	<b>\$ 119,231,291</b>	<b>\$ 117,715,504</b>	<b>\$ 253,145,437</b>	<b>\$ 261,231,893</b>	<b>\$ 372,376,728</b>	<b>\$ 378,947,397</b>

As of June 30, 2011, the City had eight outstanding issues that were not insured. Ratings for the different types of debt issues by the City are:

Bond Type	S&P/Moody's/Fitch 06/30/2011	S&P/Moody's/Fitch Current
General Obligation	AA/Aa2/AA+	AA/Aa2/AA+
Senior Lien Gross Receipts Tax	AA+/Aa3/AA+	AA+/Aa3/AA+
Water System Revenues	AA+/Aa2/AAA	AA+/Aa2/AAA
Subordinate Lien Gross Receipts Tax	AA/A1/NR	AA/A1/AA
Source: First Southwest Company		

As of June 30, 2011, the Series 1997B Gross Receipts Tax (Subordinate Lien) Wastewater Systems Variable Rate Revenue Bonds were rated AA/A-1+ by Standard and Poor's and Aa2/VMIG1 by Moody's. Subsequently, the ratings of BNP Paribas, the provider of the bank credit facility, were lowered to AA-/A-1+ by S&P.

Seven of the City's bonds were issued with insurance. Major changes in the bond market resulted in the following effects on these bond insurance firms.

Firm	S&P/Moody's 6/30/02011	S&P/Moody's Current
AMBAC	Withdrawn/Withdrawn	Withdrawn/Withdrawn
MBIA	B/B3	B/B3
FSA/Assured Guaranty Municipal	AA/Aa3	AA+/Aa3
XL Capital Assurance/ Syncora Guarantee	Withdrawn/Ca	Withdrawn/Ca
Source: First Southwest Company		

With the exception of the City's three issues insured by FSA/Assured Guaranty Municipal, the significant drops in the ratings of the insurance firms have made the City's underlying ratings higher than those of the bond insurers.

State statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total assessed valuation. The current debt limitation for the City is approximately \$144 million, which is significantly in excess of the City's total outstanding general obligation bond capital improvement project debt of \$28,950,000.

Additional information on the City's long-term debt can be found in note IV-H on pages 57 through 66 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the Santa Fe MSA continues to compare favorably with rest of the state although it decreased from 7.1 to 5.9% in 2010. This compares favorably to the state's current unemployment rate of 6.5% and the national average rate of 9.0%.



- During the latter part of 2009 and into 2010, significant declines in fair value occurred in worldwide securities markets and various real estate markets. As the general economy remains in recession. The City has seen significant impact on gross receipts tax, lodgers' tax and certain other revenue categories during periods subsequent to June 30, 2011. City management has responded with various actions including budget, project and policy adjustments and continues to review future plans and budgets. Current economic conditions are volatile, difficult to predict and subject to ongoing changes which may affect the current financial condition and results of operations in the future. All of these factors were considered in preparing the City's budget for fiscal year 11/12.

### **Requests for Information**

This financial report is designed to provide a general overview of the City's 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 Finance Director, P.O. Box 909, City of Santa Fe, NM 87504.

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## **Basic Financial Statements**

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**CITY OF SANTA FE, NEW MEXICO**  
**Statement of Net Assets**  
June 30, 2011

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash, investments and cash equivalents	\$ 46,129,000	\$ 113,437,848	\$ 159,566,848
Receivables (net of allowance for uncollectables)	5,190,676	9,928,668	15,119,344
Internal balances	11,875,867	(11,875,867)	-
Inventories	440,752	-	440,752
Prepaid expenses	60,000	12,028,931	12,088,931
Deferred charges	2,361,288	3,110,397	5,471,685
Restricted assets:			
Temporarily restricted:			
Cash, investments and cash equivalents	21,893,708	6,681,252	28,574,960
Interest receivable	124,329	204,279	328,608
Intergovernmental receivable	18,235,268	8,191,747	26,427,015
Capital assets (net of accumulated depreciation):			
Land, land rights, and water rights	169,939,946	39,176,925	209,116,871
Buildings and structures	57,860,919	186,695,104	244,556,023
Furniture and fixtures	866,014	774,049	1,640,063
Improvements	42,585,573	82,426,409	125,011,982
Utility Systems	-	102,885,247	102,885,247
Equipment and machinery	16,373,430	20,599,637	36,973,067
Vehicles	20,957,489	24,690,838	45,648,327
Art	922,920	185,971	1,108,891
Data processing equipment/software	11,730,482	3,351,430	15,081,912
Traffic signals	23,222,048	-	23,222,048
Streets and bridges	193,564,150	-	193,564,150
Construction in progress	16,747,696	177,679,207	194,426,903
Accumulated depreciation	(244,000,677)	(170,340,392)	(414,341,069)
Total assets	417,080,878	609,831,680	1,026,912,558
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	15,088,317	3,948,544	19,036,861
Accrued interest payable	797,233	949,512	1,746,745
Deferred revenue			
Unearned revenue	2,753,478	-	2,753,478
Liabilities from restricted cash	1,423,823	1,691,502	3,115,325
Longterm liabilities:			
Due within one year	11,049,200	9,580,326	20,629,526
Due in more than one year	119,012,887	252,349,129	371,362,016
Total liabilities	150,124,938	268,519,013	418,643,951
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	191,538,696	208,210,696	399,749,392
Restricted for:			
Debt service	15,572,506	6,681,252	22,253,758
State mandated cash balance	6,071,202	-	6,071,202
Special Revenue	15,677,654	-	15,677,654
Capital Project	9,657,420	-	9,657,420
Unrestricted	28,438,462	126,420,719	154,859,181
Total net assets	\$ 266,955,940	\$ 341,312,667	\$ 608,268,607

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

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

**Net (Expense) Revenue and Changes in Net Assets**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 26,391,068	\$ 1,548,813	\$ 292,957	\$ 1,700,235	\$ (22,849,063)	\$ -	\$ (22,849,063)
Public safety	38,015,879	5,837,000	731,000	529,270	(30,918,609)	-	(30,918,609)
Public works	16,653,193	2,782,439	214,293	1,604,050	(12,052,411)	-	(12,052,411)
Community development	12,191,892	427,889	3,400,765	673,023	(7,690,215)	-	(7,690,215)
Culture and recreation	12,218,375	790,664	340,742	2,535,154	(8,551,815)	-	(8,551,815)
Education	2,846,887	-	-	-	(2,846,887)	-	(2,846,887)
Interest on long-term debt	4,952,563	-	-	-	(4,952,563)	-	(4,952,563)
Total governmental activities	113,269,857	11,386,805	4,979,757	7,041,732	(89,861,563)	-	(89,861,563)
Business-type activities:							
Wastewater Management	14,705,132	12,524,483	-	184,019	-	(1,996,630)	(1,996,630)
Water Management	28,452,091	35,478,027	-	3,150,751	-	10,176,687	10,176,687
Railyard Center	1,748,903	712,325	-	668,500	-	(368,078)	(368,078)
Santa Fe Convention Center	2,950,521	494,117	-	3,500	-	(2,452,904)	(2,452,904)
Solid Waste Management	10,992,656	10,030,316	-	-	-	(962,340)	(962,340)
College of Santa Fe	1,946,703	2,374,914	-	-	-	428,211	428,211
Municipal Recreation Complex	1,336,520	1,159,308	-	-	-	(177,212)	(177,212)
Parking Fund	5,147,411	4,419,714	-	-	-	(727,697)	(727,697)
Transit and Airport Systems	10,984,607	2,312,176	1,021,037	3,255,244	-	(4,396,150)	(4,396,150)
Genoveva Chavez Community Center	4,725,388	1,970,167	-	-	-	(2,755,221)	(2,755,221)
Total business-type activities	82,989,932	71,475,547	1,021,037	7,262,014	-	(3,231,334)	(3,231,334)
Total primary government	\$ 196,259,789	\$ 82,862,352	\$ 6,000,794	\$ 14,303,746	(89,861,563)	(3,231,334)	(93,092,897)
General Revenues:							
Property taxes					7,763,486	-	7,763,486
Sales taxes					77,533,815	10,615,795	88,149,610
Lodger taxes					8,350,150	-	8,350,150
Franchise taxes					2,226,689	-	2,226,689
Motor fuel taxes					1,792,433	-	1,792,433
Cigarette taxes					8,940	-	8,940
Investment earnings					492,319	775,571	1,267,890
Miscellaneous revenues					1,993,112	-	1,993,112
Gain (Loss) on sale of capital assets					-	4,317,366	4,317,366
Internal Transfers					(11,714,456)	11,714,456	-
Total general revenues and transfers					88,446,488	27,423,188	115,869,676
Change in net assets					(1,415,075)	24,191,854	22,776,779
Net assets, beginning					268,371,015	317,120,813	585,491,828
Net assets, ending					\$ 266,955,940	\$ 341,312,667	\$ 608,268,607

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

**CITY OF SANTA FE, NEW MEXICO**

**Balance Sheet  
Governmental Funds  
June 30, 2011**

	Major funds			Other Non Major Funds	Total Governmental Funds
	General Fund	Debt Service	1/2 % Gross Receipts Tax		
<b>Assets</b>					
Cash and investments	\$ 1,701,259	\$ 792,260	\$ -	\$ 26,905,240	\$ 29,398,759
Restricted for debt service payments	-	15,572,506	-	-	15,572,506
Restricted for state mandated cash balanc	6,071,202	-	-	-	6,071,202
Restricted for endowment	-	-	-	250,000	250,000
Receivables:					
State-shared taxes	6,533,539	-	2,572,580	2,428,201	11,534,320
Local taxes	2,880,651	-	-	-	2,880,651
Property taxes	73,764	52,345	-	-	126,109
Interest	15,092	32,226	-	48,448	95,766
Ambulance (net of allowances)	1,535,819	-	-	-	1,535,819
Grants-restricted	360,559	-	-	3,333,629	3,694,188
Other receivables (net of allowance)	78,966	-	-	3,575,891	3,654,857
Due from other funds	2,721,764	-	11,184,545	-	13,906,309
Supplies inventory	440,752	-	-	-	440,752
<b>Total Assets</b>	<b>\$ 22,413,367</b>	<b>\$ 16,449,337</b>	<b>\$ 13,757,125</b>	<b>\$ 36,541,409</b>	<b>\$ 89,161,238</b>
<b>Liabilities and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 1,304,072	\$ 15	\$ 58,540	\$ 2,080,226	\$ 3,442,853
Compensated absences payable	769,863	-	-	-	769,863
Accrued wages payable	2,689,486	-	104,538	875,641	3,669,665
Intergovernmental payable	-	-	-	280,000	280,000
Due to other funds	-	-	934,351	1,096,091	2,030,442
Deferred revenue:					
Unearned revenue	85,079	-	-	2,668,399	2,753,478
Other current liabilities	116,385	40,000	-	711,885	868,270
Liabilities payable	1,423,823	-	-	-	1,423,823
<b>Total liabilities</b>	<b>6,388,708</b>	<b>40,015</b>	<b>1,097,429</b>	<b>7,712,242</b>	<b>15,238,394</b>
Fund balances:					
Fund balance:					
Non-Spendable	440,752	-	11,184,545	250,000	11,875,297
Spendable					
Restricted	6,071,202	16,409,322	-	25,085,074	47,565,598
Committed	1,243,499	-	1,475,151	532,398	3,251,048
Assigned	-	-	-	3,375,086	3,375,086
Unassigned	8,269,206	-	-	(413,391)	7,855,815
Total Fund Balances	16,024,659	16,409,322	12,659,696	28,829,167	73,922,844
<b>Total liabilities and fund balances</b>	<b>\$ 22,413,367</b>	<b>\$ 16,449,337</b>	<b>\$ 13,757,125</b>	<b>\$ 36,541,409</b>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	310,743,477
Other long-term assets are not available to pay for current-period expenditures and, therefore are not reported in the funds.	2,361,288
Internal service funds are used by management to charge the costs of insurances to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets	9,938,441
Accrued interest payable	(797,233)
Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.	(123,829,409)
Other long-term liabilities-compensated balances	<u>(5,383,468)</u>
<b>Net assets of governmental activities</b>	<b><u>\$ 266,955,940</u></b>

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

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

	Major Funds			Other Non Major Funds	Total Governmental Funds
	General Fund	Debt Service	1/2 % Gross Receipts Tax		
<b>Revenues:</b>					
Taxes					
Gross receipts	\$ 50,618,867	\$ -	\$ 14,360,040	\$ 12,554,908	77,533,815
Cigarette	5,953	-	-	2,987	8,940
Motor	408,410	-	-	1,384,023	1,792,433
Lodgers	-	-	-	8,350,150	8,350,150
Property	2,868,058	2,412,632	-	2,482,796	7,763,486
Franchise	2,207,242	-	-	19,447	2,226,689
Licenses and permits	1,855,363	-	-	-	1,855,363
Intergovernmental revenues	156,569	-	-	11,864,920	12,021,489
Fees and charges for services	5,028,406	-	-	4,503,036	9,531,442
Sale of capital assets	-	-	-	-	-
Fines and forfeitures	448,621	-	-	-	448,621
Rents, royalties and concessions	47,683	-	-	172,167	219,850
Investment income	46,423	104,390	-	228,125	378,938
Land sales	-	-	-	35,552	35,552
Other revenues	369,861	184,907	-	734,136	1,288,904
Total revenues	64,061,456	2,701,929	14,360,040	42,332,247	123,455,672
<b>Expenditures:</b>					
Current:					
General government	15,260,847	-	2,553,800	5,300,804	23,115,451
Public safety	31,134,401	-	-	5,663,348	36,797,749
Public works	2,924,218	-	-	6,274,545	9,198,763
Community development	5,128,223	-	-	6,965,717	12,093,940
Culture and recreation	7,573,172	-	-	4,136,514	11,709,686
Education	2,841,615	-	-	-	2,841,615
Total current expenditures	64,862,476	-	2,553,800	28,340,928	95,757,204
Capital outlay:					
General government	168,361	-	870,882	307,600	1,346,843
Public safety	50,157	-	-	1,352,752	1,402,909
Public works	-	-	-	2,885,765	2,885,765
Community development	256	-	-	275,227	275,483
Culture and recreation	15,165	-	-	7,461,036	7,476,201
Education	5,272	-	-	-	5,272
Total capital outlay expenditures	239,211	-	870,882	12,282,380	13,392,473
Debt service:					
Principal payments	-	23,509,213	-	-	23,509,213
Interest and fiscal agent fees	-	6,562,034	-	-	6,562,034
Bond issuance costs	-	420,600	-	-	420,600
Total expenditures	65,101,687	30,491,847	3,424,682	40,623,308	139,641,524
Excess (deficiency) of revenues over expenditures	(1,040,231)	(27,789,918)	10,935,358	1,708,939	(16,185,852)
<b>Other financing sources (uses):</b>					
Transfers in	8,115,746	28,951,743	1,870,373	14,137,601	53,075,463
Transfers out	(6,722,689)	(18,561,504)	(18,151,040)	(21,354,686)	(64,789,919)
HUD loan payments (flow through)	-	31,815	-	-	31,815
Issuance of bonds					
Face value of bonds issued	-	25,305,000	-	-	25,305,000
Premium on issuance of bond	-	2,027,264	-	-	2,027,264
Total other financing sources (uses)	1,393,057	37,754,318	(16,280,667)	(7,217,085)	15,649,623
Net change in fund balances	352,826	9,964,400	(5,345,309)	(5,508,146)	(536,229)
Fund balances, beginning of year	15,671,833	6,444,922	18,005,005	34,337,313	74,459,073
<b>Fund balances, end of year</b>	<b>\$ 16,024,659</b>	<b>\$ 16,409,322</b>	<b>\$ 12,659,696</b>	<b>\$ 28,829,167</b>	<b>\$ 73,922,844</b>

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



**CITY OF SANTA FE, NEW MEXICO**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended June 30, 2011**

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

Net change in fund balances--total governmental funds	\$ (536,289)
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. This is the amount by which capital outlays exceeded depreciation in the current period.	1,754,386
The net effect of various miscellaneous transactions involving capital assets decrease in net assets:	(345,847)
The issuance of long-term debt (e.g., bonds, leases) provided 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 transactions, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(2,940,177)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	1,650,314
Internal service funds are used by management to charge the costs of insurance to individual funds.	(1,111,147)
The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>113,625</u>
Change in net assets of governmental activities	<u><u>\$ (1,415,135)</u></u>

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

**CITY OF SANTA FE, NEW MEXICO**  
**General Fund**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes:				
State-shared taxes:				
Gross receipts	\$ 35,363,189	\$ 35,363,189	\$ 36,258,827	\$ 895,638
Cigarette	60,000	-	5,953	5,953
Automobile	350,000	350,000	408,410	58,410
Total state-shared taxes	35,773,189	35,713,189	36,673,190	960,001
Local taxes:				
Gross receipts	14,065,494	14,065,494	14,360,040	294,546
Property	2,711,402	2,711,402	2,868,058	156,656
Total local taxes	16,776,896	16,776,896	17,228,098	451,202
Regulatory fees:				
Franchise	2,540,000	2,540,000	2,207,242	(332,758)
Total fees	2,540,000	2,540,000	2,207,242	(332,758)
Other Revenues:				
Licenses and permits	1,199,149	1,199,149	1,855,363	656,214
Intergovernmental revenue	-	128,283	156,569	28,286
Fees and charges for services	7,779,615	7,681,495	5,028,406	(2,653,089)
Fines and forfeitures	540,536	505,186	448,621	(56,565)
Royalties, rents and concessions	31,300	31,300	47,683	16,383
Investment income	158,670	158,670	46,423	(112,247)
Other revenues	239,023	279,570	369,861	90,291
Total Other Revenue	9,948,293	9,983,653	7,952,926	(2,030,727)
Total revenues	65,038,378	65,013,738	64,061,456	(952,282)
<b>Expenditures:</b>				
General government:				
Current:				
General government	2,935,201	2,975,843	1,988,945	986,898
Municipal court	1,269,162	1,259,519	1,331,415	(71,896)
City clerk	1,080,669	1,045,335	880,278	165,057
Information technology and telecommunication	3,242,921	3,197,221	2,770,843	426,378
Personnel	926,620	906,775	716,827	189,948
Finance	1,941,892	3,181,265	3,491,353	(310,088)
Planning	2,010,284	1,962,908	1,737,806	225,102
Facilities maintenance	2,766,489	2,736,489	2,022,950	713,539
Fleet maintenance	589,648	580,148	320,430	259,718
Total current	16,762,886	17,845,503	15,260,847	2,584,656
Capital outlay:				
General government	19,576	21,378	19,209	2,169
Municipal Court	4,950	1,560	1,372	188
City clerk	-	50,433	29,788	20,645
Information technology and telecommunication	-	21,400	22,521	(1,121)
Personnel	-	1,550	1,332	218
Finance	2,200	2,200	1,121	1,079
Planning	8,515	63,361	73,043	(9,682)
Facilities maintenance	2,700	2,700	1,299	1,401
Fleet Maintenance	-	28,000	18,676	9,324
Total capital outlay	37,941	192,582	168,361	24,221
Total general government	16,800,827	18,038,085	15,429,208	2,608,877

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

(continued)

**CITY OF SANTA FE, NEW MEXICO**  
**General Fund**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public safety:				
Current:				
Police	17,909,911	18,133,060	18,262,115	(129,055)
Fire	12,524,165	12,059,880	12,872,286	(812,406)
Total current	30,434,076	30,192,940	31,134,401	(941,461)
Capital outlay:				
Police	10,000	10,000	5,172	4,828
Fire	30,065	59,574	44,985	14,589
Total capital outlay	40,065	69,574	50,157	19,417
Total public safety	30,474,141	30,262,514	31,184,558	(922,044)
Public works:				
Current:				
Administration	283,914	283,914	118,545	165,369
Highways, streets and roads	282,267	275,667	197,778	77,889
Traffic engineering	2,546,657	2,511,157	2,607,895	(96,738)
Total current	3,112,838	3,070,738	2,924,218	146,520
Capital outlay:				
Highways, streets and roads	-	-	-	-
Traffic Engineering	-	-	-	-
Total capital outlay	-	-	-	-
Total public works	3,112,838	3,070,738	2,924,218	146,520
Community development:				
Current:				
Human needs	1,429,156	1,369,789	1,277,260	92,529
Senior citizens	20,976	-	-	-
Community services	782,178	1,152,612	1,201,828	(49,216)
Inspection	1,393,047	1,368,988	1,460,065	(91,077)
Zoning	1,266,954	1,244,524	1,189,070	55,454
Total current	4,892,311	5,135,913	5,128,223	7,690
Capital outlay:				
Human needs	-	400	256	144
Inspection	2,600	2,600	-	2,600
Zoning	17,600	6,605	-	6,605
Total capital outlay	20,200	9,605	256	9,349
Total community development	4,912,511	5,145,518	5,128,479	17,039
Culture and recreation:				
Current:				
Parks/grounds maintenance	5,018,285	4,975,525	5,580,404	(604,879)
Recreation	2,224,446	2,025,797	1,992,768	33,029
Total current	7,242,731	7,001,322	7,573,172	(571,850)
Capital outlay:				
Parks/grounds maintenance	14,300	9,135	8,393	742
Recreation	20,557	11,318	6,772	4,546
Total capital outlay	34,857	20,453	15,165	5,288
Total culture and recreation	7,277,588	7,021,775	7,588,337	(566,562)

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

(continued)

CITY OF SANTA FE, NEW MEXICO  
 General Fund  
 Statement of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Education:				
Current:				
Libraries	2,923,474	2,880,377	2,841,615	38,762
Total current	2,923,474	2,880,377	2,841,615	38,762
Capital outlay:				
Libraries	6,320	5,317	5,272	45
Total capital outlay	6,320	5,317	5,272	45
Total education	2,929,794	2,885,694	2,846,887	38,807
Total expenditures	65,507,699	66,424,324	65,101,687	1,322,637
Excess (deficiency) of revenues over expenditures	(469,321)	(1,410,586)	(1,040,231)	370,355
Other financing sources (uses):				
Transfers in	7,117,770	8,398,688	8,115,746	(282,942)
Transfers out	(6,648,448)	(6,722,689)	(6,722,689)	-
Total other financing sources (uses)	469,322	1,675,999	1,393,057	(282,942)
Net change in fund balance	1	265,413	352,826	87,413
Fund balance, beginning of year	24,911,584	12,463,836	15,671,833	(3,207,997)
<b>Fund balance, end of year</b>	<b>\$ 24,911,585</b>	<b>\$ 12,729,249</b>	<b>\$ 16,024,659</b>	<b>\$ 3,295,410</b>

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

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CITY OF SANTA FE, NEW MEXICO  
Statement of Net Assets  
Enterprise Funds  
June 30, 2011

	Business-type Activities - Enterprise Funds			
	Waste Water Management	Water Management	Solid Waste Management	Railyard Property
<b>Assets</b>				
<b>Current assets:</b>				
Cash, investments and cash equivalents	\$ 20,383,394	\$ 67,024,665	\$ 8,869,424	\$ 105,713
Restricted cash, cash equivalents and investments:				
Restricted for debt service payments	219,497	5,996,451	109,171	111,500
Grants receivable	10,452	2,871,105	-	420,001
Receivable (net of allowances)				
State-shared taxes	317,754	1,266,283	317,686	-
Accounts	1,681,308	6,598,884	1,429,588	-
Interest receivable	31,561	126,733	13,671	1,203
Prepaid expenses	-	12,028,931	-	-
<b>Total current assets</b>	<b>22,643,965</b>	<b>95,913,052</b>	<b>10,739,540</b>	<b>638,417</b>
<b>Noncurrent assets:</b>				
Deferred charges (net of amortization)	345,699	1,579,638	252,189	188,325
<b>Capital assets:</b>				
Land and land rights	25,498	2,472,660	-	20,145,837
Water rights	-	916,367	-	-
Buildings and structures	28,835,165	11,071,845	361,316	4,748,214
Sewerlines and utility systems	23,700,756	79,154,671	-	-
Improvements	31,190,863	8,154,883	1,111,291	10,322,282
Furniture and fixtures	16,048	585,001	9,640	-
Equipment and machinery	2,401,017	12,684,762	692,170	-
Vehicles	2,797,005	1,808,657	8,154,160	-
Intangible plant	-	57,625	-	-
Data processing equipment /software	228,522	1,662,807	54,745	-
Art	-	-	-	-
Construction in progress	130,391	144,215,995	-	18,706,977
Less accumulated depreciation	(53,898,181)	(57,756,137)	(6,863,393)	(3,010,749)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>35,427,084</b>	<b>205,029,136</b>	<b>3,519,929</b>	<b>50,912,561</b>
<b>Total noncurrent assets</b>	<b>35,772,783</b>	<b>206,608,774</b>	<b>3,772,118</b>	<b>51,100,886</b>
<b>Total assets</b>	<b>58,416,748</b>	<b>302,521,826</b>	<b>14,511,658</b>	<b>51,739,303</b>
<b>Liabilities</b>				
<b>Current liabilities:</b>				
Accounts payable	141,419	1,157,662	49,742	2,956
Miscellaneous payable	68,686	248,181	78,397	-
Compensated absences payable	61,303	57,555	28,542	-
Accrued wages payable	255,052	391,402	239,955	-
Claims and judgement payable	-	-	-	-
Bonds payable (net of unamortized discounts)	1,524,927	3,097,975	778,110	-
Notes payable	-	850,571	-	366,002
Accrued interest payable	95,330	474,808	45,864	47,529
Customer deposits payable	273,520	926,294	188,865	-
Other payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total current liabilities</b>	<b>2,420,237</b>	<b>7,204,448</b>	<b>1,409,475</b>	<b>416,487</b>
<b>Noncurrent liabilities:</b>				
Bonds and Notes payable (net of unamortized discounts)	21,959,413	101,750,578	11,172,695	12,284,164
Notes Payable	-	16,339,830	-	-
Compensated absences payable	252,825	344,736	251,216	-
Intergovernmental Payable	-	10,624,545	-	-
<b>Total noncurrent liabilities</b>	<b>22,212,238</b>	<b>129,059,689</b>	<b>11,423,911</b>	<b>12,284,164</b>
<b>Total liabilities</b>	<b>24,632,475</b>	<b>136,264,137</b>	<b>12,833,386</b>	<b>12,700,651</b>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	11,942,744	82,990,182	(8,430,876)	38,262,395
Restricted for debt service	219,497	5,996,451	109,171	111,500
Unrestricted	21,622,032	77,271,056	9,999,977	664,757
<b>Total net assets</b>	<b>\$ 33,784,273</b>	<b>\$ 166,257,689</b>	<b>\$ 1,678,272</b>	<b>\$ 39,038,652</b>

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

Santa Fe Convention Center	College of Santa Fe	All Other Enterprise Funds	Totals	Governmental Activities- Internal Service Funds
\$ 5,324,849	\$ 9,268,200	\$ 2,461,603	\$ 113,437,848	\$ 16,730,242
49,624	195,009	-	6,681,252	-
-	195,000	2,793,466	6,290,024	-
-	-	-	1,901,723	-
-	-	218,888	9,928,668	-
10,209	16,070	4,832	204,279	28,561
-	-	-	12,028,931	60,000
5,384,682	9,674,279	5,478,789	150,472,724	16,818,803
479,088	-	265,458	3,110,397	-
-	11,164,785	4,451,778	38,260,558	-
-	-	-	916,367	-
62,807,642	21,924,038	56,889,259	186,637,479	-
-	-	29,820	102,885,247	-
-	-	31,647,090	82,426,409	-
91,038	-	72,322	774,049	34,818
378,213	-	4,443,475	20,599,637	19,722
29,815	-	11,901,201	24,690,838	35,829
-	-	-	57,625	-
118,733	-	1,286,623	3,351,430	5,307
5,000	-	180,971	185,971	-
2,477,366	9,392,910	2,755,568	177,679,207	-
(3,956,491)	(1,604,960)	(43,250,481)	(170,340,392)	(69,169)
61,951,316	40,876,773	70,407,626	468,124,425	26,507
62,430,404	40,876,773	70,673,084	471,234,822	26,507
67,815,086	50,551,052	76,151,873	621,707,546	16,845,310
43,875	-	452,060	1,847,714	356,340
-	-	32,201	427,465	-
7,658	-	133,470	288,529	79,347
84,841	4,607	697,508	1,673,365	35,581
-	-	-	-	6,435,382
-	-	869,847	6,270,859	-
1,174,365	630,000	-	3,020,938	-
111,496	132,903	41,582	949,512	-
265,496	-	37,327	1,691,502	-
-	-	-	-	221
-	-	1,251,322	1,251,322	-
1,687,731	767,510	3,515,317	17,421,206	6,906,871
48,535,388	28,370,000	10,237,425	234,309,663	-
-	-	-	16,339,830	-
57,048	-	793,811	1,699,636	-
-	-	-	10,624,545	-
48,592,436	28,370,000	11,031,236	262,973,674	-
50,280,167	29,137,510	14,546,553	280,394,880	6,906,871
12,241,563	11,876,773	59,327,915	208,210,696	26,507
49,624	195,009	-	6,681,252	-
5,243,732	9,341,760	2,277,405	126,420,719	9,911,932
\$ 17,534,919	\$ 21,413,542	\$ 61,605,320	\$ 341,312,667	\$ 9,938,439

Assets	
<b>Current assets:</b>	
Cash, investments and cash equivalents	-
Restricted cash, cash equivalents and investments:	-
Restricted for debt service payments	-
Grants receivable	-
Receivable (net of allowances)	-
State-shared taxes	-
Accounts	28,561
Interest receivable	60,000
Prepaid expenses	-
<b>Total current assets</b>	<b>16,818,803</b>
<b>Noncurrent assets:</b>	
Deferred charges (net of amortization)	-
<b>Capital assets:</b>	
Land and land rights	-
Water rights	-
Buildings and structures	-
Sewerlines and utility systems	-
Improvements	-
Furniture and fixtures	34,818
Equipment and machinery	19,722
Vehicles	35,829
Intangible plant	-
Data processing equipment /software	5,307
Art	-
Construction in progress	-
Less accumulated depreciation	(69,169)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>26,507</b>
<b>Total noncurrent assets</b>	<b>26,507</b>
<b>Total assets</b>	<b>16,845,310</b>
<b>Liabilities</b>	
<b>Current liabilities:</b>	
Accounts payable	356,340
Miscellaneous payable	-
Compensated absences payable	79,347
Accrued wages payable	35,581
Claims and judgement payable	6,435,382
Bonds payable (net of unamortized discounts)	-
Notes payable	-
Accrued interest payable	-
Customer deposits payable	-
Other payable	221
Due to other funds	-
<b>Total current liabilities</b>	<b>6,906,871</b>
<b>Noncurrent liabilities:</b>	
Bonds and Notes payable (net of unamortized discounts)	-
Notes Payable	-
Compensated absences payable	-
Intergovernmental Payable	-
<b>Total noncurrent liabilities</b>	<b>-</b>
<b>Total liabilities</b>	<b>6,906,871</b>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	26,507
Restricted for debt service	-
Unrestricted	9,911,932
<b>Total net assets</b>	<b>9,938,439</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Enterprise Funds**  
**For the Year Ended June 30, 2011**

	<b>Business-type Activities- Enterprise Funds</b>			
	<b>Waste Water Management</b>	<b>Water Management</b>	<b>Solid Waste Management</b>	<b>Railyard Property</b>
<b>Operating revenues:</b>				
User fees	\$ 12,451,454	\$ 35,347,773	\$ 9,966,207	\$ -
Facilities rentals	-	-	-	712,325
Other revenue	73,029	130,254	64,109	-
Total operating revenues	12,524,483	35,478,027	10,030,316	712,325
<b>Operating expenses:</b>				
Salaries, wages and benefits	4,736,712	7,525,431	4,041,464	-
Contractual services and utilities	1,788,567	6,589,459	2,742,446	102,215
Repairs and maintenance	472,175	358,410	427,621	-
Supplies	516,543	778,559	696,994	-
Capital outlay-inventory exempt items	21,477	95,593	187,066	-
Depreciation	4,866,408	5,335,188	798,514	1,127,193
Amortization expense	34,639	941,055	21,163	6,878
Insurance	321,082	341,461	157,291	-
Bad debt expense	637,735	99,069	486,594	-
Other	933,545	2,631,815	869,650	5,750
Total operating expenses	14,328,883	24,696,040	10,428,803	1,242,036
Operating income (loss)	(1,804,400)	10,781,987	(398,487)	(529,711)
<b>Non-operating revenues (expenses):</b>				
Investment income	127,578	449,845	57,961	11,398
Intergovernmental				
State-shared taxes	1,773,801	7,068,340	1,773,654	-
Grants	184,019	3,150,751	-	668,500
Gain (loss) on sale of capital assets	(7)	3,922	240	-
Interest expense	(411,176)	(3,904,027)	(581,963)	(506,867)
Prem(Discount) debt service expense	34,927	147,975	18,110	-
Other non-operating expenses	-	-	-	-
Total non-operating revenues (expenses)	1,709,142	6,916,806	1,268,002	173,031
Income(loss) before transfers	(95,258)	17,698,793	869,515	(356,680)
Transfers in	-	-	60,703	212,375
Transfers out	(108,333)	(223,560)	(75,000)	-
Change in net assets	(203,591)	17,475,233	855,218	(144,305)
Total net assets, beginning of year	33,987,864	148,782,456	823,054	39,182,957
<b>Total net assets-end of year</b>	<b>\$ 33,784,273</b>	<b>\$ 166,257,689</b>	<b>\$ 1,678,272</b>	<b>\$ 39,038,652</b>

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



Santa Fe Convention Center	College of Santa Fe	All Other Enterprise Funds	Totals	Governmental Activities- Internal Service Funds	
\$ 466,002	\$ 24,000	\$ 8,547,707	\$ 66,803,143	\$ -	<b>Operating revenues:</b>
-	-	-	712,325	-	User fees
28,115	2,350,914	1,313,658	3,960,079	21,474,817	Facilities rentals
494,117	2,374,914	9,861,365	71,475,547	21,474,817	Other revenue
					Total operating revenues
					<b>Operating expenses:</b>
846,521	63,080	12,723,081	29,936,289	812,766	Salaries, wages and benefits
450,555	176,931	1,770,970	13,621,143	1,015,958	Contractual services and utilities
50,248	664,706	665,561	2,638,721	960	Repairs and maintenance
45,344	139	840,081	2,877,660	40,426	Supplies
14,312	-	296,780	615,228	8,614	Capital outlay-inventory exempt items
1,304,443	876,962	3,129,898	17,438,606	13,137	Depreciation expense
19,961	-	19,670	1,043,366	-	Amortization expense
85,035	-	622,020	1,526,889	20,690,958	Insurance
-	-	135,912	1,359,310	-	Bad debt expense
180,953	102,802	1,997,539	6,722,054	3,147	Other
2,997,372	1,884,620	22,201,512	77,779,266	22,585,966	Total operating expenses
(2,503,255)	490,294	(12,340,147)	(6,303,719)	(1,111,149)	Operating income (loss)
					<b>Non-operating revenues (expenses):</b>
39,014	62,083	27,693	775,572	113,440	Investment income
-	-	-	10,615,795	-	Intergovernmental
3,500	-	4,276,281	8,283,051	-	State-shared taxes
96	4,316,785	(3,670)	4,317,366	185	Grants
(42,514)	(62,083)	(4,674)	(5,513,304)	-	Gain (loss) on sale of capital assets
89,365	-	17,286	307,663	-	Interest expense
-	-	(5,026)	(5,026)	-	Prem(Discount) debt service expense
89,461	4,316,785	4,307,890	18,781,117	113,625	Other non-operating expenses
					Total non-operating revenues (expenses)
(2,413,794)	4,807,079	(8,032,257)	12,477,398	(997,524)	Income(loss) before transfers
4,739,727	-	9,832,247	14,845,052	-	Transfers in
(2,230,977)	-	(492,726)	(3,130,596)	-	Transfers out
94,956	4,807,079	1,307,264	24,191,854	(997,524)	Change in net assets
17,439,963	16,606,463	60,298,056	317,120,813	10,935,963	Total net assets, beginning of year
<b>\$ 17,534,919</b>	<b>\$ 21,413,542</b>	<b>\$ 61,605,320</b>	<b>\$ 341,312,667</b>	<b>\$ 9,938,439</b>	<b>Total net assets, end of year</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Statement of Cash Flows**  
**Enterprise Funds**  
**For the Year Ended June 30, 2011**

**Business-type Activities-Enterprise Funds**

	Waste Water Management	Water Management	Solid Waste Management	Railyard Property
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 13,091,628	\$ 34,215,493	\$ 10,417,253	\$ 712,325
Cash received from interfund services provided and used	-	-	-	-
Cash payments to suppliers for goods and services	(3,894,153)	(12,023,296)	(4,834,641)	\$ (102,965)
Cash paid for interfund services provided and used	(853,176)	(1,302,384)	(1,121,318)	(5,000)
Cash payments to employees for services	(4,719,613)	(7,686,299)	(3,862,703)	(2,322)
Net cash provided (used) by operating activities:	3,624,686	13,203,514	598,591	602,038
<b>Cash flows from noncapital financing activities:</b>				
Intergovernmental	2,100,877	8,887,317	1,761,342	258,500
Transfers-in from other funds	304,245	436,485	60,703	212,375
Transfers-out to other funds	(412,578)	(660,045)	(75,000)	-
Net cash provided (used) by noncapital financing activities	1,992,544	8,663,757	1,747,045	470,875
<b>Cash flows from capital and related financing activities:</b>				
Acquisition and construction of capital assets	(683,454)	(20,060,561)	(777,679)	(963,034)
Proceeds (Loss) from sale of capital assets	120,226	6,660	240	-
Proceeds from sale of bonds net of issuance costs	-	1,231,546	-	11,554,599
Bond issuance cost paid	-	-	-	(135,000)
Principal paid on revenue bond maturities and notes payable	(1,365,000)	(3,625,593)	(720,000)	(12,114,941)
Interest paid on revenue bonds and notes payable	(416,511)	(3,913,124)	(584,835)	(559,383)
Intergovernmental payments	-	(3,000,000)	-	-
Net cash used for capital and related financing activities	(2,344,739)	(29,361,072)	(2,082,274)	(2,217,759)
<b>Cash flows from investing activities:</b>				
Interest and dividends on investments	156,385	1,045,061	76,600	13,350
Net cash provided by investing activities	156,385	1,045,061	76,600	13,350
Net increase (decrease) in cash and cash equivalents	3,428,876	(6,448,740)	339,962	(1,131,496)
Cash, investments and cash equivalents at beginning of year	17,174,015	79,469,856	8,638,633	1,348,709
<b>Cash, investments and cash equivalents at end of year</b>	<b>\$ 20,602,891</b>	<b>\$ 73,021,116</b>	<b>\$ 8,978,595</b>	<b>\$ 217,213</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ (1,804,400)	\$ 10,781,986	\$ (398,487)	\$ (529,711)
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>				
Depreciation/amortization/bad debt expense	4,901,047	6,375,312	819,677	1,134,071
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	567,143	(1,272,318)	283,102	-
(Increase) decrease in prepaid expenses	-	(2,102,841)	-	-
Increase (decrease) in notes payable	-	-	-	-
Increase (decrease) in accounts payable	(223,655)	(584,543)	(60,121)	-
Increase (decrease) in miscellaneous payable	10,609	54,364	-	-
Increase (decrease) in compensated absences payable	(3,828)	(102,680)	(175,816)	-
Increase (decrease) in accrued wages payable	20,929	14,450	26,401	(2,322)
Increase (decrease) in escrow	156,841	9,784	103,835	-
Increase (decrease) in due to other funds	-	-	-	-
Total adjustments	5,429,086	2,391,528	997,078	1,131,749
<b>Net cash provided (used) by operating activities</b>	<b>\$ 3,624,686</b>	<b>\$ 13,173,514</b>	<b>\$ 598,591</b>	<b>\$ 602,038</b>

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

Santa Fe Convention Center	College of Santa Fe	All Other Enterprise Funds	Totals	Governmental Activities-Internal Service Funds	
\$ 494,117	\$ 2,374,914	\$ 9,912,793	\$ 71,218,523	\$ 15,987,295	Cash flows from operating activities:
-	-	-	-	5,487,523	Cash received from customers
(787,875)	(4,212,960)	(4,886,865)	(30,742,755)	(21,871,716)	Cash received from interfund services provided and used
(151,548)	(100,000)	(1,126,020)	(4,659,446)	-	Cash payments to suppliers for goods and services
(798,040)	(58,473)	(12,674,018)	(29,801,468)	(816,717)	Cash paid for interfund services provided and used
(1,243,346)	(1,996,519)	(8,774,110)	6,014,854	(1,213,615)	Cash payments to employees for services
					Net cash provided (used) by operating activities:
					Cash flows from noncapital financing activities:
3,500	-	4,133,736	17,145,272	-	Intergovernmental
4,739,727	-	9,832,247	15,585,782	-	Transfers-in from other funds
(2,230,977)	-	(492,726)	(3,871,326)	-	Transfers-out to other funds
2,512,250	-	13,473,257	28,859,728	-	Net cash provided (used) by noncapital financing activities
					Cash flows from capital and related financing activities:
(2,480,106)	(5,835)	(4,612,771)	(29,583,440)	(6,811)	Acquisition and construction of capital assets
96	4,121,785	(3,670)	4,245,337	-	Proceeds (Loss) from sale of capital assets
-	-	-	12,786,145	-	Proceeds from sale of bonds net of issuance costs
-	-	-	(135,000)	-	Bond issuance cost paid
(1,035,000)	(615,000)	(790,000)	(20,265,534)	-	Principal paid on revenue bond maturities and notes payable
(44,332)	(63,011)	(9,820)	(5,591,016)	-	Interest paid on revenue bonds and notes payable
-	-	-	(3,000,000)	-	Intergovernmental payments
(3,559,342)	3,437,939	(5,416,261)	(41,543,508)	(6,811)	Net cash used for capital and related financing activities
					Cash flows from investing activities:
60,543	75,127	37,459	1,464,525	154,016	Interest and dividends on investments
60,543	75,127	37,459	1,464,525	154,016	Net cash provided by investing activities
(2,229,895)	1,516,547	(679,655)	(5,204,401)	(1,066,410)	Net increase (decrease) in cash and cash equivalents
7,604,368	7,946,662	3,141,258	125,323,501	17,796,652	Cash, investments and cash equivalents at beginning of year
<b>\$ 5,374,473</b>	<b>\$ 9,463,209</b>	<b>\$ 2,461,603</b>	<b>\$ 120,119,100</b>	<b>\$ 16,730,242</b>	<b>Cash, investments and cash equivalents at end of year</b>
					Reconciliation of operating income (loss) to net cash provided (used) by operating activities:
\$ (2,503,255)	\$ 490,294	\$ (12,340,147)	\$ (6,303,720)	\$ (1,111,148)	Operating income (loss)
					Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:
1,324,404	876,962	3,149,568	18,581,041	13,137	Depreciation/amortization/bad debt expense
-	-	51,428	(370,645)	-	Change in assets and liabilities:
-	-	-	(2,102,841)	-	(Increase) decrease in accounts receivable
-	-	27,561	27,561	-	(Increase) decrease in prepaid expenses
(130,152)	(3,368,382)	(592,288)	(4,959,141)	(111,653)	Increase (decrease) in notes payable
-	-	13,628	78,601	-	Increase (decrease) in accounts payable
3,250	-	(44)	(279,118)	(6,571)	Increase (decrease) in miscellaneous payable
45,231	4,607	50,495	159,791	2,620	Increase (decrease) in compensated absences payable
17,176	-	12,653	300,289	-	Increase (decrease) in accrued wages payable
-	-	853,036	853,036	-	Increase (decrease) in escrow
					Increase (decrease) in due to other funds
1,259,909	(2,486,813)	3,566,037	12,288,574	(102,467)	Total adjustments
<b>\$ (1,243,346)</b>	<b>\$ (1,996,519)</b>	<b>\$ (8,774,110)</b>	<b>\$ 5,984,854</b>	<b>\$ (1,213,615)</b>	<b>Net cash provided (used) by operating activities</b>

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**City of Santa Fe, New Mexico**  
**Notes to the Financial Statements**  
**June 30, 2011**

**I. Summary of significant accounting policies**

**A. Reporting entity**

The City of Santa Fe (the "City") is a municipal corporation governed by an elected mayor and an eight-member council. The accompanying financial statements present the government as an entity for which the City is considered to be financially accountable. Based on GASB 14 and GASB 61 it was determined the Santa Fe Civic Housing Authority was no longer a component of the City of Santa Fe. The City has no component units or blended component units that are legally separate entities.

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

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34 "Basic Financial Statements-and Management's Discussion and Analysis- for State and Local Governments" which was effective for the City's fiscal year ending June 30, 2002. As a result, there has been a major change in how the City presents its financial statements.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on the 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. Likewise, the government is reported separately from the legally separate component unit for which the government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 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 as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual enterprise funds are reported as separate columns in the basic fund financial statement. There are no fiduciary funds reported by the City.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. 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

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revenues in the year for which they are received. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Gross receipts taxes are not estimable at the time of the underlying exchange transactions, and therefore are recorded as revenue at the time the state reports the amounts collected on behalf of the City. 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.

Property taxes are levied and collected by the Santa Fe County treasurer on behalf of the City. The taxes are levied in November and payable in two installments, November 10<sup>th</sup> and April 10<sup>th</sup>. The County remits to the City a percentage of the collections made during the month. Taxes are considered delinquent and subject to lien, penalty and interest, 30 days after the date on which they are due.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Funds account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The ½% Gross Receipts Tax Fund is used to account for the City's portion of gross receipts taxes collected by the State of New Mexico per Ordinance No. 1981-45. The Ordinance dedicates ½ of 1 percent for capital improvements to City facilities and street and road construction and re-construction to include any future operating expenditures (i.e. personnel or administrative costs) necessitated by the expansion of the services and facilities to the public.

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The City reports the following major proprietary funds:

The Waste Water Management Fund accounts for the operation of the City's treatment and sewage system.

The Water Management Fund accounts for the activities of the City's water supply, transmission and distribution systems.

The Solid Waste Management Fund accounts for the operation of the City's solid waste collection service.

The Railyard Property Fund accounts for the development of 50 acres of prime real estate near the center of the City previously owned by the railroad and a private developer.

The Santa Fe Convention Center Fund (formerly known as Sweeney Convention Center), accounts for the operation of the City's convention center.

The College of Santa Fe fund accounts for the lease operations, debt service, and construction activities associated with the City's purchase of the college from a not-for-profit corporation and subsequent lease to Laureate Education Inc. in September of 2009.

Additionally, the City reports the following fund types:

Internal service funds account for the City's Santa Fe Health Fund/Dental Fund, Risk Management Fund, Workers' Compensation Fund, and the Union Sick Leave Bank which are services to City departments on a cost assessment basis.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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 utilities functions and insurance functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and

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contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal serve 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.

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

**D. Assets, liabilities and net assets or equity**

**1. 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.

City funds are invested in accordance with New Mexico State Statute 6-10-36, and with the City of Santa Fe Investment Policy, which states:

City funds shall be invested in accordance with New Mexico Statute 6-10-36 and shall be equitably distributed among all banks and credit unions having their main or manned branch offices within the municipal boundaries and who are interested in doing business with the City, as directed by Statute 6-10-36, Paragraph C. Collateralization will be required on all deposits in excess of amounts insured by the Federal Deposit Insurance Corporation, or the National Credit Union Association. The collateralization level will be one hundred two percent (102%) of the market value of principal, except for deposits with the primary fiscal agent which will be collateralized at fifty percent (50%) in accordance with New Mexico Statute 6-10-17. Funds that are declared excess due to the inability of local financial institutions to accept these deposits may be invested in U.S. Government Securities, or as otherwise provided by law. The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments or individual financial institutions and limit maturities to five years or less to avoid interest rate risk. Certain investments held to accommodate debt reserve requirements may have maturities of more than five years.

The Investment Policy provides for the following authorized investments:



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1. United States Treasury Securities (Bills, Notes and Bonds).
2. Insured and/or collateralized (with securities of the U.S. Government, its agencies or instrumentalities, municipal securities, or Letters of Credit from the Federal Home Loan Bank of Dallas) checking or savings accounts, or certificates of deposit of banks, or credit unions, pursuant to State Board of Finance Collateral Policies.
3. Other securities issued by the United States government or its agencies or instrumentalities that are either direct obligations of the United States, the Federal Home Loan Mortgage Corp., the Federal National Mortgage Assoc., the Federal Home Loan Bank, the Federal Farm Credit Bank, or the Student Loan Marketing Assoc., or are backed by the full faith and credit of the United States Government.
4. Money market funds that are registered with the SEC, carry an AAA rating, invest entirely in U.S. government and/or U.S. government agency securities (as defined above), and maintain total asset size of not less than \$100,000,000.
5. Bonds or negotiable securities of the State of New Mexico or of any county, municipality or school district which has a taxable valuation of real property of at least one million dollars and has not defaulted in payment of interest or sinking fund obligations or failed to pay any bonds at maturity at any time within the past five years and is rated AA equivalent or better on purchase date. Reasonable prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.
6. Investments in the New Mexico Local Government Investment Pool (NM LGIP)
  - (a) The investments are valued at fair value based on quoted market prices as of the evaluation date;
  - (b) The NM LGIP is not SEC registered, but does maintain an AAAM rating (highest rating for pools) from Standard and Poor's. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments;
  - (c) 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 accounting entities in amounts directly proportionate to the respective

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amounts deposited in the fund and the length of time the amounts were invested; and

- (d) Participation in the Local Government Investment Pool is voluntary.
7. Repurchase agreements and forward purchase agreements with equivalent collateral of at least one hundred two percent of the market value of the securities plus accrued interest.

Interest earnings on pooled investments are distributed quarterly to all participating funds based on the average of current vs. previous quarter-end cash balances. Investments for the City are stated at fair value.

## **2. Receivables and payables**

Activity between funds that are representative of lending/borrowing agreements outstanding at the end of the fiscal year are referred to as “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are also reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

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 trade receivables are shown net of an allowance for uncollectibles that is based on historical collections data.

Property taxes are levied and collected by the Santa Fe County Treasurer on behalf of the City. Property taxes are levied in November and are payable in two installments. The first half is due on November 10 and becomes delinquent on December 11. The second half is due on April 10 and becomes delinquent on May 11, which is the lien date. Interest at the rate of 1% per month is incurred on installments following the delinquency date. By July 1 of each year, the County Treasurer prepares a property tax delinquency list of all property for which taxes have been delinquent for more than two years. The Taxation and Revenue Department receives the tax delinquency list and has the responsibility to take all action necessary to collect the taxes. The real property on which the taxes are assessed shall be offered for sale four years after the first date shown on the delinquency list. The County remits monthly to the City a percentage of the collections made during that period. The percentage is calculated by the County based upon the amounts collected, the mill levy, and the proportion of City taxpayers to the County as a whole.

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**3. Inventories and prepaid items**

Inventories are valued at cost, which approximates market using the first-in, first-out (FIFO) method. Expenditures in governmental funds and expenses in proprietary funds are recorded as the inventory items are consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

The City of Santa Fe is a party to a contract with the Bureau of Reclamation, United States of America which provides certain rights to purchase water from the San Juan Chama renewable water resource system. Per contract dating from 1976 and made permanent in 2006, the City of Santa Fe has rights to purchase 5,230 acre feet per year from the San Juan Chama system for which it pays a predetermined rate. The City may utilize the water in the year it purchases it or in a later year if utilization does not match the annual amount purchased. Amount acquired in excess of those amounts utilized are recorded as prepaid water assets in the statement of net assets. The amount recorded at June 30, 2011 was \$731,231.

The City of Santa Fe was party to a water resource contract with the Jicarilla Tribe and under the terms of the contract it purchased water resources from Jicarilla during the period 2004 through 2008. None of the purchased water has been utilized and is available for future use. The purchase amount of the water in the amount of \$11,297,700 is recorded as a prepaid water asset in the financial statements.

**4. Restricted Assets**

Certain proceeds of bonds and loans, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

**5. Capital assets**

Capital assets, which include property, plant, furniture, art, software, equipment, vehicles, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In fiscal year 2006-2007 the City increased the cost threshold for capitalization from \$1,000 to \$5,000. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Capital assets, if purchased or constructed, are recorded at historical costs or estimated historical cost if original cost was not available. Donated capital assets are recorded at estimated fair value at the date of donation. City land acquired prior to 1987 was primarily by land grant or donation and is estimated to be 4,217 acres. Because original values are unknown, the parcels are valued at one dollar each.

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

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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, net of amortization, capitalized by the City's Water Division and the College of Santa Fe during the current fiscal year was \$1,895,746 and \$1,542,962 respectively.

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

<u>Item</u>	<u>Years</u>	<u>Item</u>	<u>Years</u>
Buildings	50	Vehicles	8
Waster Water Plant Improvements	20 - 25	Equipment and Machinery	4 - 10
Furniture and Fixtures	10	Sewerlines and Utility Systems	25
Data Processing Equipment	3	Software	10
Streets	25	Solid Waste Trucks	4
Traffic Signals	10	Sewer Rodder/Vactors	10
		Bridges	25

**6. Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory hours and sick pay benefits. There is a liability for these benefits since the city has a policy to pay any amount when the employee has earned the benefits. All vacation and compensatory hours are accrued when incurred in the government-wide and proprietary fund financial statements. The sick leave liability is calculated using the vesting method. The City's employees can utilize these balances for early retirement, buy out options, or donate the hours to a sick leave bank to be used by other employees.

**7. Long-term obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statement, 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. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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**8. Fund Balance**

As of June 30, 2011 fund balance of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. Enabling legislation includes a legal enforceable requirement that resources be used only for specific purposes stipulated in the legislation. Legal enforceability means the government can be impelled by an external party to use resources for the purpose specified by the legislation. The amount of net assets restricted by enabling legislation is \$47,815,598 which represents all restricted net assets reported on page 20.

Committed - amounts that can be used only for specific purposes determined by a formal action of City Council. City is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by City Council.

Assigned - amounts that are constrained by the City's intent to use them for a specific purpose, but are neither restricted or committed. The City has not established a policy regarding the assignment of funds, so this category of fund balance represents the residual amounts not otherwise reported as unspendable, restricted, or committed in governmental funds outside of the general fund.

Unassigned - all other spendable amounts.

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<b>Fund Balance Purpose</b>	<b>General</b>	<b>Debt Service</b>	<b>1/2% Gross Receipts Tax</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Nonspendable</b>					
Inventory	440,752	-	-	-	440,752
Due from other Funds	-	-	11,184,545	-	11,184,545
<b>Spendable</b>					
<b>Restricted</b>					
General Government	6,071,202	-	-	7,980,289	14,051,491
Open Space projects	-	10,300,000	-	-	10,300,000
Debt payments	-	6,109,322	-	-	6,109,322
Public Safety	-	-	-	4,373,951	4,373,951
Public Works	-	-	-	6,632,983	6,632,983
Community Development	-	-	-	1,700,662	1,700,662
Culture & Recreation	-	-	-	4,647,189	4,647,189
<b>Committed</b>					
General Government	1,243,499	-	1,475,151	161,478	2,880,128
Culture & Recreation	-	-	-	370,860	370,860
<b>Assigned</b>					
General Government	-	-	-	893,903	893,903
Public Works	-	-	-	1,126,925	1,126,925
Community Development	-	-	-	133,331	133,331
Culture & Recreation	-	-	-	1,220,987	1,220,987
<b>Unassigned</b>					
General Government	8,269,206	-	-	-	8,269,206
Public Safety	-	-	-	(412,892)	(412,892)
Public Works	-	-	-	-	-
Community Development	-	-	-	-	-
Culture & Recreation	-	-	-	(499)	(499)
	<b>16,024,659</b>	<b>16,409,322</b>	<b>12,659,696</b>	<b>28,829,167</b>	<b>73,922,844</b>

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**9. Net Assets**

The government-wide and business types fund financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets net of related debt, restricted and unrestricted.

Investment in Capital Assets net of related debt is intended to reflect the portion of net assets which are associated with non-liquid, capital assets less outstanding less outstanding capital asset related debt.

Restricted assets for the City's bond issues, as defined in the associated bond covenants, are used for the payment of debt service (one-twelfth of principal, interest or both), and to fund reserve accounts to be used for final debt service payments. In addition, the City obtains loans from authorized State agencies for capital projects, the loan documents of which occasionally require a debt service fund containing capitalized interest used for semi-annual debt service payments, and a reserve fund for use as the final debt service payment. The City also has received privately donated endowment funds for the Southside Library, expenditure of which is limited to interest by the donor and by City resolution. Unrestricted Net Assets consist of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The City allocates expenses to restricted or unrestricted resources based on the budgeted source of funds. It is the City's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**10. Comparative Data/Reclassifications**

Comparative data for the prior year have been presented in MD&A in order for management to provide an explanation of significant changes between years. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**11. Use of Estimates**

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

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**II. Reconciliation of government-wide and fund financial statements**

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

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of the (\$129,212,877) difference are as follows:

Bonds Payable	\$ (100,495,000)
Plus: Bond premium/discount (to be amortized as interest expense)	(4,598,118)
Intergovernmental Notes Payable	<u>(18,736,291)</u>
Sub - Total	(123,829,409)
Compensated Absences	<u>(5,383,468)</u>
Net Adjustment to reduce <i>fund balance - total governmental funds</i>	<u><u>\$ (129,212,877)</u></u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balance – total governmental funds* and *changes in net assets of government activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The details of the \$1,754,386 are as follows:

Capital Outlay	\$ 13,392,473
Less: Capital Outlay-Inventory Exempt	(1,313,094)
Depreciation Expense	<u>(10,324,993)</u>
Net Adjustment to Increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 1,754,386</u></u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.” Neither transaction however has any effect on net assets. Also, governmental funds report the deferred and amortized amounts in the statement of activities. The details of this \$2,940,177 difference are as follows:



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Debt Issued or Incurred:	
Issuance of revenue bonds plus premium/discount	(16,558,786)
issuance of general obligation bonds plus premium/discount	(10,747,541)
Deferred bond costs	576,937
Principal Repayments:	
Revenue bond debt	6,920,000
General obligation bond debt	750,000
Revenue bond refunding	15,200,000
NMFA and HUD Loan agreement payments	919,213
Net Adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<b>\$ (2,940,177)</b>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$1,650,314 difference are as follows:

Compensated Absences	\$ 663,315
Interest Payable	(69,244)
Amortization of bond premiums	735,531
Amortization of deferred charges	320,712
Net Adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<b>\$ 1,650,314</b>

**III. Stewardship, compliance and accountability**

**A. Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. Depreciation is not budgeted for enterprise funds. All annual appropriations lapse at fiscal year end.

The City is required to submit a proposed budget, which has been approved by the governing body, for each fiscal year on or before June 1st with the State of New Mexico Local Government Division of the Department of Finance and Administration. Before July 1st, the Local Government Division approves and certifies an operating budget for use pending approval of the final budget. Prior to the first Monday in September, the Local Governmental Division must certify a final budget for the municipality.

The Local Government Division must also approve the following changes throughout the fiscal year:

1. budget increases;
2. transfers of budget between funds;
3. transfers of cash, both permanent and temporary, between funds; and

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4. any combination of the above.

New Mexico state law prohibits municipalities from making expenditures in excess of the approved expenditures. State law mandates that municipalities develop and operate within the confines of a balanced budget. The total amount which the governing body appropriates in any particular fiscal year cannot exceed the probable amount of money available at the beginning of the year (cash balance or reserves) plus anticipated revenues during the fiscal year. As required by the state, the City prepares a budget for all fund types.

The appropriated budget is prepared by fund, function and division. The City manager may approve requested transfers of appropriations within a fund for amounts less than \$30,000. Transfers of appropriations in excess of \$30,000 or between funds and all budget increases require the approval of the City council. The legal level of budgetary control (i.e. the level at which expenditure may not legally exceed appropriations) is at the function level for the general fund, the fund level for special revenue and capital improvement funds and at the division level for the proprietary funds. The City council approved supplemental budgetary appropriations during the fiscal year, primarily for new grant awards and additional project funds, which did not materially affect cash reserves of related funds.

Encumbrance accounting is employed in all funds. Encumbrances (purchase orders, contracts and other commitments for the expenditure of resources) outstanding at year end are carried forward to the new fiscal year and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

**B. Excess of expenditures/expenses over appropriations**

For the year ended June 30, 2011, expenditures/expenses exceeded appropriations in the following funds:

The ½ % Gross Receipts Tax Fund is reporting excess expenses over appropriation of \$113,089. The deficit was due to the City failing to budget the purchase of a building.

The Debt Service Fund is reporting excess expenses over appropriations of \$16,323,503. The deficit was caused by the fund being budgeted on a cash basis instead of GAAP basis.

The Parking Enterprise Fund is reporting excess expenses over appropriations of \$60,519. The deficit was caused by higher than anticipated gross receipts tax payments to the New Mexico Taxation and Revenue Department

The Waste Water Enterprise Fund is reporting excess expenses over appropriation of \$3,018,876. This deficit is due to current year depreciation which is a non budget item.

The Santa Fe Convention Center Fund is reporting excess expenses over appropriation of \$751,414. This deficit is due to current year depreciation which is a non budget item.

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The College of Santa Fe Fund is reporting excess expenses over appropriation of \$388,029. This deficit is due to current year depreciation which is a non budget item.

The Risk Management Fund is reporting excess expenses over appropriation of \$57,243. The deficit was caused by claims paid being greater than anticipated. The balance of the amount over-expended was recovered by available cash balance.

The Worker's Compensation Fund reported as an Internal Service Fund, is reporting excess of expenses over appropriations of \$212,024. The deficit was caused by the incurred but not reported (IBNR) cost which is a non-budgeted item. The balance of the amount over-expended was recovered by available cash balance.

The Union Sick Leave Bank Fund, reported as Internal Service Fund, is reporting excess of expenses over appropriations of \$156,432. The deficit was caused by the expenditure being budgeted in the employee's individual fund. The balance of the amount over-expended was recovered by available cash balance.

**C. Deficit fund equity**

The Municipal Recreation Complex, reported as an Enterprise Fund, has deficit fund equity of \$5,780,144 as of June 30, 2011. The deficit is the result of a portion of the bond proceeds being required for start-up costs, including capitalized interest and working capital. The deficit is expected to be recovered as a result of on-going operations.

The Special Projects Fund, reported as NEA grant, is reporting excess expenses over appropriations of \$499. This deficit was caused by expending prior years excess cash balance in fund. The balance was covered by available cash.

The Special Projects Fund, reported as a Capital Improvement Fund, has deficit fund balance of \$399,852, as of June 30, 2011. This deficit was caused by the implementation of a web based financial system costing more than anticipated. The balance of the amount over-expended will be covered by cost sharing with the enterprise for the cost of the difference modules implemented.

The Environmental Services Fund, reported as a Special Revenue Fund, has a deficit fund balance of \$13,040.

**IV. Detailed notes on all funds**

**A. Cash and Cash Equivalents**

At year-end, the carrying amount of deposits for the City of Santa Fe was \$100,743,339 and the year-end bank balance was \$100,480,945. The total of demand deposits and short term-term certificates of deposit were covered by Federal Depository Insurance, by collateral held by the City's agent in the City's name, by letters of credit from the Federal Home Loan Bank

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of Dallas purchased by the depository institution, or by collateral held at appropriate custodial banks as delivered by the depository institution for the various certificates of deposit and investment accounts other than those held by the City's agent bank. The City's sweep accounts, the underlying investments of which are U.S. Government securities, are not subject to collateralization requirements.

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2011 none of the City's deposits were exposed to custodial credit risk. The total of demand deposits and short-term certificates of deposit were covered by FDIC, by collateral held by the City's agent in the City's name, by letters of credit from the Federal Home Loan Bank of Dallas purchased by the depository institution, or by collateral held at appropriate custodial banks as delivered by the depository institution for certificates of deposit and investment accounts other than those held at the City's agent bank.

**B. Investments**

As of June 30, 2011, the City had the following investments and maturities:

	Fair Value	Maturities			
		Less than 1 year	1 - 3 years	3 - 5 years	5 - 7 years
U. S. Government Agency bonds	\$ 63,985,413	\$ 10,624,710	\$ 39,931,425	\$ 13,206,406	\$ 222,872
NM Municipal bonds	13,558,823	11,357,951	2,200,872	-	-
	<u>77,544,236</u>	<u>\$ 21,982,661</u>	<u>\$ 42,132,297</u>	<u>\$ 13,206,406</u>	<u>\$ 222,872</u>
Money Market Funds	9,032,028				
NM LGIP	803,748				
Total Investments	<u>\$ 87,380,012</u>				

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits portfolio maturities to five years or less, though investments held to accommodate debt reserve requirements may have longer maturities. It further manages exposure by limiting the weighted average maturity of its investment portfolio to less than one year. The New Mexico Local Government Investment Pool at June 30, 2011 had a weighted average maturity of 36 days.

*Credit Risk.* As a charter city, the City's investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The City's investment policy follows the State of New Mexico statute on public funds with certain further limitations. While State statute permits investing in commercial paper and corporate notes, the City limits its investments to securities issued by the U.S. government or its agencies, money market funds consisting of U.S. government and/or U.S. government-sponsored agency securities, repurchase agreements, New Mexico

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Local Government Investment Pool, and New Mexico municipal securities. Also in compliance with the City Council approved Investment Policy, the City does not purchase any municipal, U.S. agency or instrumentality, money market or other allowed investment carrying less than the investment grade ratings offered by Standard and Poor's, Moody's and/or Fitch.

With the demise of most bond insurance firms and the unprecedented bond market turmoil that began during FY 2007-2008, the use of municipal bond insurance as a means of providing municipalities with AAA ratings was severely curtailed. The City has adopted an investment policy of purchasing municipals with equivalent ratings of AA or above. The City monitors the municipals in its portfolio, and makes appropriate decisions regarding their retention as needed. Municipals made up 7.2% of the portfolio at the end of FY 10-11.

	<u>Fair Value</u>	<u>S&amp;P</u>	<u>Moody's</u>
Southern Sandoval County NM Arroyo Flood Control Bond	\$ 646,400	N/R	AA2
Albuquerque General Obligation	1,000,130	AAA	AA1
NM State Capital Projects	1,790,815	AA+	AAA
NM Transportation Revenue and Refunding Bond	2,012,100	AA+	AA1
Santa Fe County NM Gross Receipts Capital Outlay Bond	771,856	AA	AA1
Santa Fe Public School District	2,003,100	AA	AA1
NM Severance Tax Bond	1,300,104	AA	AA1
NM Severance Tax Bond	1,000,130	AA	AA1
NM Mortgage Finance Auth. Single Family Mortgage Bond	160,665	AAA	N/R
NM Mortgage Finance Auth. Single Family Mortgage Bond	173,249	AAA	N/R
NM Mortgage Finance Auth. Single Family Mortgage Bond	160,018	AAA	N/R
Albuquerque NM Gross Receipts Tax Refunding Bond	1,619,264	AAA	AA2
Los Alamos County NM Utility Bond	420,943	AA+	AA3
Albuquerque NM Gross Airport Revenue Bond	500,050	AA+	AA3
	<u>\$ 13,558,824</u>		

*Concentration of credit risk.* Concentration risk is the risk of loss attributed to the magnitude of the portfolio's investment in a single issuer. The City's investment policy specifies that the City shall diversify investments to avoid incurring unreasonable risk from concentrating investments in specific security types and individual financial institutions.

The following table lists the fair value of securities and money market/pools in the City's portfolio as of June 30, 2011 with their respective percentage distribution, weighted average maturity and ratings. In addition to municipals and US Treasuries, the City holds FFCB, FHLB, FHLMC, FNMA and GNMA agencies. The Wells Fargo Bank money market account serves as the repository for cash derived from matured securities and available proceeds are continuously reinvested into securities.

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<u>Investment</u>	<u>Agencies</u>		<u>WAM(Days)</u>	<u>Rating</u>
	<u>Fair Value</u>	<u>%</u>		
NM LGIP	\$ 803,748	0.92%	1	AAAm
WFB Adv. Govt. Money Market	9,032,028	10.34%	1	AAAm
US Agencies				
FFCB	7,605,780	8.70%	127	AAA
FHLB	8,618,565	9.86%	147	AAA
FHLMC	24,027,910	27.50%	115	AAA
FNMA	23,476,704	26.87%	130	AAA
GNMAs	256,454	0.29%	1994	AAA
NM Municipals - Taxable	3,034,188	3.47%	471	AAA
NM Municipals - Tax Exempt	10,524,635	12.04%	106	AAA
<b>TOTAL</b>	<b>\$ 87,380,012</b>	<b>100.00%</b>	<b>141</b>	

All securities owned by the City are held by Wells Fargo Bank as custodian for the City, and with the exception of municipal securities which carry their own rating, all securities are registered federal agency securities backed by the full faith and credit of the federal government and rated AAA by Moody's and Standard and Poor's at June 30, 2011. The City invests in money market funds that contain only agency securities backed by the full faith and credit of the federal government. It has invested in the New Mexico Local Government Investment Pool (NMLGIP) which has the option of containing AAA corporate paper but the City itself does not hold any corporate paper, both in line with State of New Mexico statute. As of June 30, 2011, the NMLGIP no longer invested in either corporate paper or money markets, but limited its investments to U.S. Treasury Notes and bank accounts in response to participant risk concerns.

The City held uninsured deposits of \$88,145,532 at June 30, 2011, of which 62% resided at Wells Fargo Bank, the City's primary financial institution. All uninsured funds were collateralized in compliance with State of New Mexico statute.

	<u>Cash Balance</u>	<u>%</u>
Wells Fargo Bank	\$ 54,836,405	62.21%
First National Bank of Santa Fe	18,059,127	20.49%
Los Alamos National Bank	10,000,000	11.34%
Community Bank	5,250,000	5.96%
<b>Total Collateralized</b>	<b>\$ 88,145,532</b>	<b>100.00%</b>

The City expanded its cash accounts and certificates of deposit at local banks during the fiscal year as opportunities were presented, and at rates competitive with federal agency security yields. This increased the City's liquidity in response to the growing uncertainty of cash flow timing from securities. Changes in the financial market in response to falling US Treasury yields resulted in federal agencies offering more callable structures that have increasingly been redeemed on the first call date. This has increased the rate of turnover in the securities portion of the City's portfolio. Bank balances represented 50.2% of the total portfolio at June 30, 2011.

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**C. Receivables**

Receivables at June 30, 2011 for the City's individual major funds, non-major and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service	1/2% Gross Receipt Tax	Waste Water Mgmt	Water Mgmt	Solid Waste Mgmt	Railyard Property	Santa Fe Center	College of Santa Fe	Nonmajor and Other Funds	Total
Receivables:											
Taxes	\$ 9,487,954	\$ 52,345	\$ 2,572,580	\$ 317,754	\$ 1,266,283	\$ 317,686	\$ -	\$ -	\$ -	2,328,130	\$ 16,342,732
Grants	360,559	-	-	10,452	2,871,105	-	420,001	-	195,000	8,839,440	12,696,557
Accounts	-	-	-	2,592,437	9,118,099	2,276,662	-	-	-	293,923	14,281,121
Interest	15,092	32,226	-	31,561	126,733	13,671	1,203	31,738	16,070	183,780	452,074
Ambulance	4,293,041	-	-	-	-	-	-	-	-	-	4,293,041
Other	81,934	-	-	-	-	-	-	-	-	2,735,556	2,817,490
Gross Receivables	14,238,580	84,571	2,572,580	2,952,204	13,382,220	2,608,019	421,204	31,738	211,070	14,380,829	50,883,015
Less: Allowance											
Uncollectible:	(2,757,222)	-	-	(911,129)	(2,519,215)	(847,074)	-	-	-	(23,607)	(7,058,247)
Total Primary											
Government	\$ 11,481,358	\$ 84,571	\$ 2,572,580	\$ 2,041,075	\$ 10,863,005	\$ 1,760,945	\$ 421,204	\$ 31,738	\$ 211,070	\$ 14,357,222	\$ 43,824,768

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	Deferred
Land Sale Contract - (Special Revenue)	\$ 2,512,826
Special Assessments-(Special Revenue)	74,775
Grant-(Special Revenue)	14,552
Advance for construction (CIP fund)	66,324
HUD payment in advance (Debt service)	25,113
Reimbursement of Gas line extension - (General Fund)	43,779
Liquor Licenses - (General Fund)	41,300
Total Unearned Revenue for Governmental Funds	<u>\$ 2,778,669</u>

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**D. Capital assets**

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets not being Depreciated:				
Land	\$ 169,562,174	\$ 377,772	\$ -	\$ 169,939,946
Construction in Progress	17,132,182	9,524,337	(9,908,823)	16,747,696
Art	922,920	-	-	922,920
Total Capital Assets not being Depreciated	<u>187,617,276</u>	<u>9,902,109</u>	<u>(9,908,823)</u>	<u>187,610,562</u>
Capital Assets being Depreciated:				
Buildings and systems	54,376,522	3,484,397	-	57,860,919
Improvements	36,149,085	6,436,488	-	42,585,573
Equipment and Machinery	15,776,439	614,201	(17,210)	16,373,430
Furniture and Fixtures	866,014	-	-	866,014
Vehicles	20,274,332	1,118,921	(435,764)	20,957,489
Data Processing and Software	11,675,769	117,470	(57,442)	11,735,797
Traffic Signals	23,222,048	-	-	23,222,048
Streets	191,454,881	-	-	191,454,881
Bridges	2,109,269	-	-	2,109,269
Total Capital Assets being Depreciated	<u>355,904,359</u>	<u>11,771,477</u>	<u>(510,416)</u>	<u>367,165,420</u>
Less: Accumulated Depreciation for:				
Buildings	(10,934,300)	(1,468,411)	-	(12,402,710)
Improvements	(18,979,604)	(2,582,170)	-	(21,561,774)
Equipment and Machinery	(13,357,175)	(694,834)	16,243	(14,035,766)
Furniture and Fixtures	(519,988)	(47,041)	-	(567,029)
Vehicles	(13,131,698)	(1,696,237)	412,311	(14,415,624)
Data Processing and Software	(7,269,120)	(1,140,740)	57,450	(8,352,410)
Traffic Signals	(20,348,363)	(671,739)	-	(21,020,102)
Streets	(149,247,906)	(1,957,294)	-	(151,205,200)
Bridges	(365,711)	(79,666)	-	(445,377)
Total Accumulated Depreciation	<u>(234,153,865)</u>	<u>(10,338,132)</u>	<u>486,004</u>	<u>(244,005,992)</u>
Total Capital Assets being Depreciated	<u>121,750,494</u>	<u>1,433,345</u>	<u>(24,412)</u>	<u>123,159,428</u>
Governmental Activities Capital Assets	<u>\$ 309,367,770</u>	<u>\$ 11,335,454</u>	<u>\$ (9,933,235)</u>	<u>\$ 310,769,990</u>



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	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Business-type Activities:</b>				
Capital Assets not being Depreciated:				
Land	\$ 41,551,773	\$ -	\$ (3,291,215)	\$ 38,260,558
Water Rights	341,279	575,088	-	916,367
Construction in Progress	168,037,613	28,457,356	(18,815,762)	177,679,207
Art	185,971	-	-	185,971
Total Assets not being Depreciated	<u>210,116,636</u>	<u>29,032,444</u>	<u>(22,106,977)</u>	<u>217,042,103</u>
Capital Assets being Depreciated:				
Buildings and Structures	183,831,321	2,835,218	(29,060)	186,637,479
Improvements	67,178,233	15,248,176	-	82,426,409
Sewerlines and Utility Systems	102,198,821	693,967	(7,541)	102,885,247
Equipment and Machinery	20,132,570	572,161	(105,094)	20,599,637
Furniture and Fixtures	775,143	-	(1,094)	774,049
Vehicles	21,674,151	3,082,003	(65,316)	24,690,838
Intangible Plant	57,625	-	-	57,625
Data Processing and Software	3,375,153	35,764	(59,487)	3,351,430
Total Assets being Depreciated	<u>399,223,017</u>	<u>22,467,289</u>	<u>(267,592)</u>	<u>421,422,714</u>
Less Accumulated Depreciation for:				
Buildings and Structures	(29,740,639)	(4,380,339)	29,059	(34,091,919)
Improvements	(41,288,745)	(6,053,183)	-	(47,341,928)
Sewerlines and Utility Systems	(51,536,394)	(3,821,312)	2,152	(55,355,554)
Equipment and Machinery	(13,547,355)	(1,356,868)	94,694	(14,809,529)
Furniture and Fixtures	(733,412)	(11,447)	1,094	(743,765)
Vehicles	(14,057,767)	(1,618,248)	65,316	(15,610,699)
Intangible Plant	(57,625)	-	-	(57,625)
Data Processing and Software	(2,191,647)	(197,209)	59,483	(2,329,373)
Total Accumulated Depreciation	<u>(153,153,584)</u>	<u>(17,438,606)</u>	<u>251,798</u>	<u>(170,340,392)</u>
Total Capital Assets being Depreciated	<u>246,069,433</u>	<u>5,028,683</u>	<u>(15,794)</u>	<u>251,082,322</u>
Business-type Activities Capital Assets	<u>\$ 456,186,069</u>	<u>\$ 34,061,127</u>	<u>\$ (22,122,771)</u>	<u>\$ 468,124,425</u>

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Depreciation expense was charged to function/programs of the government as follows:

<b>Governmental Activities:</b>		
General Government	\$	1,715,744
Public Safety		943,648
Highways and Streets, excluding depreciation of general infrastructure assets		6,823,308
Community Welfare		257,391
Culture and Recreation		584,902
Subtotal		<u>10,324,993</u>
Capital Assets held by the City's Internal Service Funds are charged to the various functions based on their usage of the Assets		13,137
Total Depreciation Expense - Governmental Activities	<u>\$</u>	<u>10,338,130</u>
<b>Business - Type Activities:</b>		
Santa Fe Convention Center	\$	1,304,443
Parking Operations		460,822
Solid Waste Management		798,514
Waste Water Management		4,866,408
Water Management		5,335,188
Municipal Recreation Center		172,714
Genoveva Chavez Community Center		500,517
Airport		1,266,169
Transit Operations		729,676
Railyard		1,127,193
College of Santa Fe		876,962
Total Depreciation Expense - Business-Type Activities	<u>\$</u>	<u>17,438,606</u>

**Construction commitments:**

The City has active construction projects as of June 30, 2011. The projects include street and highway construction, parks and recreation, community welfare, municipal facilities, airport improvements, and water division facilities improvements, waste water management, rail yard infrastructure, parking, transit, general government, solid waste and GCCC community center. At year end the City's commitments with contractors are as follows:

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<b>Project</b>	<b>Spent to Date</b>	<b>Remaining Commitments</b>
Street and Highway Construction	\$ 34,449,799	\$ 6,371,507
Parks and Recreation	19,031,365	5,185,487
Municipal Facilities Improvements	8,569,136	12,533
Railyard Infrastructure	28,225,361	132,897
Airport Improvements	14,324,746	454,502
Community Welfare	2,185,815	388,102
Community Development	7,001,647	1,742,595
Water Division Improvements	28,161,045	6,142,179
Convention Center	62,321,640	152,218
General Government	203,141	19,707
GCCC Community Center	366,907	70,190
Total	<b>\$ 204,840,602</b>	<b>\$ 20,671,917</b>

The commitment for streets and highways is being financed by grants from Federal Highway Administration, New Mexico Highway and Transportation Department, New Mexico Department of Finance and Administration, gross receipts tax revenue bonds, and existing resources from aerial photo fund, sewer line extension fund, economic development fund and Tierra Contenta fund, the capital improvements project fund (CIP) and from the American Reinvestment and Recovery Act (federal stimulus money). The commitment for parks and recreation is being financed by a grant from New Mexico Department of Finance and Administration, gross receipt tax revenue bonds and from existing resources of general fund and the Tierra Contenta fund. The commitment for Municipal facilities is being financed by CIP re-allocations, and the ½% gross receipts tax fund. The commitment for the Railyard Infrastructure is being financed by GRT bonds and generated revenues. The commitment for the Airport is financed by the Federal Aviation Administration grants, bond issues, and from the New Mexico Highway and Transportation Department. Community welfare is being financed by grants from the New Mexico State Agency on Aging, gross receipts tax bonds (GRT), and CIP reallocations. Commitments for the Wastewater treatment facility are financed by sewer revenues and existing resources from the CIP reallocation fund. Commitments for the Water division are financed by gross receipts tax revenue bonds to be paid back from user fees, grants from state and federal agencies, and loans from the New Mexico Finance Authority. Commitment for the Convention Center is financed by loans from the New Mexico Finance Authority and transfers from the Convention Center-Lodgers Tax Fund. Solid Waste commitments are financed by revenue bonds and generated revenues.

**E. Endowment**

The City of Santa Fe Library Endowment fund, of which the \$250,000 principal must remain intact in perpetuity, was reinvested in a one-year certificate of deposit for this fiscal year. The principal is invested to generate distributable income for the Southside Public Library to be used for library operations and maintenance of the building.

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**F. Inter-fund receivables, payables, and transfers**

The composition of inter-fund balances as of June 30, 2011, is as follows:

General Fund			
Special Revenue Funds:			
Francise Fee	\$	711	\$ -
Environmental Services		67,033	-
NEA		499	-
Land Development		560,000	-
Capital Projects Funds			
Other CIP Projects		467,848	-
Enterprise Funds:			
Transit Bus System		930,718	-
Special Revenue Funds:			
General Fund		-	628,243
Capital Improvement Funds			
1/2% Gross Receipts Tax		-	280,000
Capital Projects Funds			
General Fund		-	467,848
Special Revenue Funds:			
Land Development		280,000	-
Enterprise:			
Water Management		10,624,545	-
Enterprise Funds			
General Fund:		-	930,718
Capital Project Funds:			
1/2% Gross Receipts Tax		-	10,624,545
Total All Funds	<b>\$</b>	<b>12,931,354</b>	<b>\$ 12,931,354</b>

Component Unit:

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Inter-fund transfers:

Transfer In From						
Fund Disbursing	General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise Funds	Total
General Fund	\$ -	\$ 4,261,809	\$ 3,000,000	\$ 48,384	\$ 805,553	\$ 8,115,746
Special Revenue	6,707,500	1,678,720	866,646	-	250,000	9,502,866
Capital Projects	31	1,131,000	3,343,516	1,837,106	193,455	6,505,108
Debt Service	-	1,137,346	11,138,383	16,676,014	-	28,951,743
Enterprise Funds	15,158	10,660,536	2,287,770	-	1,881,588	14,845,052
Total	\$ 6,722,689	\$ 18,869,411	\$ 20,636,315	\$ 18,561,504	\$ 3,130,596	\$ 67,920,515

Transfer Out To						
Fund Disbursing	General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise Funds	Total
General Fund	\$ -	\$ 6,707,500	\$ 31	\$ -	\$ 15,158	\$ 6,722,689
Special Revenue	4,261,809	1,678,720	1,131,000	1,137,346	10,660,536	18,869,411
Capital Projects	3,000,000	866,646	3,343,516	11,138,383	2,287,770	20,636,315
Debt Service	48,384	-	1,837,106	16,676,014	-	18,561,504
Enterprise Funds	805,553	250,000	193,455	-	1,881,588	3,130,596
Total	\$ 8,115,746	\$ 9,502,866	\$ 6,505,108	\$ 28,951,743	\$ 14,845,052	\$ 67,920,515

The City has numerous inter-fund transactions during the course of the fiscal year. These transactions are treated as follows:

1. Inter-fund services provided and used are accounted for as revenues and expenditures/expenses in the funds involved. These types of transactions include administrative overhead charges that are charged to various City departments for services that are being provided (data processing, accounting, personnel, etc.). This also includes insurance premiums charged to the various City departments by the City's Risk Management Fund which contracts with a third - party insurance carrier.
2. Inter-fund balances result from deficit cash balances and the loan from the ½% CIP GRT to the Water Management fund which it expects to collect in future years.
3. Transfers are used to 1) move revenues from the fund with collection authorization to where the resources are to be expended 2) move unrestricted general fund revenue to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amount provided as matching funds for various grant programs.

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**G. Leases**

Operating Leases

The City has operating leases for certain buildings, parking lots, towers, and data processing equipment. The operating leases are renewable annually contingent upon available appropriations. The total cost and minimum future lease payments are considered by management to be immaterial as of June 30, 2011.

Capital Leases

The City has entered into a lease agreement as lessee for financing the acquisition of exercise equipment for its recreation facilities. This lease qualified as a capital lease for accounting purposes and has been recorded as enterprise fund debt at the present value of its future minimum lease payments as of its inception date.

The assets acquired through this capital lease are as follows:

Equipment	\$ 85,680
Total	<u>\$ 85,680</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011, were as follows:

<u>Year Ending June 30, 2011</u>	<u>Enterprise Fund</u>
2012	\$ 30,316
2013	<u>30,316</u>
Total Minimum Lease Payment	60,632
Less: Amount Representing Interest	<u>(4,531)</u>
Present Value of Minimum Lease Payments	<u>\$ 56,101</u>

**H. Long-Term Debt**

Long-term debt of the city at June 30, 2011 consisted of revenue bonds payable solely from gross receipts tax revenues, revenue bonds payable solely from revenues of enterprise funds, general obligation bonds payable solely from property tax revenues, notes payable from gross receipts tax revenues, notes payable from lodger's tax revenues, notes payable from revenues of enterprise funds, capital leases, and compensated absences payable.

During FY 2010-11 the City issued three new bond issues: one governmental revenue bond, one general obligation bond and one enterprise revenue bond. On November 1, 2010 the City issued the General Obligation Bonds, Series 2010, in the par amount of \$10,300,000,

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maturing June 2030, and carrying interest rates from 2.50% to 4.00%. These bonds were voter approved in 2008 in the aggregate amount of \$30,300,000 to fund parks improvements, but the bonds were issued in two phases – the Series 2010 bonds being the second phase.

On December 14, 2010 the City issued the Gross Receipts Tax Refunding Revenue Bonds, Series 2010A, to be used to advance refund the Gross Receipts Tax Improvement Revenue Bonds, Series 2002. The 2010A bonds were issued in the par amount of \$15,005,000, maturing June 2015, and carrying interest rates from 2.00% - 5.00%.

On December 14, 2010 the City issued the Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2010B, to be used to refund both the New Mexico Finance Authority Railyard Tax Exempt Loan #7 and Railyard Tax Exempt Loan #15A. The 2010B bonds were issued in the par amount of \$10,490,000, maturing June 2026, and carrying interest rates from 3.00% - 5.00%.

Total City revenue bonded debt including governmental and business-type debt is as follows:

Purpose	Interest Rates	Amount
Governmental Activities	2.00 - 5.50%	\$ 71,545,000
Business - Type Activities	3.25 - 6.00%	206,040,000
		<u><u>\$ 277,585,000</u></u>

Annual debt service requirements for the City's revenue bonds to maturity are as follows:

Years Ended June 30	Governmental Activities		Business - Type Activities	
	Principal	Interest	Principal	Interest
2012	\$ 7,250,000	\$ 3,308,894	\$ 7,340,000	\$ 9,575,924
2013	6,715,000	3,018,894	7,700,000	9,314,849
2014	6,820,000	2,807,856	8,365,000	9,022,911
2015	7,130,000	2,475,763	8,875,000	8,693,736
2016	7,500,000	2,140,263	9,340,000	8,348,499
2017-2021	31,065,000	5,628,388	54,670,000	35,730,266
2022-2026	5,065,000	265,913	40,775,000	24,614,988
2027-2031	-	-	25,190,000	16,930,578
2032-2036	-	-	27,675,000	9,442,843
2037-2041	-	-	16,110,000	2,342,360
<b>Total</b>	<u><u>\$ 71,545,000</u></u>	<u><u>\$ 19,645,969</u></u>	<u><u>\$ 206,040,000</u></u>	<u><u>\$ 134,016,953</u></u>

The City of Santa Fe, New Mexico, Gross Receipts Tax (Subordinate Lien) Wastewater Systems Variable Rate Revenue Bonds, Series 1997B, maturing June 2022, are the only variable rate bonds issued by the City. The Series 1997B variable rate interest is payable monthly and is remarketed weekly, with a weekly interest rate being established for each remarketing period. During the period July 1, 2010, through June 30, 2011, the weekly interest rates ranged from .10% to .35%. The interest rate at June 30, 2011 was .10%. Debt service interest savings in FY 10-11 was \$794,798.

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Total City general obligation debt consisted of governmental debt as follows:

<b>Purpose</b>	<b>Interest Rates</b>	<b>Amount</b>
Governmental Activities	2.50 - 5.00%	\$ 28,950,000
		<b>\$ 28,950,000</b>

Annual debt service requirements for the City's general obligation bonds to maturity are as follows:

<b>Years Ended</b>	<b>Governmental Activities</b>	
	<b>June 30</b>	<b>Principal</b>
2012	\$ 1,240,000	\$ 1,105,258
2013	1,200,000	1,065,870
2014	1,245,000	1,025,001
2015	1,295,000	980,501
2016	1,345,000.00	934,264
2017-2021	7,580,000	3,874,829
2022-2026	9,315,000	2,178,780
2027-2031	5,730,000	335,531
2032-2036	-	-
2037-2040	-	-
	<b>\$ 28,950,000</b>	<b>\$ 11,500,033</b>

Notes payable – Primary Government

During fiscal year 2007-2008 the City secured two loans from NMFA to partially fund construction of a regional water system upgrade.

Note payable to NMFA issued on November 2, 2007, for the amount of \$200,000 at 0% interest with a maturity date of June 2027 in conjunction with a \$1,800,000 grant, to partially fund construction of the Buckman Direct Diversion Water Project. Per the joint powers agreement between the City of Santa Fe and the County of Santa Fe governing the Buckman Direct Diversion Project, the City is responsible for 50% of the loan.

Note payable to NMFA issued on May 16, 2008, for the amount of \$15,150,000 at 2.00% interest with a maturity date of June 2029 from the Drinking Water State Revolving Loan Fund, to partially fund construction of the Buckman Direct Diversion Water Project. The Drinking Water loan is recognized as an intergovernmental payable as funds are drawn down.

During fiscal year 2008-2009 the City secured two additional NMFA loans to partially fund construction of water system upgrades, including the Buckman Direct Diversion Water Project.



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Note payable to NMFA issued on March 27, 2009, for the amount of \$800,000 at 0% interest with a maturity date of June 2029, in conjunction with a \$3,200,000 grant, to partially fund construction of the Buckman Direct Diversion Water Project. Per the joint powers agreement between the City of Santa Fe and the county of Santa Fe governing this project, the City is responsible for 50% of the loan.

Note payable to the NMFA issued June 12, 2009, for the amount of \$400,000 at 0% interest with a maturity date of June 2029, in conjunction with a \$1,600,000 grant, to partially fund an upgrade of the Canyon Road Treatment Plant. Under terms of the loan, since no program funds were drawn to reimburse costs prior to the end of the fiscal year, it was not included in long term debt until FY 2009-2010.

During fiscal year 2009-2010 the City secured two additional loans from NMFA for a water conservation program and additional upgrades to the Canyon Road Treatment Plant.

Note payable to NMFA issued May 7, 2010, for the amount of \$800,000 at 0% interest with a maturity date of June 2030, in conjunction with a \$3,200,000 grant, to partially fund an upgrade of the Canyon Road Treatment Plant.

Note payable to NMFA issued June 4, 2010, for the amount of \$127,500 at 1.0% interest with a maturity date of June 2030, in conjunction with a \$297,500 grant, to partially fund a water conservation program.

During fiscal year 2010-2011 the City recorded six additional loans from NMFA for various water-related purposes. While certain of these loans were awarded earlier, they were not drawn on until FY 10-11, and under the terms associated with these loans were not recorded as outstanding long term debt until drawn.

Note payable to NMFA issued January 15, 2010, for the amount of \$141,400 at 2.0% interest with a maturity date of June 2030, to partially fund a photovoltaic system for the Buckman Direct Diversion Project.

Note payable to NMFA issued April 2, 2010, for the amount of \$161,807 at 2.0% interest with a maturity date of June 2031, to partially fund a micro-hydroelectric generation facility.

Note payable to NMFA issued June 4, 2010, for the amount of \$210,777 at 1.0% interest with a maturity date of June 2031, in conjunction with a \$491,813 grant, to partially fund a micro-hydroelectric generation project.

Note payable to NMFA closed May 7, 2010, for the amount of \$264,892 at .25% interest with a maturity date of June 2020, in conjunction with a \$1,059,568 grant, to partially fund a watershed management project.

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Note payable to NMFA closed August 13, 2010, for the amount of \$250,000 at 2.0% interest with a maturity date of June 2032, to partially fund upgrades to the City's water utility system including instrumentation of pumping sites.

Note payable to NMFA closed May 6, 2011, for the amount of 800,000 at .25% interest with a maturity date of June 2031, in conjunction with a \$3,200,000 grant, to partially fund construction costs of the Buckman Direct Diversion Water Project. Per the joint powers agreement between the City of Santa Fe and the County of Santa Fe governing the Buckman Direct Diversion Water Project, the City is responsible for 50% of the loan.

The following represents the status of the water loans as of June 30, 2011.

Buckman Loan	\$ 64,819
Drinking Water Loan	13,891,078
Buckman Loan	332,518
Canyon Rd Treatment Plant	360,895
Canyon Rd Treatment Plant	760,942
Water Conservation	122,081
Electrical System Upgrade	136,582
Water Upgrade	210,777
Micro-Hydroelectric Facility	161,807
Watershed Management	216,300
Green Energy Efficiency	132,602
Buckman Loan	<u>800,000</u>
	\$17,190,401
Less: Current Portion	<u>(850,571)</u>
Total Long Term Notes Payable	\$16,339,830
Less: Cash in Trust	<u>(8)</u>
Total LT Notes Payable Less Cash in Trust	<u><u>\$16,339,822</u></u>

During fiscal year 2004-2005 the City secured two loans from NMFA for the purpose of infrastructure improvements to the Railyard property. The loans are to be repaid from rental revenues of the Railyard Development Enterprise fund.

Note payable to NMFA issued on September 24, 2004 for the amount of \$579,025 at 5.10% interest with a maturity date of May 2024 for infrastructure improvements related to electric, gas and telecommunication utilities at the Railyard Redevelopment Project property.

Note payable to NMFA issued on September 24, 2004 for the amount of \$5,107,652 at 3.987% interest with a maturity date of May 2024 for infrastructure improvements related to water and waste water, streets, drainage and traffic at the Railyard Redevelopment Project property.

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During fiscal year 2006-2007 the City secured two additional loans from NMFA for the purpose of infrastructure improvements to the Railyard property. The loans are to be repaid from rental revenues of the Railyard Development Enterprise Fund.

Note payable to NMFA issued on October 20, 2006 for the amount of \$7,642,231 at 4.273% interest with a maturity date of October 2026 for infrastructure improvements related to electric, gas and telecommunications utilities at the Railyard Development Project property.

Note payable to the NMFA issued on October 20, 2006 for the amount of \$892,227 at 5.985% interest with a maturity date of October 2026 for infrastructure improvements related to water and waste water, streets, drainage and traffic at the Railyard Development Project property.

During fiscal year 2010-2011 the City refunded the NMFA Railyard Tax Exempt Loan #7 in the principal amount of \$4,493,002, and the NMFA Railyard tax Exempt loan #15A in the principal amount of \$7,321,292, through the issuance of the Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2010B.

The following represents the status of the railyard loans as of June 30, 2011.

Railyard Infrastructure #8	\$ 488,888
Railyard Infrastructure #15B	826,148
Total Notes Payable	\$ 1,315,036
Less: Current Portion	(63,660)
Total Long Term Notes Payable	\$ 1,251,376
Less: Cash in Trust	(52,750)
Total LT Notes Payable Less Cash In Trust	\$ 1,198,626

During fiscal year 2009-2010 the City secured a loan from NMFA for the acquisition and improvement of land, buildings and other real property owned by the College of Santa Fe. The City, in conjunction with the State of New Mexico, the New Mexico Finance Authority, the LaSalle Christian Brothers (who founded the college), Laureate Education, Inc., and a number of other affected parties, negotiated an arrangement whereby, among other things, the City would purchase the facilities and make certain essential upgrades, the College's prior debt would be relieved, and Laureate Education, Inc., would lease and manage the college. The long-term lease with Laureate requires the payment of rent to the City sufficient to cover the debt service on the NMFA loan. The City has retained the right to sell the property subject to Laureate Education, Inc., having the right of first offer, right of first refusal and purchase option.

Note payable to NMFA issued September 14, 2009, for the amount of \$29,615,000 at a 6.889% average interest with a maturity date of June 2036, for the purpose of purchasing the facilities of the College of Santa Fe.

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During fiscal year 2010-11 the name of the college was officially changed from the College of Santa Fe to the Santa Fe University of Art and Design.

The following represents the status of this loan as of June 30, 2011.

Santa Fe University of Art & Design	\$ 29,000,000
Total Notes Payable	<u>\$ 29,000,000</u>
Less: Current Portion	<u>(630,000)</u>
Total Long Term Notes Payable	\$ 28,370,000
Less: Cash in Trust	<u>(9)</u>
Total LT Notes Payable Less Cash In Trust	<u><u>\$ 28,369,991</u></u>

During fiscal year 2004-2005 a loan from NMFA was secured for the purpose of purchasing fire vehicles. The loan is to be repaid from State Fire Fund grant revenues utilizing a debt service fund held by NMFA.

Note payable to NMFA issued on January 14, 2005 for the amount of \$1,166,667 at 2.427% interest with a maturity date of May 2013 for the purpose of purchasing fire engines.

During fiscal year 2005-2006 the City secured an additional loan from NMFA for the purpose of constructing a parking garage on the Railyard property. The Railyard Parking Garage loan will be repaid from parking revenues and a 1/16<sup>th</sup> gross receipts tax.

Note payable to NMFA issued on March 28, 2006 for the amount of \$14,986,587 at 4.326% interest with a maturity date of June 12, 2036 for the construction of a parking garage on the Railyard property.

During fiscal year 2008-2009 the City secured an additional loan from NMFA for the purpose of purchasing land for City facilities. The Land Acquisition loan will be repaid from the 1/2% gross receipts tax.

Note payable to NMFA issued August 1, 2008, for the amount of \$3,610,000 at 4.316% interest with a maturity date of June 1, 2028 for the purchase of land for City purposes.

The NMFA notes represent balances available to the City for capital projects. For most of these loans, the City makes payments on the entire amount of the note even if the entire balance has not been drawn. The exceptions to this are drinking water loans (which are Federal) and State Water Trust Board loans, both handled through NMFA, for which debt service schedules are not finalized until all funds have been drawn. NMFA loans not drawn are kept in a trust account held by NMFA on behalf of the City and are applied to principal if the money is not drawn by a specified period.

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On July 1, 2004 the City's Economic Development Department entered into a loan agreement with the U.S. Department of Housing and Urban Development for the amount of \$300,000 at 3.10% with a maturity date of August 2024. The purpose of the loan is to finance a business incubator.

On January 5, 2010, the City purchased a tract of land from the Santa Fe Public Schools for \$840,000. This was funded with a \$280,000 down payment and a two year real estate loan agreement requiring annual principal payments of \$280,000 with annual interest at 1.78%.

The following represents the status of the NMFA Fire Vehicle, Parking Garage and Land Acquisition loans, the HUD loan, and the Santa Fe Public Schools loan as of June 30, 2011.

Fire Vehicles	\$ 312,464
Parking Garage Loan	14,651,594
Land Acquisition	3,249,233
HUD Section 108	243,000
Santa Fe Public Schools	<u>280,000</u>
Total Notes Payable	\$ 18,736,291
Less: Current Portion	<u>(938,688)</u>
Total Long Term Notes Payable	\$ 17,797,603
Less: Cash in Trust	<u>(159,191)</u>
Total LT Notes Payable Less Cash In Trust	<u>\$ 17,638,412</u>

The debt service requirements to maturity for long term notes payable at June 30, 2011 are as follows:

Years Ended June 30	Governmental Activities		Business - Type Activities	
	Principal	Interest	Principal	Interest
2012	\$ 938,688	\$ 752,830	1,578,178	\$ 1,917,799
2013	680,127	726,826	1,551,341	1,887,536
2014	539,867	704,160	1,588,643	1,851,214
2015	559,223	684,850	1,626,763	1,812,105
2016	579,761	664,369	1,675,435	1,768,501
2017-2021	3,251,704	2,970,517	9,155,296	8,067,684
2022-2026	3,947,688	2,254,773	10,681,944	6,403,270
2032-2036	3,957,539	1,387,198	10,302,887	4,241,886
2037-2040	4,281,694	560,435	9,345,000	1,768,495
<b>Total</b>	<b>\$ 18,736,291</b>	<b>\$ 10,705,958</b>	<b>\$ 47,505,487</b>	<b>\$ 29,718,490</b>

Advance and current refunding

During fiscal year 2010-2011 the City issued both an advance refunding bond issue and a refunding bond issue.

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On December 14, 2010, the City of Santa Fe issued the \$15,005,000 Gross Receipts Tax Refunding Revenue Bonds, Series 2010A, for the purpose of advance refunding in full the City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2002. Proceeds from the 2010A bonds were used to purchase Federal securities necessary and sufficient to pay the refunded bond requirements. Said securities, earnings, and related cash were deposited in a separate and special trust fund. The Series 2002 bonds are hereby considered to be defeased and the liability has been removed from the City's long term debt. This advance refunding was undertaken to allow the City to achieve a reduction in total debt service payments over five years of \$704,633 and resulted in an economic gain of \$686,338.

On December 14, 2010, the City of Santa Fe issued the \$10,490,000 Subordinate lien Gross Receipts Tax Refunding Revenue Bonds, Series 2010B, for the purpose of refunding the 2004 New Mexico Finance Authority Railyard Loan (tax exempt) and the 2006 New Mexico Finance Authority Railyard Loan (tax exempt). The refunding was undertaken to allow the City to achieve a reduction in total debt service payments over sixteen years of \$1,138,025 and resulted in an economic gain of \$658,660.

Changes in long-term liabilities

The changes in long-term debt during the year ended June 30, 2011, are as follows:

New Mexico Finance Authority Loans	18,834,504	-	(621,213)	18,213,291	640,688
Santa Fe Public School Loan	560,000	-	(280,000)	280,000	280,000
HUD Section 108	261,000	-	(18,000)	243,000	18,000
Add. Deferred Amount (prem./disc.)	3,306,384	1,969,627	(677,893)	4,598,118	850,649
Compensated Absences	6,673,143	1,785,352	(2,225,817)	6,232,678	769,863
Governmental Activity	<b>127,695,031</b>	<b>29,059,979</b>	<b>(26,692,923)</b>	<b>130,062,087</b>	<b>11,049,200</b>
<b>Business - Type Activities:</b>					
Convention Center Bonds	48,600,000	-	(1,035,000)	47,565,000	1,085,000
Water Revenue Bonds	105,310,000	-	(2,845,000)	102,465,000	2,950,000
Wastewater Revenue Bonds	24,535,000	-	(1,365,000)	23,170,000	1,490,000
Solid Waste Revenue Bonds	12,455,000	-	(720,000)	11,735,000	760,000
Municipal Recreation Complex Revenue	11,645,000	-	(790,000)	10,855,000	825,000
Railyard Refunding Bonds	-	10,490,000	(240,000)	10,250,000	230,000
New Mexico Finance Authority Loans	59,086,893	1,689,129	(13,270,535)	47,505,487	1,544,231
Add. Deferred Amount (prem./disc.)	5,590,825	1,124,802	(347,385)	6,368,242	380,005
Compensated Absences	2,409,006	274,186	(695,027)	1,988,165	288,529
Capital Leases	-	85,680	(58,119)	27,561	27,561
Business - Type Activity	<b>\$ 269,631,724</b>	<b>\$ 13,663,797</b>	<b>\$ (21,366,066)</b>	<b>\$ 261,929,455</b>	<b>\$ 9,580,326</b>

Internal Service Funds predominantly serve governmental funds. Accordingly, long-term liabilities for these are included as part of the above totals for governmental activities. At year end, \$79,347 of internal service funds compensated absences is included in the above

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amounts. The amount \$769,863 of compensated absences, due within sixty days after year end is recorded within current liabilities in the governmental funds balance sheet statement, which is based on employees terminations and retirements. This is also the amount of compensated absences due within one year displayed as “long-term liabilities, due within one year” for the governmental activities on the government-wide statement of net assets

Defeased Debt

In prior years, the City defeased certain revenue and other bonds by placing the proceeds of the new bonds in a irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City’s financial statements. As of June 30, 2011 \$15,100,000 of outstanding bonds were considered defeased.

**I. Segment information**

Segment information reflects an activity reported as an enterprise fund or another stand-alone entity for which one or more revenue bonds or other revenue-backed debt instruments are outstanding based on a specific identifiable revenue stream pledged in support of the bonds. The City has five such enterprise funds: Waste Water Management, Water Management, Santa Fe Convention Center, Solid Waste Management and the Municipal Recreation Complex (MRC). Waste Water Management, Water Management, Solid Waste Management, and Santa Fe Convention Center are all reported as major funds. Financial segment information for the non-major enterprise fund for Fiscal Year Ended June 30, 2011 is as follows:

**Condensed Statement of Net Assets June 30, 2011**

	<b>MRC</b>
<b>Assets:</b>	
Current Assets	\$ 480,731
Capital Assets	5,297,800
Total Assets	5,778,531
<b>Liabilities:</b>	
Current Liabilities	1,283,553
Noncurrent Liabilities	10,275,122
Total Liabilities	11,558,675
<b>Net Assets:</b>	
Invested in Capital Assets Net of Related Debt	(5,781,911)
Unrestricted	1,767
Total Net Assets	\$ (5,780,144)

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**Condensed Statement of Revenues, Expenses, and changes in Net Assets June 30, 2011**

	<u>MRC</u>
User Fees	\$ 1,159,308
Depreciation	(172,714)
Other Operating Expense	<u>(1,176,418)</u>
Operating Income	(189,824)
Nonoperating Revenues (expenses):	
Investment Earnings	4,674
Intergovernmental	-
Interest Expense	(4,674)
Other Nonoperating Revenue/(Expenses)	17,286
Operating Transfers In/Out	<u>848,952</u>
Total Nonoperating Revenues (expenses)	<u>866,238</u>
Change in Net Assets	676,414
Beginning Net Assets	<u>(6,456,558)</u>
Ending Net Assets	<u><u>\$ (5,780,144)</u></u>

**Condensed Statement of Cash Flows June 30, 2011**

	<u>MRC</u>
Net Cash Provided (used) by:	
Operating Activities	\$ 240,695
Noncapital Financing Activities	848,952
Capital and Related Financing Activities	(1,577,823)
Investing Activities	<u>6,591</u>
Net Increase (decrease)	(481,585)
Beginning Cash and Cash Equivalents	<u>481,585</u>
Ending Cash and Cash Equivalents	<u><u>\$ -</u></u>



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**V. Other information**

**A. Risk management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries various insurance. The City administers its insurance coverage through the Risk Management Office. The Risk Management Fund, Santa Fe Health Fund/Dental Fund, and Worker's Compensation Fund are reported as Internal Service funds. Premiums are paid into the funds by all other funds and available to pay claims, claim reserves, and administrative costs of the programs. The City purchases commercial insurance for claims in excess of coverage provided by the funds and for other risks of loss. The City has had no significant reduction in insurance coverage from the prior year and, as of June 30, 2011; such inter-fund premiums did not exceed reimbursable expenditures.

The Risk Management Fund accounts for general liability, auto liability, public official errors and omissions and law enforcement liability through independent conventional insurance carriers. The City is self-insured for the first \$100,000 per public official errors and omissions and the first \$50,000 for general and auto liability claims and law enforcement liability claims.

The Santa Fe Health/Dental Fund accounts for the self-insured program for employee health and major medical benefits. Claims are handled by a professional third-party claims administrator. The City maintains specific stop loss coverage for individual claims in excess of \$225,000 and aggregate coverage of cumulative claims in excess of 125% of expected claims.

The Workers' Compensation Fund accounts for the self-insured program and for worker's compensation coverage. Claims are handled by a professional, third-party claims administrator. The City maintains specific stop loss coverage for individual claims in excess of \$500,000 with a \$1,000,000 statutory limit.

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage award. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimated. An excess coverage insurance policy covers

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individual claims in various levels. Settlements have not exceeded coverages for each of the past three fiscal years.

Union Sick Leave Bank accounts for donations of leave from union employees to support other union employees in need of leave.

Changes in the balances of claims liabilities during the past two years are as follows:

	<b>Beginning of Fiscal Year Liability</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claims Payment</b>	<b>Balance at Fiscal Year End</b>
<b>2009 - 2010</b>				
Risk Management Fund	\$ 2,473,235	\$ 744,785	\$ 1,061,575	\$ 2,156,445
Santa Fe Health Fund	888,427	12,008,250	12,447,417	449,260
Workers' Compensation Fund	2,883,519	2,005,451	1,059,293	3,829,677
Santa Fe Dental Fund	-	563,272	563,272	-
	<b>\$ 6,245,181</b>	<b>\$ 15,321,758</b>	<b>\$ 14,568,285</b>	<b>\$ 6,435,382</b>
<b>2010- 2011</b>				
Risk Management Fund	\$ 2,156,445	\$ 1,579,406	\$ 1,579,406	\$ 2,156,445
Santa Fe Health/Dental Fund	449,260	14,168,004	14,168,004	449,260
Workers' Compensation Fund	3,829,677	1,129,659	1,129,659	3,829,677
	<b>\$ 6,435,382</b>	<b>\$ 16,877,069</b>	<b>\$ 16,877,069</b>	<b>\$ 6,435,382</b>

**B. Contingent liabilities**

The City receives significant financial assistance from federal and state sources in the form of grants and entitlements. The disbursements of the funds received are generally limited to specific compliance requirements as specified in the grant agreement. During the period under audit, the City also had its grants audited under the audit requirements of the Office of Management and Budgets Circular A-133 and the U. S. Department of Housing and Urban Development. The Federal agencies reserve the right to review the scope of the audit and conduct a follow-up review if deemed necessary. Any disallowed claims resulting from such audits could become a liability of the general fund or any other applicable City fund. The City, however, believes that liabilities resulting from disallowed claims, if any, would not have a material effect on the City's financial position at June 30, 2011.

The City Attorney's Office is involved in several legal actions arising from the ordinary course of operations. With respect to these actions, the City Attorney's Office believes the outcomes will not have a material adverse effect on the City's financial position.

**C. Jointly governed organizations**

Under authorization of the New Mexico State Statute 11-1-1, the City of Santa Fe joined the County of Santa Fe to jointly undertake their powers to dispose of solid waste as mandated

**City of Santa Fe, New Mexico**  
**Notes to the Financial Statements**  
**June 30, 2011**

by State and Federal regulations and provide a more efficient and cost-effective method of solid waste disposal to the City and County citizens. The Solid Waste Management Agency was established February, 1995, as a public entity separate from the City or the County. The Board of Directors for the joint venture consists of three members who are appointed by the City's mayor with the approval of the City Council and three members who are appointed by the Board of County Commissioners. The Agency is charged to comply with all laws, rules, and regulations of operations under the permit issued from the New Mexico Environmental Department.

The Agency has its own financial statements as a separate entity, audited on an annual basis. The City serves as the fiscal agent. Completed financial statements for the Agency may be obtained at the Santa Fe Solid Waste Management Agency, 149 Wildlife Way, Santa Fe, NM 87506.

Under a joint powers agreement for the Buckman Direct Diversion Project (BDD) dated January 11, 2005, the City of Santa Fe joined the County of Santa Fe to design and construct the BDD project in order to divert surface water from the Rio Grande River to the independent water systems of the City and County. The City and County each own 50% of the BDD project and have established a board to oversee the planning, procurement, financing, permitting, design, construction, operations and management of the BDD project. The BDD Board is comprised of two members of the governing body of the City of Santa Fe, two members of the Board of Santa Fe County Commissioners and one citizen member at large appointed by a majority vote of the four other members. The project is essentially complete as of December, 2010. First water delivery was approved to enter the Santa Fe region water systems as of January 2011 by the New Mexico Environment Department. The City of Santa Fe and Santa Fe County are responsible on an ongoing basis for financial and operating costs of the system. The City is a fiscal agent for the project through a project management and fiscal services agreement in effect through December 2015. Fiscal services include maintaining separate books and accounts of all transactions that relate to the project including third party transactions. Total estimated costs of the project are \$216.3 million. The City's share of construction costs are included in amounts reported as construction in progress in the City's Water Management Fund and total \$99,160,342 as of June 30, 2011. The BDD project has its own financial statements and is audited on an annual basis. Completed financial statements for the BDD project may be obtained at the City of Santa Fe, 200 Lincoln Street, Santa Fe, NM 87505.

**D. Post-employment benefits- State Retiree Health Care Plan**

Plan Description. The City contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit post employment 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

**City of Santa Fe, New Mexico**  
**Notes to the Financial Statements**  
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the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement ; or (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 member 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 post employment healthcare plan. The report and further information can be obtained in writing to the Retiree Health Care Authority at 4308 Carlisle Blvd. 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](http://www.nmrhca.state.nm.us).

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of the 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 .833% of their salary. In fiscal years ending June 30, 2012 through 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:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY12	1.834%	.917%
FY13	2.000%	1.000%

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

**City of Santa Fe, New Mexico**  
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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 NMSA1978]), during the fiscal year ended June 30, 2011, the statute required each participating employer to contribute 2.084% of each participating employee's annually 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:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY12	2.292%	1.146%
FY13	2.500%	1.25%

Also employers joining the program after January 1, 1998 are required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

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

The City's contributions to RHCA for the years ending June 30, 2011, 2010, and 2009 were \$ 1,118,457, \$809,730, and \$821,765, equal to the required contribution.

**E. Pension plan – Public Employers Retirement Association**

**Plan Description.** Substantially all of the City's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multi-employer defined benefit retirement plan. The plan provides 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. The report may be obtained by writing to PERA, P. O. Box 2123, Santa Fe, New Mexico 87504 – 2123.

**Funding Policy.** State statutes require that plan members who are police officers contribute 16.30% of their gross salary, fire fighters contribute 16.20% and regular employees contribute 13.15%. The City is required by state statute to contribute as follows:

- 1) 21.25% of fire fighters' salaries, however, as an employee benefit, the City elected to contribute 33.40% to the fire fighters' 4.050% contribution.

**City of Santa Fe, New Mexico**  
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2) 9.15% of regular employee salaries, however, as an employee benefit, the City elected to adopt the 75% pick-up provision allowed by state statute thereby contributing 19.0125% to the regular employees' 3.2875% contribution.

3) 18.5% of police officer's salaries, however, as an employee benefit, the City elected to contribute 26.65% to the police officers' 8.15% contribution.

The contribution requirements of plan members and the City are established in State statute under Chapter 10 Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The City's contributions to PERA for the years ending June 30, 2011, 2010, 2009, were \$13,677,127, \$13,628,516, \$13,456,692, equal to the required contribution.

**F. Conduit debt obligations**

The City of Santa Fe has issued Industrial Revenue Bonds to provide financial assistance to private-sector and not-for-profit entities for the acquisition and construction of industrial, commercial, educational, and health care facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received from the entities involved. Upon repayment of the bonds, ownership of the acquired facilities transfers to the entity served by the bond issuance. Neither the City or the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2011, there were four series of Industrial Revenue Bonds authorized and outstanding, of which two were issued prior to July 1, 1995. No new IRBs were issued in FY 2010-2011.

As of the beginning of FY 10-11, there were three outstanding series of Single Family Mortgage Revenue Bonds: Series 1995A in the amount of \$1,700,000, Series 1995B1 in the amount of \$775,000, and Series 1995B2 in the amount of \$2,472,700. The original aggregate principal amount of these issues was \$30,500,000. The first series, Single Family Mortgage Revenue Bonds (FNMA and GNMA Mortgage Backed Securities Program), Series 1995A, was for the purpose of acquiring single pool guaranteed mortgage pass-through securities guaranteed by the Federal National Mortgage Association. Series 1995B1 and 1995B2 Single Family Mortgage Revenue Bonds were for the purpose of financing a single family mortgage loan program with the City.

On August 30, 2010 the City exercised the optional redemption on all three outstanding Single Family Mortgage Revenue Bond issues. All FNMA securities that were held to provide for the payment of the outstanding bonds were liquidated. On September 20, 2010 the remaining outstanding debt on these bonds was extinguished in the amount of \$1,700,000 of principal for Series 1995A, \$775,000 of principal for Series 1995B1, and \$2,472,700 of principal of Series 1995B2, along with related accrued interest.

**City of Santa Fe, New Mexico**  
**Notes to the Financial Statements**  
**June 30, 2011**

**G. Subsequent Events**

On July 19, 2011, St. John's College closed on an Educational Facility Revenue Bond, Series 2011, in the principal amount of \$8,310,000 with an interest rate of 4.1% and maturing July 2028. Proceeds are to be used for new dormitory facilities on the campus. This is the first conduit bond the City has closed on in several years.

On August 5, 2011, the City closed on a Water Trust Board grant/loan through the New Mexico Finance Authority in the amount of \$1,500,000, maturing in June 2031, consisting of a loan of \$300,000 with a 0% interest rate and a .25% administrative fee, and a grant of \$1,200,000. These proceeds will be used for partial funding of improvements to two reservoirs.

On September 30, 2011, the City entered into a lease as lessee for the financing of telephone and voice mail equipment for City facilities. This lease qualifies as a capital equipment lease for accounting purposes. The lease has a five year term with a present value of \$976,840 and annual payments of \$203,600.

On November 4, 2011, the City amended the New Mexico Finance Authority loan originally closed August 13, 2010 in the amount of \$250,000 and maturing June 2032. This loan through the Drinking Water State Revolving Loan Fund to partially fund upgrades to the City's water utility system was increased to \$320,138.

Effective November 1, 2011, the City changed bond registrar, paying and escrow agents from Wells Fargo Bank Corporate Trust to Bank of Albuquerque. This transfer will allow the City faster access to bond information via an on-line banking system, including wire transfers by the City, bond principal and interest payments, interest earnings, and other related activity.

Ongoing economic problems in both the national and local economy continue to adversely affect the City's gross receipts tax, lodger's tax, interest earnings, and certain other revenue categories subsequent to June 30, 2011. City management continues to respond by closely monitoring and adjusting the City's budget, with project and policy adjustments, and with regular review of future plans and budgets. During FY 10-11 the City's freezing of vacant positions and tightening of the budget allowed the avoidance of layoffs, facility closures and cuts in service. The budget for FY 11-12 includes a variety of revenue and expenditure budget controls and decision points that have so far allowed the City to continue to avoid such disruptions. Economic conditions remain unsettled, difficult to predict and subject to ongoing changes which may affect the current financial condition and results of operations in the future.

**City of Santa Fe, New Mexico**  
**Notes to the Financial Statements**  
**June 30, 2011**

**H. New Pronouncements**

In February of 2009 the Governmental Accounting Standards Board issued statement number 54 which is effective for periods beginning after June 15, 2010. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The City adopted this statement for fiscal year ending June 30, 2011.



## **Supplementary Information**

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## Nonmajor Governmental Funds Special Revenue Funds

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Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

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**Capital Equipment Reserve** – to account for proceeds from the sale of City owned assets and for transfers for contingent purposes. Council Directive

**Mortgage Refund Residual** – to account for the proceeds from the City of Santa Fe Single Family Mortgage Bond Refunding Issue. Joint multi-city bond issue.

**Franchise Fee** – to account for proceeds from the franchise fee collected from Comcast.

**Economic Development** – to account for funds designated to promote business in Santa Fe. Section 5-10-1 to 13 NMSA 1978

**Lodgers' Tax Fund** – to account for taxes raised from the special Lodgers' Tax per Ordinance No. 1969-13 and 1987-45. Revenues are utilized for promotion of tourist development, advertising and future improvements to the convention center. Section 3-38-13 to 24 NMSA 1978

**400<sup>th</sup> Anniversary** - to account for activities associated with the commemoration of the City's 400<sup>th</sup> year anniversary celebration.

**Public Campaign** – to account for contributions given to any candidate who is seeking election to a Santa Fe City municipal office. Ord. 2009-44 and Ord. 2011-28

**Santa Fe Business Incubator** – to account for New Mexico Severance Tax bond proceeds to be utilized for promotion of economic development. Section 5-10-1 to 13 NMSA 1978

**½% Gross Receipts Tax** – to account for the City's portion of gross receipts taxes collected by the State of New Mexico per Ordinance no. 1981-45. These proceeds are used for various City functions, including debt service. Section 7-19-10 to 18 NMSA 1978

**Animal Services** – to account for revenues related to regulation and control of animal services. Section 3-18-3 NMSA 1978

**Emergency Service Grants** – to account for grants from the State of New Mexico. The grants are used to upgrade emergency medical services. Section 24-10A-1 to 9 NMSA 1978

**Environmental Services** – to account for grant monies received for the purpose of clearing wild land areas within the City of Santa Fe to reduce fire danger. City Ord. 7-19D-10

**Law Enforcement Grants** – to account for grant funds and service charges received for the purpose of developing public awareness on crime prevention, administering DWI programs and public safety related expenditures. Section 29-13-1 to 9 NMSA 1978

**Resource Conservation** - to account for resources received through grant agreements associated with energy efficiency programs.

**City Drainage Projects** – to account for expenditures related to federal drainage projects.

**Impact Fee Fund/Projects** – to account for the collection of arterial impact fees and signalization impact fees collected by the City and the projects they fund. Section 5-8-4 NMSA 1978

**Transportation Grants** – to account for grant funds received through the State of New Mexico for purposes of designing and implementing multi-modal transportation planning programs. Section 3-52-14 NMSA 1978

**Community Development Grants** – to account for Federal and State grant awards. These funds are used for various projects such as homebuyer's assistance, emergency shelter for the homeless and other community development projects. Section 3-60-26 NMSA 1978

**Senior Citizen Grants** – to account for Federal and State grant funds used to operate programs providing social services, in-home services, meals, transportation, and companionship to senior citizens. Section 28-4-1 NMSA 1978

**Historic Preservation Grant** – to account for funding received through the State of New Mexico for the purpose of performing archaeological and historic surveys. Section 18-8-4 NMSA 1978

**Library Fund** – to account for a grant from the State of New Mexico for library development purposes. Section 18-2-5 NMSA 1978

**NEA Grants** – to account for grants from the National Endowment for the Arts Foundation administered by the Santa Fe Arts Commission.

**Plaza Use** – to account for funds appropriated for planning the use of the Plaza area. This fund was established by Resolution No. 1981-19.

**Public Facilities Purchase Fund** – to account for money donated by subdividers in lieu of land contributions per Ordinance No. 1982-11. State law requires the contributions from subdividers in order to enable the development of public facilities in new subdivisions.

**Quality of Life Project** – to account for a portion of gross receipts taxes collected by the State of New Mexico per Ordinance 1993-40. The proceeds are used to fund projects in the areas of recreation, open space acquisition, libraries and parks.

**Recreation Grants** – to account for 1) the portion of the cigarette tax received by the City and required by State law to be used for recreation purposes and 2) a U.S. Department of Agriculture grant used to provide lunches to children who are participants in the summer recreation program. Sections 7-1-6.11A and 7-12-15 & 16 NMSA 1978

**Land Development** – to account for the sale and construction of affordable housing. Associated with mortgage agreement.

**Special Recreation Leagues** – to account for the assets, investment earnings and operations of various City sponsored recreation leagues.

**CITY OF SANTA FE, NEW MEXICO**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2011**

	Special Revenue	Capital Projects	Totals
<b>Assets</b>			
Cash, investments and cash equivalents	\$ 16,303,927	\$ 10,601,313	\$ 26,905,240
Restricted cash, cash equivalents and investments:			
Restricted for endowment	250,000	-	250,000
Receivables:			
State-shared taxes	2,308,105	120,096	2,428,201
Grants	1,367,004	1,966,625	3,333,629
Interest	27,505	20,943	48,448
Other receivables (net of allowances)	3,575,891	-	3,575,891
<b>Total assets</b>	<b>\$ 23,832,432</b>	<b>\$ 12,708,977</b>	<b>\$ 36,541,409</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,126,880	\$ 953,346	\$ 2,080,226
Accrued wages payable	738,016	137,625	875,641
Intergovernmental payable	280,000	-	280,000
Due to other funds	628,243	467,848	1,096,091
Deferred unearned revenue	2,602,154	66,245	2,668,399
Deposits and escrows	611,885	100,000	711,885
<b>Total current liabilities</b>	<b>5,987,178</b>	<b>1,725,064</b>	<b>7,712,242</b>
Fund balance Unspendable	250,000	-	250,000
Fund balance Spendable:			
Restricted	15,427,654	9,657,420	25,085,074
Committed	532,398	-	532,398
Assigned	1,648,741	1,726,345	3,375,086
Unassigned	(13,539)	(399,852)	(413,391)
<b>Total fund balances</b>	<b>17,845,254</b>	<b>10,983,913</b>	<b>28,829,167</b>
<b>Total liabilities and fund balances</b>	<b>\$ 23,832,432</b>	<b>\$ 12,708,977</b>	<b>\$ 36,541,409</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2011**

	Special Revenue	Capital Projects	Totals
<b>Revenues:</b>			
Taxes:			
Gross receipts	\$ 12,554,908	\$ -	\$ 12,554,908
Cigarette	2,987	-	2,987
Motor	-	1,384,023	1,384,023
Lodgers	8,350,150	-	8,350,150
Property	2,482,796	-	2,482,796
Franchise	19,447	-	19,447
Intergovernmental revenues	7,063,474	4,801,446	11,864,920
Fees and charges for services	4,503,036	-	4,503,036
Sale of capital assets	-	-	-
Rents, royalties and concessions	172,167	-	172,167
Investment income	118,631	109,494	228,125
Land sales	35,552	-	35,552
Other revenues	614,662	119,474	734,136
<b>Total revenues</b>	<b>35,917,810</b>	<b>6,414,437</b>	<b>42,332,247</b>
<b>Expenditures:</b>			
Current:			
General government	4,520,709	780,095	5,300,804
Public safety	5,663,348	-	5,663,348
Public works	2,685,670	3,588,875	6,274,545
Community development	6,916,546	49,171	6,965,717
Culture and recreation	3,058,504	1,078,010	4,136,514
<b>Total current expenditures</b>	<b>22,844,777</b>	<b>5,496,151</b>	<b>28,340,928</b>
Capital outlay:			
General government	31,246	276,354	307,600
Public safety	1,352,752	-	1,352,752
Public works	499,775	2,385,990	2,885,765
Community development	125,786	149,441	275,227
Culture and recreation	659,681	6,801,355	7,461,036
<b>Total capital outlay expenditures</b>	<b>2,669,240</b>	<b>9,613,140</b>	<b>12,282,380</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>10,403,793</b>	<b>(8,694,854)</b>	<b>1,708,939</b>
Other financing sources (uses):			
Transfers in	9,502,866	4,634,735	14,137,601
Transfers out	(18,869,411)	(2,485,275)	(21,354,686)
<b>Total other financing sources (uses)</b>	<b>(9,366,545)</b>	<b>2,149,460</b>	<b>(7,217,085)</b>
<b>Net change in fund balances</b>	<b>1,037,248</b>	<b>(6,545,394)</b>	<b>(5,508,146)</b>
Fund balances, beginning of year	16,808,006	17,529,307	34,337,313
<b>Fund balances, end of year</b>	<b>\$ 17,845,254</b>	<b>\$ 10,983,913</b>	<b>\$ 28,829,167</b>

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CITY OF SANTA FE, NEW MEXICO  
Combining Balance Sheet  
Nonmajor Governmental Funds  
Special Revenue  
June 30, 2011

	Assets						Accounts Payable	Accrued Wages Payable
	Cash, Investments and Cash Equivalents	Taxes Receivable	Grants Receivable	Interest Receivable	Other Receivables	Total Assets		
<b>Primary Government:</b>								
<b>General Government:</b>								
Capital Equipment Reserve	\$ 10,987	\$ -	\$ -	\$ 20	\$ -	\$ 11,007	\$ 1,718	\$ 571
Mortgage Refund Residual	364,628	-	-	586	-	365,214	-	-
Franchise Fee	-	4,902	-	-	-	4,902	2,637	-
Economic Development	832,410	-	8,000	1,425	72,211	914,046	20,617	4,345
Lodgers' Tax Fund	3,677,062	-	-	5,810	757,364	4,440,236	537,646	56,166
400th Anniversary	-	-	-	213	-	213	-	-
Public Campaign	151,206	-	-	60	-	151,266	-	-
Santa Fe Business Incubator	32,402	-	-	52	-	32,454	-	-
1/2 % Gross Receipts Tax	1,040,572	1,921,662	-	1,427	-	2,963,661	-	-
<b>Total General Government</b>	<b>6,109,267</b>	<b>1,926,564</b>	<b>8,000</b>	<b>9,593</b>	<b>829,575</b>	<b>8,882,939</b>	<b>562,618</b>	<b>61,082</b>
<b>Public Safety:</b>								
Animal Services	120,581	-	-	192	-	120,773	-	-
Emergency Service Grants	1,046,358	63,855	46,018	2,285	-	1,158,516	-	83,426
Environmental Services	-	-	76,565	-	-	76,565	-	22,572
Law Enforcement Grants	2,862,885	317,686	290,648	4,267	-	3,475,486	170,442	112,404
<b>Total Public Safety</b>	<b>4,029,824</b>	<b>381,541</b>	<b>413,231</b>	<b>6,744</b>	<b>-</b>	<b>4,831,340</b>	<b>170,442</b>	<b>218,402</b>
<b>Public Works:</b>								
Resource Conservation	96,170	-	590	-	-	96,760	37,212	-
City Drainage Projects	171,289	-	-	257	229,454	401,000	6,071	81,029
Impact Fee Projects	2,547,538	-	-	4,600	-	2,552,138	2,224	-
Transportation Grants	111,464	-	99,060	269	-	210,793	1,207	19,736
<b>Total Public Works</b>	<b>2,926,461</b>	<b>-</b>	<b>99,650</b>	<b>5,126</b>	<b>229,454</b>	<b>3,260,691</b>	<b>46,714</b>	<b>100,765</b>
<b>Community Development:</b>								
Community Development Grants	34,619	-	507,379	806	-	542,804	177,232	8,001
Senior Citizen Grants	321,499	-	322,111	-	4,035	647,645	6,033	158,663
<b>Total Community Development</b>	<b>356,118</b>	<b>-</b>	<b>829,490</b>	<b>806</b>	<b>4,035</b>	<b>1,190,449</b>	<b>183,265</b>	<b>166,664</b>
<b>Culture and Recreation:</b>								
Historic Preservation Grant	117,325	-	1,672	160	-	119,157	-	-
Library	215,777	-	-	783	-	216,560	24,326	65,600
NEA Grants	-	-	-	-	-	-	-	-
Plaza Use	59,157	-	-	91	-	59,248	-	-
Public Facilities Purchase	55,348	-	-	89	-	55,437	-	-
Quality of Life Project	269,340	-	-	484	-	269,824	13,649	-
Recreation Grants	625,039	-	14,961	986	-	640,986	82,818	125,503
Land Development	1,658,810	-	-	2,434	2,512,827	4,174,071	42,125	-
Special Recreation Leagues	131,461	-	-	209	-	131,670	923	-
<b>Total Culture and Recreation</b>	<b>3,132,257</b>	<b>-</b>	<b>16,633</b>	<b>5,236</b>	<b>2,512,827</b>	<b>5,666,953</b>	<b>163,841</b>	<b>191,103</b>
<b>Totals - June 30, 2011</b>	<b>\$ 16,553,927</b>	<b>\$ 2,308,105</b>	<b>\$ 1,367,004</b>	<b>\$ 27,505</b>	<b>\$ 3,575,891</b>	<b>\$ 23,832,432</b>	<b>\$ 1,126,880</b>	<b>\$ 738,016</b>



Liabilities					Fund Balance Spendable					
Intergovernmental Payable	Due to Other Funds	Deferred Unearned Revenue	Deposits/ Escrows	Total Liabilities	Restricted	Committed	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
\$ -	\$ -	\$ -	\$ -	\$ 2,289	\$ -	\$ 8,718	\$ -	\$ -	\$ 8,718	\$ 11,007
-	711	-	-	3,348	-	1,554	365,214	-	365,214	365,214
-	-	74,775	397,468	497,205	416,841	-	-	-	416,841	914,046
-	-	-	6,975	600,787	3,839,449	-	-	-	3,839,449	4,440,236
-	-	-	-	-	-	151,266	213	-	151,266	151,266
-	-	-	-	-	32,454	-	-	-	32,454	32,454
-	-	-	-	-	2,963,661	-	-	-	2,963,661	2,963,661
-	711	74,775	404,443	1,103,629	7,252,405	161,538	365,427	-	7,779,370	8,882,999
-	-	-	-	-	120,773	-	-	-	120,773	120,773
-	-	-	-	83,426	1,075,090	-	-	-	1,075,090	1,158,516
-	67,033	-	-	89,605	-	-	-	(13,040)	(13,040)	76,565
-	-	14,552	-	297,398	3,178,088	-	-	-	3,178,088	3,475,486
-	67,033	14,552	-	470,429	4,373,951	-	-	(13,040)	4,360,911	4,831,340
-	-	-	-	37,212	-	-	59,548	-	59,548	96,760
-	-	-	-	87,100	-	-	313,900	-	313,900	401,000
-	-	-	-	2,224	2,549,914	-	-	-	2,549,914	2,552,138
-	-	-	-	20,943	189,850	-	-	-	189,850	210,793
-	-	-	-	147,479	2,739,764	-	373,448	-	3,113,212	3,260,691
-	-	-	207,442	392,675	150,129	-	-	-	150,129	542,804
-	-	-	-	164,696	482,949	-	-	-	482,949	647,645
-	-	-	207,442	557,371	633,078	-	-	-	633,078	1,190,449
-	-	-	-	-	119,157	-	-	-	119,157	119,157
-	-	-	-	89,926	126,634	-	-	-	126,634	216,560
-	499	-	-	499	-	-	-	(499)	(499)	-
-	-	-	-	-	-	59,248	-	-	59,248	59,248
-	-	-	-	-	-	55,437	-	-	55,437	55,437
-	-	-	-	13,649	-	256,175	-	-	256,175	269,824
-	-	-	-	208,321	432,665	-	-	-	432,665	640,986
280,000	560,000	2,512,827	-	3,394,952	-	-	779,119	-	779,119	4,174,071
-	-	-	-	923	-	-	130,747	-	130,747	131,670
280,000	560,499	2,512,827	-	3,708,270	678,456	370,860	909,866	(499)	1,958,683	5,666,953
\$ 280,000	\$ 628,243	\$ 2,602,154	\$ 611,885	\$ 5,987,178	\$ 15,677,654	\$ 532,398	\$ 1,648,741	\$ (13,539)	\$ 17,845,254	\$ 23,832,432

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

Revenues								
	Taxes	Inter-Governmental Revenue	Fees and Charges for Services	Rents, Royalties and Concessions	Investment Income	Sale of Capital Assets/Land	Other	Total Revenue
<b>Primary Government:</b>								
<b>General Government:</b>								
Capital Equipment Reserve	\$ -	\$ -	\$ -	\$ -	\$ 125	\$ 19,892	\$ 7,402	\$ 27,419
Mortgage Refund Residual	-	-	-	-	2,892	-	362,322	365,214
Franchise Fee	19,447	-	-	-	-	-	-	19,447
Economic Development	53,927	29,000	-	60,711	5,740	-	14,576	163,954
Lodger's Tax Fund	8,350,150	25,017	550	-	28,168	-	83,332	8,487,217
400th Anniversary	-	-	-	-	59	-	-	59
Public Campaign	-	-	-	-	767	-	499	1,266
Santa Fe Business Incubator	-	-	-	-	211	-	-	211
1/2% Gross Receipts Tax	10,727,327	-	-	-	6,212	-	-	10,733,539
<b>Total General Government</b>	<b>19,150,851</b>	<b>54,017</b>	<b>550</b>	<b>60,711</b>	<b>44,174</b>	<b>19,892</b>	<b>468,131</b>	<b>19,798,326</b>
<b>Public Safety:</b>								
Animal Services	-	-	33,150	-	754	-	-	33,904
Emergency Service Grants	1,244,979	763,450	-	-	10,884	-	-	2,019,313
Environmental Services	-	141,395	-	-	-	-	-	141,395
Law Enforcement Grants	3,011,471	1,109,663	1,284,548	-	17,884	15,660	113,946	5,553,172
<b>Total Public Safety</b>	<b>4,256,450</b>	<b>2,014,508</b>	<b>1,317,698</b>	<b>-</b>	<b>29,522</b>	<b>15,660</b>	<b>113,946</b>	<b>7,747,784</b>
<b>Public Works:</b>								
Resource Conservation	-	924,217	-	52,215	-	-	-	976,432
City Drainage Projects	-	-	1,511,286	-	573	-	-	1,511,859
Impact Fee Projects	-	-	1,399,606	-	17,791	-	-	1,417,397
Transportation Grants	-	288,079	-	-	942	-	-	289,021
<b>Total Public Works</b>	<b>-</b>	<b>1,212,296</b>	<b>2,910,892</b>	<b>52,215</b>	<b>19,306</b>	<b>-</b>	<b>-</b>	<b>4,194,709</b>
<b>Community Development:</b>								
Community Development Grant	-	1,613,452	8,000	-	3,702	-	7,058	1,632,212
Senior Citizen Grants	-	2,110,804	109,096	-	-	-	11,902	2,231,802
<b>Total Community Development</b>	<b>-</b>	<b>3,724,256</b>	<b>117,096</b>	<b>-</b>	<b>3,702</b>	<b>-</b>	<b>18,960</b>	<b>3,864,014</b>
<b>Culture and Recreation:</b>								
Historic Preservation Grant	-	13,567	11,581	-	630	-	-	25,778
Library	-	11,530	2,131	-	4,082	-	-	17,743
NEA Grants	-	-	-	-	-	-	-	-
Plaza Use	-	-	30,930	-	397	-	12,804	44,131
Public Facilities Purchase	-	-	-	-	353	-	-	353
Quality of Life Project	-	-	-	-	1,780	-	500	2,280
Recreation Grants	2,987	33,300	112,158	-	3,190	-	321	151,956
Land Development	-	-	-	-	10,871	-	-	10,871
Special Recreation Leagues	-	-	-	59,241	624	-	-	59,865
<b>Total Culture and Recreation</b>	<b>2,987</b>	<b>58,397</b>	<b>156,800</b>	<b>59,241</b>	<b>21,927</b>	<b>-</b>	<b>13,625</b>	<b>312,977</b>
<b>Totals - June 30, 2011</b>	<b>\$23,410,288</b>	<b>\$ 7,063,474</b>	<b>\$ 4,503,036</b>	<b>\$ 172,167</b>	<b>\$ 118,631</b>	<b>\$ 35,552</b>	<b>\$ 614,662</b>	<b>\$ 35,917,810</b>

Expenditures				Other Financing Sources (Uses)			Fund Balance	
Current	Capital Outlay	Total Expenditures	Excess (Deficiency) of Revenues Over Expenditures	Transfers In	Transfers (Out)	Net change in Fund Balances	Beginning of Year	End of Year
\$ 21,016	\$ 4,588	\$ 25,604	\$ 1,815	\$ -	\$ -	\$ 1,815	\$ 6,903	\$ 8,718
-	-	-	365,214	-	-	365,214	-	365,214
13,333	-	13,333	6,114	-	(6,667)	(553)	2,107	1,554
812,849	25,155	838,004	(674,050)	351,632	(34,880)	(357,298)	774,139	416,841
3,673,511	1,503	3,675,014	4,812,203	315,250	(3,630,392)	1,497,061	2,342,388	3,839,449
-	-	-	59	-	-	59	154	213
-	-	-	1,266	150,000	-	151,266	-	151,266
-	-	-	211	-	-	211	32,243	32,454
-	-	-	10,733,539	-	(9,926,747)	806,792	2,156,869	2,963,661
4,520,709	31,246	4,551,955	15,246,371	816,882	(13,598,686)	2,464,567	5,314,803	7,779,370
2,587	-	2,587	31,317	-	-	31,317	89,456	120,773
1,955,550	875,895	2,831,445	(812,132)	1,583,948	(1,142,370)	(370,554)	1,445,644	1,075,090
154,502	-	154,502	(13,107)	-	-	(13,107)	67	(13,040)
3,550,709	476,857	4,027,566	1,525,606	1,185,383	(2,449,384)	261,605	2,916,483	3,178,088
5,663,348	1,352,752	7,016,100	731,684	2,769,331	(3,591,754)	(90,739)	4,451,650	4,360,911
443,835	454,026	897,861	78,571	-	(19,023)	59,548	-	59,548
1,779,688	-	1,779,688	(267,829)	-	-	(267,829)	581,729	313,900
38,898	-	38,898	1,378,499	83,718	(1,168,258)	293,959	2,255,955	2,549,914
423,249	45,749	468,998	(179,977)	58,085	-	(121,892)	311,742	189,850
2,685,670	499,775	3,185,445	1,009,264	141,803	(1,187,281)	(36,214)	3,149,426	3,113,212
2,716,582	775	2,717,357	(1,085,145)	703,264	-	(381,881)	532,010	150,129
4,199,964	125,011	4,324,975	(2,093,173)	2,186,522	(34,109)	59,240	423,709	482,949
6,916,546	125,786	7,042,332	(3,178,318)	2,889,786	(34,109)	(322,641)	955,719	633,078
10,866	-	10,866	14,912	-	-	14,912	104,245	119,157
1,005,899	92,997	1,098,896	(1,081,153)	532,977	-	(548,176)	674,810	126,634
30,000	-	30,000	(30,000)	30,000	-	-	(499)	(499)
34,466	-	34,466	9,665	-	-	9,665	49,583	59,248
-	-	-	353	-	-	353	55,084	55,437
206,658	5,612	212,270	(209,990)	627,608	(433,581)	(15,963)	272,138	256,175
1,574,946	1,072	1,576,018	(1,424,062)	1,404,511	(18,000)	(37,551)	470,216	432,665
148,885	560,000	708,885	(698,014)	289,968	-	(408,046)	1,187,165	779,119
46,784	-	46,784	13,081	-	(6,000)	7,081	123,666	130,747
3,058,504	659,681	3,718,185	(3,405,208)	2,885,064	(457,581)	(977,725)	2,936,408	1,958,683
<b>\$ 22,844,777</b>	<b>\$ 2,669,240</b>	<b>\$ 25,514,017</b>	<b>\$ 10,403,793</b>	<b>\$ 9,502,866</b>	<b>\$(18,869,411)</b>	<b>\$ 1,037,248</b>	<b>\$ 16,808,006</b>	<b>\$ 17,845,254</b>

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Capital Equipment Reserve  
 For the Year Ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Investment income	\$ 340	\$ 340	\$ 125	\$ (215)
Other	-	-	7,402	7,402
<b>Total revenues</b>	<b>340</b>	<b>340</b>	<b>7,527</b>	<b>7,187</b>
<b>Expenditures:</b>				
General government:				
Current	39,815	26,737	21,016	5,721
Capital outlay	16,049	4,200	4,588	(388)
<b>Total expenditures</b>	<b>55,864</b>	<b>30,937</b>	<b>25,604</b>	<b>5,333</b>
Excess (deficiency) of revenues over expenditures	(55,524)	(30,597)	(18,077)	12,520
<b>Other financing sources (uses):</b>				
Sale of capital assets	40,000	40,000	19,892	(20,108)
<b>Total other financing sources (uses)</b>	<b>40,000</b>	<b>40,000</b>	<b>19,892</b>	<b>(20,108)</b>
<b>Net change in fund balance</b>	<b>(15,524)</b>	<b>9,403</b>	<b>1,815</b>	<b>(7,588)</b>
Fund balance, beginning of year	6,903	6,903	6,903	-
<b>Fund balance, end of year</b>	<b>\$ (8,621)</b>	<b>\$ 16,306</b>	<b>\$ 8,718</b>	<b>\$ (7,588)</b>

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Mortgage Refund Residual  
 For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 2,892	\$ 2,892
Other	-	-	362,322	362,322
<b>Total revenues</b>	-	-	365,214	365,214
<b>Expenditures:</b>				
General government:				
Current	-	-	-	-
<b>Total expenditures</b>	-	-	-	-
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	365,214	365,214
<b>Net change in fund balance</b>	-	-	365,214	365,214
Fund balance, beginning of year	-	-	-	-
<b>Fund balance, end of year</b>	\$ -	\$ -	\$ 365,214	\$ 365,214

\* These funds are the residual from closing out the single family mortgage revenue bonds, series 1991.

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Franchise Fee  
 For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ -	\$ -	\$ 19,447	\$ 19,447
Total revenues	-	-	19,447	19,447
Expenditures:				
Public safety:				
Current	13,333	13,333	13,333	-
Total expenditures	13,333	13,333	13,333	-
Excess (deficiency) of revenues over expenditures	(13,333)	(13,333)	6,114	19,447
Other financing sources (uses):				
Transfers out	(6,667)	(6,667)	(6,667)	-
Total other financing sources (uses)	(6,667)	(6,667)	(6,667)	-
Net changes in fund balance	(20,000)	(20,000)	(553)	19,447
Fund balance, beginning of year	2,107	2,107	2,107	-
Fund balance, end of year	\$ (17,893)	\$ (17,893)	\$ 1,554	\$ 19,447

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Economic Development  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ -	\$ 53,927	\$ 53,927	\$ -
Intergovernmental	-	25,000	29,000	4,000
Investment income	14,730	14,730	5,740	(8,990)
Rents, royalties and concessions	93,000	93,000	60,711	(32,289)
Other	-	-	14,576	14,576
Total revenues	107,730	186,657	163,954	(22,703)
<b>Expenditures:</b>				
General government:				
Current	986,318	1,211,690	812,849	398,841
Capital outlay	5,000	30,000	25,155	4,845
Total expenditures	991,318	1,241,690	838,004	403,686
Excess (deficiency) of revenues over expenditures	(883,588)	(1,055,033)	(674,050)	380,983
<b>Other financing sources (uses):</b>				
Transfers in	351,632	351,632	351,632	-
Transfers out	(66,695)	(66,695)	(34,880)	31,815
Total other financing sources (uses)	284,937	284,937	316,752	31,815
Net change in fund balance	(598,651)	(770,096)	(357,298)	412,798
Fund balance, beginning of year	774,139	774,139	774,139	-
Fund balance, end of year	\$ 175,488	\$ 4,043	\$ 416,841	\$ 412,798

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Lodger's Tax Fund  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 7,085,000	\$ 7,085,000	\$ 8,350,150	\$ 1,265,150
Intergovernmental	-	20,310	25,017	4,707
Fees and charges for service	500	500	550	50
Investment income	32,300	32,300	28,168	(4,132)
Other	65,000	108,050	83,332	(24,718)
Total revenues	7,182,800	7,246,160	8,487,217	1,241,057
<b>Expenditures:</b>				
General government:				
Current	3,832,035	3,912,615	3,673,511	239,104
Capital outlay	550	122,765	1,503	121,262
Total expenditures	3,832,585	4,035,380	3,675,014	360,366
Excess (deficiency) of revenues over expenditures	3,350,215	3,210,780	4,812,203	1,601,423
<b>Other financing sources (uses):</b>				
Transfers in	315,250	315,250	315,250	-
Transfers out	(3,630,392)	(3,630,392)	(3,630,392)	-
Total other financing sources (uses)	(3,315,142)	(3,315,142)	(3,315,142)	-
Net change in fund balance	35,073	(104,362)	1,497,061	1,601,423
Fund balance, beginning of year	2,342,388	2,342,388	2,342,388	-
Fund balance, end of year	\$ 2,377,461	\$ 2,238,026	\$ 3,839,449	\$ 1,601,423



CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 400th Anniversary  
 For the Year Ended June 30, 2011

	Budgeted Amounts			Actual	Variance With Final Budget- Positive (Negative)
	Original	Final			
<b>Revenues:</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	-
Total revenues	-	-	-	-	-
<b>Expenditures:</b>					
General government:					
Current	-	-	-	-	-
Total expenditures	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
<b>Other financing sources (uses):</b>					
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	154	154	154		-
Fund balance, end of year	\$ 154	\$ 154	\$ 154	\$ -	-

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Public Campaign  
For the Year Ended June 30, 2011

	Budgeted Amounts			Actual	Variance With Final Budget- Positive (Negative)
	Original	Final			
<b>Revenues:</b>					
Investment income	\$ -	\$ -	\$ 767	\$ 767	
Miscellaneous Fines	-	-	499	499	
<b>Total revenues</b>	-	-	1,266	1,266	
<b>Expenditures:</b>					
General government:					
Current	-	-	-	-	
<b>Total expenditures</b>	-	-	-	-	
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	1,266	1,266	
<b>Other financing sources (uses):</b>					
Transfers in	150,000	150,000	150,000	-	
<b>Total other financing sources (uses)</b>	150,000	150,000	150,000	-	
<b>Net change in fund balance</b>	150,000	150,000	151,266	1,266	
Fund balance, beginning of year	-	-	-	-	
<b>Fund balance, end of year</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 151,266</b>	<b>\$ 1,266</b>	

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Santa Fe Business Incubator  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ -	-
Investment Income	340	340	211	(129)
Total revenues	340	340	211	(129)
<b>Expenditures:</b>				
General government:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	340	340	211	(129)
Fund balance, beginning of year	32,243	32,243	32,243	-
Fund balance, end of year	\$ 32,583	\$ 32,583	\$ 32,454	\$ (129)

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 1/2% Gross Receipts Tax  
 For the Year Ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Taxes	\$ 10,508,914	\$ 10,508,914	\$ 10,727,327	\$ 218,413
Investment income	10,550	10,550	6,212	(4,338)
<b>Total revenues</b>	<b>10,519,464</b>	<b>10,519,464</b>	<b>10,733,539</b>	<b>214,075</b>
<b>Expenditures:</b>				
<b>General government:</b>				
Current	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>10,519,464</b>	<b>10,519,464</b>	<b>10,733,539</b>	<b>214,075</b>
<b>Other financing sources (uses):</b>				
Operating transfers in	-	-	-	-
Transfers out	(9,743,306)	(9,926,747)	(9,926,747)	-
<b>Total other financing sources (uses)</b>	<b>(9,743,306)</b>	<b>(9,926,747)</b>	<b>(9,926,747)</b>	<b>-</b>
<b>Net changes in fund balance</b>	<b>776,158</b>	<b>592,717</b>	<b>806,792</b>	<b>214,075</b>
Fund balance, beginning of year	2,156,869	2,156,869	2,156,869	-
<b>Fund balance, end of year</b>	<b>\$ 2,933,027</b>	<b>\$ 2,749,586</b>	<b>\$ 2,963,661</b>	<b>\$ 214,075</b>

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Animal Services  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 23,000	\$ 23,000	\$ 13,630	\$ (9,370)
Investment income	740	740	754	14
Fines and forfeitures	25,000	25,000	19,520	(5,480)
Total revenues	48,740	48,740	33,904	(14,836)
<b>Expenditures:</b>				
General government:				
Current	31,000	31,000	2,587	28,413
Capital outlay	31,000	31,000	-	31,000
Total expenditures	62,000	62,000	2,587	59,413
Excess (deficiency) of revenues over expenditures	(13,260)	(13,260)	31,317	44,577
Net change in fund balance	(13,260)	(13,260)	31,317	44,577
Fund balance, beginning of year	89,456	89,456	89,456	-
Fund balance, end of year	\$ 76,196	\$ 76,196	\$ 120,773	\$ 44,577

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Emergency Service Grants  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Taxes	\$ 2,347,184	\$ 1,173,592	\$ 1,244,979	\$ 71,387
Intergovernmental	434,504	1,367,320	763,450	(603,870)
Investment income	14,280	14,280	10,884	(3,396)
Total revenues	2,795,968	2,555,192	2,019,313	(535,879)
<b>Expenditures:</b>				
Public safety:				
Current	2,064,214	2,350,595	1,955,550	395,045
Capital outlay	1,145,710	1,404,655	875,895	528,760
Total expenditures	3,209,924	3,755,250	2,831,445	923,805
Excess (deficiency) of revenues over expenditures	(413,956)	(1,200,058)	(812,132)	387,926
<b>Other financing sources (uses):</b>				
Transfers in	2,279,910	1,583,948	1,583,948	-
Transfers out	(2,983,332)	(1,142,370)	(1,142,370)	-
Total other financing sources (uses)	(703,422)	441,578	441,578	-
Net changes in fund balance	(1,117,378)	(758,480)	(370,554)	387,926
Fund balance, beginning of year	1,445,644	1,445,644	1,445,644	-
Fund balance, end of year	\$ 328,266	\$ 687,164	\$ 1,075,090	\$ 387,926

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Environmental Services  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 236,031	\$ 141,395	\$ (94,636)
Total revenues	-	236,031	141,395	(94,636)
<b>Expenditures:</b>				
Culture and recreation:				
Current	-	237,758	154,502	83,256
Total expenditures	-	237,758	154,502	83,256
Excess (deficiency) of revenues over expenditures	-	(1,727)	(13,107)	(11,380)
Net change in fund balance	-	(1,727)	(13,107)	(11,380)
Fund balance, beginning of year	67	67	67	-
Fund balance, end of year	\$ 67	\$ (1,660)	\$ (13,040)	\$ (11,380)

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Law Enforcement Grants  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Taxes	\$ 1,738,084	\$ 2,911,676	\$ 3,011,471	\$ 99,795
Intergovernmental	321,800	1,075,044	1,109,663	34,619
Fees and charges for services	586,123	541,774	664,876	123,102
Investment income	13,720	13,720	17,884	4,164
Fines and forfeitures	350,640	347,838	619,672	271,834
Other	93,750	93,750	113,946	20,196
Total revenues	3,104,117	4,983,802	5,537,512	553,710
<b>Expenditures:</b>				
Public safety:				
Current	3,765,343	4,886,522	3,550,709	1,335,813
Capital outlay	2,179,000	2,064,796	476,857	1,587,939
Total expenditures	5,944,343	6,951,318	4,027,566	2,923,752
Excess (deficiency) of revenues over expenditures	(2,840,226)	(1,967,516)	1,509,946	(2,370,042)
<b>Other financing sources (uses):</b>				
Sale of Capital Assets	-	-	15,660	15,660
Transfers in	2,279,910	1,185,383	1,185,383	-
Transfers out	(1,434,384)	(2,739,584)	(2,449,384)	290,200
Total other financing sources (uses)	845,526	(1,554,201)	(1,248,341)	305,860
Net change in fund balance	(1,994,700)	(3,521,717)	261,605	(3,783,322)
Fund balance, beginning of year	2,916,483	2,916,483	2,916,483	-
Fund balance, end of year	\$ 921,783	\$ (605,234)	\$ 3,178,088	\$ 3,783,322



CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Resource Conservation  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 1,075,736	\$ 924,217	\$ (151,519)
Rents, royalties and concessions	-	42,897	52,215	9,318
Total revenues	-	1,118,633	976,432	(142,201)
<b>Expenditures:</b>				
Public safety:				
Current	-	693,018	443,835	249,183
Capital Outlay	-	406,592	454,026	(47,434)
Total expenditures	-	1,099,610	897,861	201,749
Excess (deficiency) of revenues over expenditures	-	19,023	78,571	59,548
<b>Other financing sources (uses):</b>				
Transfers out	-	(79,990)	(19,023)	60,967
Total other financing sources (uses)	-	(79,990)	(19,023)	60,967
Net changes in fund balance	-	(60,967)	59,548	120,515
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ (60,967)	\$ 59,548	\$ 120,515

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 City Drainage Projects  
 For the Year Ended June 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Fees and charges for services	\$ 1,359,000	\$ 1,359,000	\$ 1,511,286	\$ 152,286
Investment income	3,680	3,680	573	(3,107)
Total revenues	<u>1,362,680</u>	<u>1,362,680</u>	<u>1,511,859</u>	<u>149,179</u>
<b>Expenditures:</b>				
Community welfare:				
Current	1,664,931	1,868,110	1,779,688	88,422
Capital outlay	500	500	-	500
Total expenditures	<u>1,665,431</u>	<u>1,868,610</u>	<u>1,779,688</u>	<u>88,922</u>
Excess (deficiency) of revenues over expenditures	<u>(302,751)</u>	<u>(505,930)</u>	<u>(267,829)</u>	<u>238,101</u>
Net change in fund balance	(302,751)	(505,930)	(267,829)	238,101
Fund balance, beginning of year	581,729	581,729	581,729	-
Fund balance, end of year	<u>\$ 278,978</u>	<u>\$ 75,799</u>	<u>\$ 313,900</u>	<u>\$ 238,101</u>

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Impact Fee Projects  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Fees and charges for services	\$ -	\$ -	\$ 1,399,606	\$ 1,399,606
Investment income	13,890	13,890	17,791	3,901
<b>Total revenues</b>	<b>13,890</b>	<b>13,890</b>	<b>1,417,397</b>	<b>1,403,507</b>
<b>Expenditures:</b>				
Culture and recreation:				
Current	-	102,632	38,898	63,734
Capital Outlay	-	200,000	-	200,000
<b>Total expenditures</b>	<b>-</b>	<b>302,632</b>	<b>38,898</b>	<b>263,734</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>13,890</b>	<b>(288,742)</b>	<b>1,378,499</b>	<b>1,139,773</b>
<b>Other financing sources (uses):</b>				
Transfers in	-	83,718	83,718	-
Operating transfers (out)	(45,282)	(1,161,000)	(1,168,258)	(7,258)
<b>Total other financing sources (uses)</b>	<b>(45,282)</b>	<b>(1,077,282)</b>	<b>(1,084,540)</b>	<b>(7,258)</b>
<b>Net change in fund balance</b>	<b>(31,392)</b>	<b>(1,366,024)</b>	<b>293,959</b>	<b>1,132,515</b>
Fund balance, beginning of year	2,255,955	2,255,955	2,255,955	-
<b>Fund balance, end of year</b>	<b>\$ 2,224,563</b>	<b>\$ 889,931</b>	<b>\$ 2,549,914</b>	<b>\$ 1,659,983</b>

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Transportation Grants  
 For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Intergovernmental	\$ 307,801	\$ 307,801	\$ 288,079	\$ (19,722)
Investment Income	2,550	2,550	942	(1,608)
Total revenues	310,351	310,351	289,021	(21,330)
<b>Expenditures:</b>				
Public Works				
Current	358,567	524,852	423,249	101,603
Capital Outlay	-	103,040	45,749	57,291
Total expenditures	358,567	627,892	468,998	158,894
Excess (deficiency) of revenues over expenditures	(48,216)	(317,541)	(179,977)	137,564
<b>Other financing sources (uses):</b>				
Transfers in	58,085	58,085	58,085	-
Transfers out	-	-	-	-
Total other financing sources (uses)	58,085	58,085	58,085	-
Net change in fund balance	9,869	(259,456)	(121,892)	137,564
Fund balance, beginning of year	311,742	311,742	311,742	-
Fund balance, end of year	\$ 321,611	\$ 52,286	\$ 189,850	\$ 137,564

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Community Development Grants  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Intergovernmental	\$ 1,355,428	\$ 2,067,181	\$ 1,613,452	\$ (453,729)
Fees and charges for services	-	-	8,000	8,000
Investment income	8,730	8,730	3,702	(5,028)
Other	-	-	7,058	7,058
Total revenues	1,364,158	2,075,911	1,632,212	(443,699)
<b>Expenditures:</b>				
Community welfare:				
Current	2,361,149	3,354,119	2,716,582	637,537
Capital outlay	940	4,040	775	3,265
Total expenditures	2,362,089	3,358,159	2,717,357	640,802
Excess (deficiency) of revenues over expenditures	(997,931)	(1,282,248)	(1,085,145)	197,103
<b>Other financing sources (uses):</b>				
Transfers in	703,264	70,326	703,264	632,938
Total other financing sources (uses)	703,264	70,326	703,264	632,938
Net changes in fund balance	(294,667)	(1,211,922)	(381,881)	830,041
Fund balance, beginning of year	532,010	532,010	532,010	-
Fund balance, end of year	\$ 237,343	\$ (679,912)	\$ 150,129	\$ 830,041

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Senior Citizen Grants  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,027,929	\$ 2,076,123	\$ 2,110,804	\$ 34,681
Fees and charges for services	-	-	109,096	109,096
Other	130,445	130,445	11,902	(118,543)
Total revenues	2,158,374	2,206,568	2,231,802	25,234
<b>Expenditures:</b>				
Community welfare:				
Current	4,410,877	4,287,628	4,199,964	87,664
Capital outlay	27,739	132,414	125,011	7,403
Total expenditures	4,438,616	4,420,042	4,324,975	95,067
Excess (deficiency) of revenues over expenditures	(2,280,242)	(2,213,474)	(2,093,173)	120,301
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	-	-	-
Transfers in	2,162,552	2,186,522	2,186,522	-
Transfers out	-	(34,109)	(34,109)	-
Total other financing sources (uses)	2,162,552	2,152,413	2,152,413	-
Net change in fund balance	(117,690)	(61,061)	59,240	120,301
Fund balance, beginning of year	423,709	423,709	423,709	-
Fund balance, end of year	\$ 306,019	\$ 362,648	\$ 482,949	\$ 120,301

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Historic Preservation Grant  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fees and charges for services	\$ -	\$ -	\$ 11,581	\$ 11,581
Intergovernmental	-	18,989	13,567	(5,422)
Investment income	850	850	630	(220)
Total revenues	850	19,839	25,778	5,939
<b>Expenditures:</b>				
Culture and recreation:				
Current	-	18,989	10,866	8,123
Total expenditures	-	18,989	10,866	8,123
Excess (deficiency) of revenues over expenditures	850	850	14,912	14,062
Net change in fund balance	850	850	14,912	14,062
Fund balance, beginning of year	104,245	104,245	104,245	-
Fund balance, end of year	\$ 105,095	\$ 105,095	\$ 119,157	\$ 14,062

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Library  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 186,915	\$ 11,530	\$ (175,385)
Investment income	3,970	3,970	4,082	112
Fines and forfeitures	1,300	1,300	2,131	831
Other	-	-	-	-
Total revenues	5,270	192,185	17,743	(174,442)
<b>Expenditures:</b>				
Culture and recreation:				
Current	932,471	1,028,762	1,005,899	22,863
Capital outlay	3,429	96,701	92,997	3,704
Total expenditures	935,900	1,125,463	1,098,896	26,567
Excess (deficiency) of revenues over expenditures	(930,630)	(933,278)	(1,081,153)	(147,875)
<b>Other financing sources (uses):</b>				
Transfers in	532,977	532,977	532,977	-
Total other financing sources (uses)	532,977	532,977	532,977	-
Net change in fund balance	(397,653)	(400,301)	(548,176)	(147,875)
Fund balance, beginning of year	674,810	674,810	674,810	-
Fund balance, end of year	\$ 277,157	\$ 274,509	\$ 126,634	\$ (147,875)



CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 NEA Grants  
 For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Public safety:				
Current	31,000	31,000	30,000	1,000
Total expenditures	31,000	31,000	30,000	1,000
Excess (deficiency) of revenues over expenditures	(31,000)	(31,000)	(30,000)	1,000
Other financing sources (uses):				
Transfers in	30,000	30,000	30,000	-
Total other financing sources (uses)	30,000	30,000	30,000	-
Net change in fund balance	(1,000)	(1,000)	-	1,000
Fund balance, beginning of year	(499)	(499)	(499)	-
Fund balance, end of year	\$ (1,499)	\$ (1,499)	\$ (499)	\$ 1,000

CITY OF SANTA FE, NEW MEXICO  
 Statement of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Plaza Use  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ -	\$ -	\$ 750	\$ 750
Investment income	370	370	397	27
Fines and forfeitures	25,000	25,000	30,180	5,180
Other	5,000	5,000	12,804	7,804
Total revenues	30,370	30,370	44,131	13,761
<b>Expenditures:</b>				
Culture and recreation:				
Current	30,000	41,000	34,466	6,534
Total expenditures	30,000	41,000	34,466	6,534
Net change in fund balance	370	(10,630)	9,665	20,295
Fund balance, beginning of year	49,583	49,583	49,583	-
Fund balance, end of year	\$ 49,953	\$ 38,953	\$ 59,248	\$ 20,295

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Special Revenue  
 Public Facilities Purchase  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ -	-
Investment income	570	570	353	(217)
Total revenues	570	570	353	(217)
<b>Expenditures:</b>				
Culture and recreation:				
Current	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	570	570	353	(217)
Net change in fund balance	570	570	353	(217)
Fund balance, beginning of year	55,084	55,084	55,084	-
Fund balance, end of year	\$ 55,654	\$ 55,654	\$ 55,437	\$ (217)

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Quality of Life Project  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Investment income	\$ 3,740	\$ 3,740	\$ 1,780	\$ (1,960)
Other	-	500	500	-
Total revenues	3,740	4,240	2,280	(1,960)
<b>Expenditures:</b>				
Culture and recreation:				
Current	175,167	268,694	206,658	62,036
Capital outlay	-	6,450	5,612	838
Total expenditures	175,167	275,144	212,270	62,874
Excess (deficiency) of revenues over expenditures	(171,427)	(270,904)	(209,990)	60,914
<b>Other financing sources (uses):</b>				
Transfers in	627,608	627,608	627,608	-
Transfers out	(428,581)	(433,581)	(433,581)	-
Total other financing sources (uses)	199,027	194,027	194,027	-
Net change in fund balance	27,600	(76,877)	(15,963)	60,914
Fund balance, beginning of year	272,138	272,138	272,138	-
Fund balance, end of year	\$ 299,738	\$ 195,261	\$ 256,175	\$ 60,914

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Recreation Grants  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 40,000	\$ 40,000	\$ 2,987	\$ (37,013)
Intergovernmental	-	3,300	33,300	30,000
Fees and charges for services	94,000	94,000	112,158	18,158
Investment income	8,280	8,280	3,190	(5,090)
Other	-	-	321	321
Total revenues	142,280	145,580	151,956	6,376
<b>Expenditures:</b>				
Culture and recreation:				
Current	1,775,693	1,796,759	1,574,946	221,813
Capital outlay	-	-	1,072	(1,072)
Total expenditures	1,775,693	1,796,759	1,576,018	220,741
Excess (deficiency) of revenues over expenditures	(1,633,413)	(1,651,179)	(1,424,062)	227,117
<b>Other financing sources (uses):</b>				
Transfers in	1,404,511	1,404,511	1,404,511	-
Operating transfers out	-	(18,000)	(18,000)	-
Total other financing sources (uses)	1,404,511	1,386,511	1,386,511	-
Net change in fund balance	(228,902)	(264,668)	(37,551)	227,117
Fund balance, beginning of year	470,216	470,216	470,216	-
Fund balance, end of year	\$ 241,314	\$ 205,548	\$ 432,665	\$ 227,117

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Land Development  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Investment income	\$ 18,130	\$ 18,130	\$ 10,871	\$ (7,259)
Total revenues	18,130	18,130	10,871	(7,259)
<b>Expenditures:</b>				
Culture and recreation:				
Current	247,000	247,000	148,885	98,115
Capital outlay	280,000	-	560,000	(560,000)
Total expenditures	527,000	247,000	708,885	98,115
Excess (deficiency) of revenues over expenditures	(508,870)	(228,870)	(698,014)	90,856
<b>Other financing sources (uses):</b>				
Transfers in	-	280,000	289,968	9,968
Total other financing sources (uses)	-	280,000	289,968	9,968
Net change in fund balance	(508,870)	51,130	(408,046)	100,824
Fund balance, beginning of year	1,187,165	1,187,165	1,187,165	-
Fund balance, end of year	\$ 678,295	\$ 1,238,295	\$ 779,119	\$ (459,176)

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Special Revenue  
Special Recreation Leagues  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Donations and support	\$ 78,300	\$ 78,300	\$ 59,241	\$ (19,059)
Investment income	1,250	1,250	624	(626)
<b>Total revenues</b>	<b>79,550</b>	<b>79,550</b>	<b>59,865</b>	<b>(19,685)</b>
<b>Expenditures:</b>				
Culture and recreation:				
Current	80,079	74,816	46,784	28,032
<b>Total expenditures</b>	<b>80,079</b>	<b>74,816</b>	<b>46,784</b>	<b>28,032</b>
Excess (deficiency) of revenues over expenditures	(529)	4,734	13,081	8,347
<b>Other financing sources (uses):</b>				
Transfers out	-	(6,000)	(6,000)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(6,000)</b>	<b>(6,000)</b>	<b>-</b>
Net change in fund balance	(529)	(1,266)	7,081	8,347
Fund balance, beginning of year	123,666	123,666	123,666	-
<b>Fund balance, end of year</b>	<b>\$ 123,137</b>	<b>\$ 122,400</b>	<b>\$ 130,747</b>	<b>\$ 8,347</b>

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## **Nonmajor Governmental Funds Capital Projects Funds**

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Capital projects funds are used to account for the acquisition and construction of major capital projects other than those financed by proprietary funds.

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***Capital Improvement Projects (CIP) Reallocation*** – to account for accumulating interest earnings, savings on CIP and subsidiary transfers from the General Fund to be used for other capital improvement projects as approved by the City Council.

***Resource Conservation*** – to account for the installation of energy saving equipment at various City buildings.

***Building Renovations*** – to account for renovations to various City buildings.

***Special Projects*** - to account for the cost of the City's web-based financial system.

***Bond Acquisition*** – to account for the proceeds of the City Gross Receipts Tax Revenues Bond issues designated to fund various capital improvement projects including wastewater system improvements and landfill construction and closure.

***City Drainage Projects*** – to account for the design and construction of erosion control for various City drainage and river embankment projects.

***Landfill Projects*** – to account for the Ortiz landfill improvements.

***City Paving Projects*** – to account for paving and repaving improvements to existing City streets.

***Santa Fe River Channel*** – to account for improvements to the Santa Fe River.

***City Signalization Projects*** – to account for the installation of traffic signals.

***City Street Construction Projects*** – to account for the design of street construction projects.

***City Sidewalk Projects*** – to account for the design and construction of various sidewalks.

***Zia Road Street Lighting*** – to account for the design of street lighting on Zia Road.

***Affordable Housing Program*** – to account for Federal and State grants used to provide affordable housing programs.

***Public Care Facilities*** – to account for the construction or renovation of City buildings to be used for the needs of the community such as La Familia Medical Center, Child Care Facility and Monica Roybal Center.

***Art for CIP*** – to account for the financing of art in public places.

***Museums*** – to account for improvements to the Camino Lejo and El Museo museums.

***City Parks Improvements*** – to account for improvements to existing City parks as well as construction of future parks.

***Open Space Acquisition*** – to account for the design and construction of an open space master plan and the Talaya Wilderness Trail.

***Library Improvements*** – to account for the design and renovation of the City’s libraries.

## **Major Governmental Funds Capital Projects Funds**

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***½% Gross Receipts Tax*** – to account for the City’s portion of gross receipts taxes collected by the State of New Mexico per Ordinance no. 1981-45.

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CITY OF SANTA FE, NEW MEXICO  
Combining Balance Sheet  
Nonmajor Governmental Funds  
Capital Projects  
June 30, 2011

	Assets					Accounts Payable	Accrued Wages Payable
	Cash, Investments and Cash Equivalents	Tax Receivable	Grants Receivable	Interest Receivable	Total Assets		
<b>General Government:</b>							
CIP Reallocation	\$ 497,216	\$ -	\$ -	\$ 10,996	\$ 508,212	\$ -	\$ -
Resource Conservation	20,264	-	-	-	20,264	-	-
Building Renovations	744,395	-	-	-	744,395	11,203	5,308
Special Projects	-	-	-	-	-	14,151	-
<b>Total General Government</b>	<b>1,261,875</b>	<b>-</b>	<b>-</b>	<b>10,996</b>	<b>1,272,871</b>	<b>25,354</b>	<b>5,308</b>
<b>Public Works:</b>							
Bond Acquisition	79,494	-	-	-	79,494	-	-
City Drainage Projects	2,343	-	-	-	2,343	-	-
Landfill Projects	1	-	-	-	1	-	-
City Paving Projects	1,514,700	120,096	50,040	1,604	1,686,440	4,259	46,779
Santa Fe River Channel	53,541	-	-	-	53,541	-	-
City Signalization Projects	202,385	-	-	-	202,385	-	1,336
City Street Const. Projects	1,302,786	-	1,520,706	-	2,823,492	456,676	8,999
City Sidewalk Projects	271,443	-	-	-	271,443	204	-
Zia Road Street Lighting	161,296	-	-	-	161,296	15,486	-
<b>Total Public Works</b>	<b>3,587,989</b>	<b>120,096</b>	<b>1,570,746</b>	<b>1,604</b>	<b>5,280,435</b>	<b>476,625</b>	<b>57,114</b>
<b>Community Development:</b>							
Affordable Housing Program	155,243	-	-	-	155,243	21,972	-
Public Care Facilities	1,067,584	-	-	-	1,067,584	-	-
<b>Total Community Development</b>	<b>1,222,827</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,222,827</b>	<b>21,972</b>	<b>-</b>
<b>Culture and Recreation:</b>							
Art for CIP Projects	304,024	-	-	-	304,024	-	-
Museums	-	-	91,672	-	91,672	7,902	-
City Parks Improvements	3,586,288	-	196,604	8,343	3,791,235	412,462	75,203
Open Space Acquisition	632,836	-	107,603	-	740,439	9,031	-
Library Improvements	5,474	-	-	-	5,474	-	-
<b>Total Culture and Recreation</b>	<b>4,528,622</b>	<b>-</b>	<b>395,879</b>	<b>8,343</b>	<b>4,932,844</b>	<b>429,395</b>	<b>75,203</b>
<b>Totals - June 30, 2011</b>	<b>\$ 10,601,313</b>	<b>\$ 120,096</b>	<b>\$ 1,966,625</b>	<b>\$ 20,943</b>	<b>\$ 12,708,977</b>	<b>\$ 953,346</b>	<b>\$ 137,625</b>

Liabilities				Fund Balance Spendable				
Due to Other Funds	Deferred Revenue	Deposits/ Escrows	Total Liabilities	Restricted	Assigned	Unassigned	Total Fund Balances	Total Liabilities and Fund Balances
\$ -	\$ -	\$ -	-	\$ -	\$ 508,212	\$ -	\$ 508,212	\$ 508,212
-	-	-	-	-	20,264	-	20,264	20,264
-	-	-	16,511	727,884	-	-	727,884	744,395
385,701	-	-	399,852	-	-	(399,852)	(399,852)	-
385,701	-	-	416,363	727,884	528,476	(399,852)	856,508	1,272,871
-	-	-	-	-	79,494	-	79,494	79,494
-	-	-	-	-	2,343	-	2,343	2,343
-	-	-	-	-	1	-	1	1
-	-	-	51,038	1,635,402	-	-	1,635,402	1,686,440
-	-	-	-	-	53,541	-	53,541	53,541
-	-	-	1,336	-	201,049	-	201,049	202,385
-	-	100,000	565,675	2,257,817	-	-	2,257,817	2,823,492
-	-	-	204	-	271,239	-	271,239	271,443
-	-	-	15,486	-	145,810	-	145,810	161,296
-	-	100,000	633,739	3,893,219	753,477	-	4,646,696	5,280,435
-	-	-	21,972	-	133,271	-	133,271	155,243
-	-	-	-	1,067,584	-	-	1,067,584	1,067,584
-	-	-	21,972	1,067,584	133,271	-	1,200,855	1,222,827
-	-	-	-	-	304,024	-	304,024	304,024
82,147	-	-	90,049	-	1,623	-	1,623	91,672
-	-	-	487,665	3,303,570	-	-	3,303,570	3,791,235
-	66,245	-	75,276	665,163	-	-	665,163	740,439
-	-	-	-	-	5,474	-	5,474	5,474
82,147	66,245	-	652,990	3,968,733	311,121	-	4,279,854	4,932,844
\$ 467,848	\$ 66,245	\$ 100,000	\$ 1,725,064	\$ 9,657,420	\$ 1,726,345	\$ (399,852)	\$ 10,983,913	\$ 12,708,977

**CITY OF SANTA FE, NEW MEXICO**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Capital Projects**  
**For the Year Ended June 30, 2011**

	Revenues				Expenditures		
	Taxes	Intergovernmental	Investment Income	Other Revenues	Total Revenues	Current	Capital Outlay
<b>General Government:</b>							
CIP Reallocation	\$ -	\$ -	\$ 36,205	\$ -	\$ 36,205	\$ -	\$ -
Resource Conservation	-	-	-	-	-	-	-
Building Renovations	-	164,515	-	169	164,684	436,994	276,354
Special Projects	-	-	-	-	-	343,101	-
<b>Total General Government</b>	<b>-</b>	<b>164,515</b>	<b>36,205</b>	<b>169</b>	<b>200,889</b>	<b>780,095</b>	<b>276,354</b>
<b>Public Works:</b>							
Bond Acquisition	-	-	-	-	-	-	-
City Drainage Projects	-	-	-	-	-	1,634	-
Landfill Projects	-	-	-	-	-	-	-
City Paving Projects	1,384,023	1,433,238	6,235	-	2,823,496	3,248,121	-
Santa Fe River Channel	-	-	-	-	-	-	19,946
City Signalization Projects	-	-	-	10,000	10,000	67,910	66,816
City Street Const. Projects	-	1,965,930	-	70,783	2,036,713	222,669	2,131,446
City Sidewalk Projects	-	-	-	-	-	48,541	78,721
Zia Road Street Lighting	-	-	-	-	-	-	89,061
<b>Total Public Works</b>	<b>1,384,023</b>	<b>3,399,168</b>	<b>6,235</b>	<b>80,783</b>	<b>4,870,209</b>	<b>3,588,875</b>	<b>2,385,990</b>
<b>Community Development:</b>							
Affordable Housing Program	-	-	-	-	-	-	113,786
Public Care Facilities	-	35,655	-	-	35,655	49,171	35,655
<b>Total Community Development</b>	<b>-</b>	<b>35,655</b>	<b>-</b>	<b>-</b>	<b>35,655</b>	<b>49,171</b>	<b>149,441</b>
<b>Culture and Recreation:</b>							
Art for CIP Projects	-	-	-	750	750	121,189	-
Museums	-	108,963	-	1,226	110,189	110,190	-
City Parks Improvements	-	581,130	67,054	1,546	649,730	826,570	5,943,275
Open Space Acquisition	-	512,015	-	-	512,015	17,900	509,868
Library Improvements	-	-	-	35,000	35,000	2,161	348,212
<b>Total Culture and Recreation</b>	<b>-</b>	<b>1,202,108</b>	<b>67,054</b>	<b>38,522</b>	<b>1,307,684</b>	<b>1,078,010</b>	<b>6,801,355</b>
<b>Totals - June 30, 2011</b>	<b>\$ 1,384,023</b>	<b>\$ 4,801,446</b>	<b>\$ 109,494</b>	<b>\$ 119,474</b>	<b>\$ 6,414,437</b>	<b>\$ 5,496,151</b>	<b>\$ 9,613,140</b>

Other Financing Sources (Uses)					Fund Balances	
Total Expenditures	Excess (Deficiency) of Revenues Over Expenditures	Transfers In	Transfers (Out)	Net Changes in Fund Balances	Beginning of year	End of Year
\$ -	\$ 36,205	\$ 1,361,252	\$ (1,170,355)	\$ 227,102	281,110	\$ 508,212
-	-	-	-	-	20,264	20,264
713,348	(548,664)	196,266	(450,630)	(803,028)	1,530,912	727,884
343,101	(343,101)	420,000	-	76,899	(476,751)	(399,852)
1,056,449	(855,560)	1,977,518	(1,620,985)	(499,027)	1,355,535	856,508
-	-	-	-	-	79,494	79,494
1,634	(1,634)	-	(20,000)	(21,634)	23,977	2,343
-	-	-	(46,703)	(46,703)	46,704	1
3,248,121	(424,625)	220,448	-	(204,177)	1,839,579	1,635,402
19,946	(19,946)	-	-	(19,946)	73,487	53,541
134,726	(124,726)	-	-	(124,726)	325,775	201,049
2,354,115	(317,402)	739,560	(637,923)	(215,765)	2,473,582	2,257,817
127,262	(127,262)	67,835	(31,646)	(91,073)	362,312	271,239
89,061	(89,061)	-	-	(89,061)	234,871	145,810
5,974,865	(1,104,656)	1,027,843	(736,272)	(813,085)	5,459,781	4,646,696
113,786	(113,786)	-	-	(113,786)	247,057	133,271
84,826	(49,171)	1,000,000	-	950,829	116,755	1,067,584
198,612	(162,957)	1,000,000	-	837,043	363,812	1,200,855
121,189	(120,439)	-	-	(120,439)	424,463	304,024
110,190	(1)	-	-	(1)	1,624	1,623
6,769,845	(6,120,115)	324,343	(128,018)	(5,923,790)	9,227,360	3,303,570
527,768	(15,753)	-	-	(15,753)	680,916	665,163
350,373	(315,373)	305,031	-	(10,342)	15,816	5,474
7,879,365	(6,571,681)	629,374	(128,018)	(6,070,325)	10,350,179	4,279,854
<b>\$ 15,109,291</b>	<b>\$ (8,694,854)</b>	<b>\$ 4,634,735</b>	<b>\$ (2,485,275)</b>	<b>\$ (6,545,394)</b>	<b>\$ 17,529,307</b>	<b>\$ 10,983,913</b>

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
CIP Reallocation Fund  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 283,450	\$ 283,450	\$ 36,205	\$ (247,245)
Total revenues	283,450	283,450	36,205	(247,245)
Excess (deficiency) of revenues over expenditures	283,450	283,450	36,205	(247,245)
Other financing sources (uses):				
Transfer in	-	1,361,250	1,361,252	2
Transfers out	-	(1,170,355)	(1,170,355)	-
Total other financing sources (uses)	-	190,895	190,897	2
Net change in fund balance	283,450	474,345	227,102	(247,243)
Fund balance, beginning of year	281,110	281,110	281,110	-
Fund balance, end of year	\$ 564,560	\$ 755,455	\$ 508,212	\$ (247,243)



CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Resource Conservation  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
General government:				
Current	-	7,839	-	7,839
Capital outlay	-	12,425	-	12,425
Total expenditures	-	20,264	-	20,264
Excess (deficiency) of revenues over expenditures	-	(20,264)	-	20,264
Other financing sources (uses):				
Net changes in fund balance	-	(20,264)	-	20,264
Fund balance, beginning of year	20,264	20,264	20,264	-
Fund balance, end of year	\$ 20,264	\$ -	\$ 20,264	\$ 20,264

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Building Renovations  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 273,000	\$ 164,515	\$ (108,485)
Other revenues	-	-	169	169
<b>Total revenues</b>	<b>-</b>	<b>273,000</b>	<b>164,684</b>	<b>(108,316)</b>
Expenditures:				
General government:				
Current	-	41,240	436,994	(395,754)
Capital outlay	220,914	1,356,617	276,354	1,080,263
<b>Total expenditures</b>	<b>220,914</b>	<b>1,397,857</b>	<b>713,348</b>	<b>684,509</b>
Excess (deficiency) of revenues over expenditures	(220,914)	(1,124,857)	(548,664)	576,193
Other financing sources (uses):				
Transfers in	-	196,266	196,266	-
Transfers out	-	(450,630)	(450,630)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(254,364)</b>	<b>(254,364)</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(220,914)</b>	<b>(1,379,221)</b>	<b>(803,028)</b>	<b>576,193</b>
Fund balance, beginning of year	1,530,912	1,530,912	1,530,912	-
<b>Fund balance, end of year</b>	<b>\$ 1,309,998</b>	<b>\$ 151,691</b>	<b>\$ 727,884</b>	<b>\$ 576,193</b>

CITY OF SANTA FE, NEW MEXICO  
 Capital Projects Fund  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Capital Projects  
 Special Projects  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Public works:				
Current	420,000	421,852	343,101	78,751
Capital outlay	-	-	-	-
Total expenditures	420,000	421,852	343,101	78,751
Excess (deficiency) of revenues over expenditures	(420,000)	(421,852)	(343,101)	78,751
Other financing sources (uses):				
Transfers in	420,000	420,000	420,000	-
Total other financing sources (uses)	420,000	420,000	420,000	-
Net change in fund balance	-	(1,852)	76,899	78,751
Fund balance, beginning of year	(476,751)	(476,751)	(476,751)	-
Fund balance, end of year	<u>\$ (476,751)</u>	<u>\$ (478,603)</u>	<u>\$ (399,852)</u>	<u>\$ 78,751</u>

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Capital Projects  
 Bond Acquisition  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Public works:				
Capital outlay	\$ -	\$ 79,494	\$ -	\$ 79,494
Total expenditures	-	79,494	-	79,494
Excess (deficiency) of revenues over expenditures	-	(79,494)	-	79,494
Net change in fund balance	-	(79,494)	-	79,494
Fund balance, beginning of year	79,494	79,494	79,494	-
Fund balance, end of year	\$ 79,494	\$ -	\$ 79,494	\$ 79,494

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
City Drainage Projects  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 211,056	\$ -	(211,056)
Total revenues	-	211,056	-	(211,056)
Expenditures:				
Public works:				
Current	-	211,056	1,634	209,422
Total expenditures	-	211,056	1,634	209,422
Excess (deficiency) of revenues over expenditures	-	-	(1,634)	(1,634)
Other financing sources (uses):				
Transfers out	-	(20,000)	(20,000)	-
Total other financing sources (uses)	-	(20,000)	(20,000)	-
Net change in fund balance	-	(20,000)	(21,634)	(1,634)
Fund balance, beginning of year	23,977	23,977	23,977	-
Fund balance, end of year	\$ 23,977	\$ 3,977	\$ 2,343	(1,634)

CITY OF SANTA FE, NEW MEXICO  
 Capital Projects Fund  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Capital Projects  
 Landfill Projects  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Other financing sources (uses):				
Transfers out	-	(46,703)	(46,703)	-
Total other financing sources (uses)	-	(46,703)	(46,703)	-
Net change in fund balance	-	(46,703)	(46,703)	-
Fund balance, beginning of year	46,704	46,704	46,704	-
Fund balance, end of year	\$ 46,704	\$ 1	\$ 1	\$ -

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
City Paving Projects  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,395,000	\$ 1,395,000	\$ 1,384,023	\$ (10,977)
Intergovernmental	-	2,141,567	1,433,238	(708,329)
Interest on investments	-	-	6,235	6,235
Total revenues	1,395,000	3,536,567	2,823,496	(713,071)
Expenditures:				
Public works:				
Current	830,502	865,502	3,248,121	(2,382,619)
Capital outlay	9,000	3,547,855	-	3,547,855
Total expenditures	839,502	4,413,357	3,248,121	1,165,236
Excess (deficiency) of revenues over expenditures	555,498	(876,790)	(424,625)	452,165
Other financing sources (uses):				
Transfers in	-	220,448	220,448	-
Total other financing sources (uses)	-	220,448	220,448	-
Net change in fund balance	555,498	(656,342)	(204,177)	452,165
Fund balance, beginning of year	1,839,579	1,839,579	1,839,579	-
Fund balance, end of year	\$ 2,395,077	\$ 1,183,237	\$ 1,635,402	\$ 452,165

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Santa Fe River Channel  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 95,941	\$ -	(95,941)
Total revenues	-	95,941	-	(95,941)
Expenditures:				
Public works:				
Current	-	139,744	19,946	119,798
Total expenditures	-	139,744	19,946	119,798
Excess (deficiency) of revenues over expenditures	-	(43,803)	(19,946)	23,857
Net change in fund balance	-	(43,803)	(19,946)	23,857
Fund balance, beginning of year	73,487	73,487	73,487	-
Fund balance, end of year	\$ 73,487	\$ 29,684	\$ 53,541	\$ 23,857



CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
City Signalization Projects  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 358	\$ -	(358)
Other revenue	-	-	10,000	10,000
Total revenues	-	358	10,000	9,642
Expenditures:				
Public works:				
Current	-	16,670	67,910	(51,240)
Capital outlay	-	248,247	66,816	181,431
Total expenditures	-	264,917	134,726	130,191
Excess (deficiency) of revenues over expenditures	-	(264,559)	(124,726)	139,833
Net change in fund balance	-	(264,559)	(124,726)	139,833
Fund balance, beginning of year	325,775	325,775	325,775	-
Fund balance, end of year	\$ 325,775	\$ 61,216	\$ 201,049	\$ 139,833

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
City Street Construction Projects  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 7,833,500	\$ 1,965,930	\$ (5,867,570)
Other revenue	-	-	70,783	70,783
<b>Total revenues</b>	<b>-</b>	<b>7,833,500</b>	<b>2,036,713</b>	<b>(5,796,787)</b>
<b>Expenditures:</b>				
Public works:				
Current	-	15,843	222,669	(206,826)
Capital outlay	-	10,174,914	2,131,446	8,043,468
<b>Total expenditures</b>	<b>-</b>	<b>10,190,757</b>	<b>2,354,115</b>	<b>7,836,642</b>
Excess (deficiency) of revenues over expenditures	-	(2,357,257)	(317,402)	2,039,855
<b>Other financing sources (uses):</b>				
Transfers in	-	739,560	739,560	-
Transfers out	-	(637,923)	(637,923)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>101,637</b>	<b>101,637</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>(2,255,620)</b>	<b>(215,765)</b>	<b>2,039,855</b>
Fund balance, beginning of year	2,473,582	2,473,582	2,473,582	-
<b>Fund balance, end of year</b>	<b>\$ 2,473,582</b>	<b>\$ 217,962</b>	<b>\$ 2,257,817</b>	<b>\$ 2,039,855</b>

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
City Sidewalk Projects  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 150,000	\$ -	\$ (150,000)
Total revenues	-	150,000	-	(150,000)
Expenditures:				
Public works:				
Current	-	35,700	48,541	(12,841)
Capital outlay	-	506,568	78,721	427,847
Total expenditures	-	542,268	127,262	415,006
Excess (deficiency) of revenues over expenditures	-	(392,268)	(127,262)	265,006
Other financing sources (uses):				
Transfers in	-	67,835	67,835	-
Operating transfers (out)	-	(31,646)	(31,646)	-
Total other financing sources (uses)	-	36,189	36,189	-
Net change in fund balance	-	(356,079)	(91,073)	265,006
Fund balance, beginning of year	362,312	362,312	362,312	-
Fund balance, end of year	\$ 362,312	\$ 6,233	\$ 271,239	\$ 265,006

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Zia Road Street Lighting  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	-
Total revenues	-	-	-	-
Expenditures:				
Public works:				
Capital outlay	-	179,985	89,061	90,924
Total expenditures	-	179,985	89,061	90,924
Excess (deficiency) of revenues over expenditures	-	(179,985)	(89,061)	90,924
Net change in fund balance	-	(179,985)	(89,061)	90,924
Fund balance, beginning of year	234,871	234,871	234,871	-
Fund balance, end of year	\$ 234,871	\$ 54,886	\$ 145,810	\$ 90,924

CITY OF SANTA FE, NEW MEXICO  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
 Capital Projects  
 Affordable Housing Program  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Community development				
Capital outlay	-	247,056	113,786	133,270
Total expenditures	-	247,056	113,786	133,270
Excess (deficiency) of revenues over expenditures	-	(247,056)	(113,786)	133,270
Net change in fund balance	-	(247,056)	(113,786)	133,270
Fund balance, beginning of year	247,057	247,057	247,057	-
Fund balance, end of year	\$ 247,057	\$ 1	\$ 133,271	\$ 133,270

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Public Care Facilities  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 396,000	\$ 35,655	\$ (360,345)
Total revenues	-	396,000	35,655	(360,345)
Expenditures:				
Community welfare:				
Current	-	-	49,171	(49,171)
Capital outlay	-	1,496,000	35,655	1,460,345
Total expenditures	-	1,496,000	84,826	1,411,174
Excess (deficiency) of revenues over expenditures	-	(1,100,000)	(49,171)	1,050,829
Other financing sources (uses):				
Transfers in	-	1,000,000	1,000,000	-
Total other financing sources (uses)	-	1,000,000	1,000,000	-
Net change in fund balance	-	(100,000)	950,829	1,050,829
Fund balance, beginning of year	116,755	116,755	116,755	-
Fund balance, end of year	\$ 116,755	\$ 16,755	\$ 1,067,584	\$ 1,050,829

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Art for CIP Projects  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Other revenue	\$ -	\$ -	\$ 750	\$ (750)
Total revenues	-	-	750	(750)
Expenditures:				
Culture and recreation:				
Current	277,995	277,995	121,189	156,806
Total expenditures	277,995	277,995	121,189	156,806
Excess (deficiency) of revenues over expenditures	(277,995)	(277,995)	(120,439)	156,056
Net change in fund balance	(277,995)	(277,995)	(120,439)	157,556
Fund balance, beginning of year	424,463	424,463	424,463	-
Fund balance, end of year	<u>\$ 146,468</u>	<u>\$ 146,468</u>	<u>\$ 304,024</u>	<u>\$ 157,556</u>

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Museums  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 108,964	\$ 108,963	\$ (1)
Other revenues	-	-	1,226	1,226
Total revenues	-	108,964	110,189	1,225
Expenditures:				
Culture and recreation:				
Capital outlay	-	108,964	110,190	(1,226)
Total expenditures	-	108,964	110,190	(1,226)
Excess (deficiency) of revenues over expenditures	-	-	(1)	(1)
Net change in fund balance	-	-	(1)	(1)
Fund balance, beginning of year	1,624	1,624	1,624	-
Fund balance, end of year	\$ 1,624	\$ 1,624	\$ 1,623	\$ (1)



CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
City Parks Improvements  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 859,856	\$ 581,130	\$ (278,726)
Interest on investments	-	-	67,054	67,054
Other revenue	-	1,045	1,546	501
Total revenues	-	860,901	649,730	(211,171)
Expenditures:				
Culture and recreation:				
Current	600,095	1,440,553	826,570	613,983
Capital outlay	-	9,887,979	5,943,275	3,944,704
Total expenditures	600,095	11,328,532	6,769,845	4,558,687
Excess (deficiency) of revenues over expenditures	(600,095)	(10,467,631)	(6,120,115)	4,347,516
Other financing sources (uses):				
Transfers in	-	324,343	324,343	-
Transfers out	-	(128,016)	(128,018)	(2)
Total other financing sources (uses)	-	196,327	196,325	(2)
Net change in fund balance	(600,095)	(10,271,304)	(5,923,790)	4,347,514
Fund balance, beginning of year	9,227,360	9,227,360	9,227,360	-
Fund balance, end of year	\$ 8,627,265	\$ (1,043,944)	\$ 3,303,570	\$ 4,347,514

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Open Space Acquisition  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 712,290	\$ 512,015	\$ (200,275)
Total revenues	-	712,290	512,015	(200,275)
Expenditures:				
Culture and recreation:				
Current	-	11,560	17,900	(6,340)
Capital outlay	-	1,007,291	509,868	497,423
Total expenditures	-	1,018,851	527,768	491,083
Excess (deficiency) of revenues over expenditures	-	(306,561)	(15,753)	290,808
Net change in fund balance	-	(306,561)	(15,753)	290,808
Fund balance, beginning of year	680,916	680,916	680,916	-
Fund balance, end of year	\$ 680,916	\$ 374,355	\$ 665,163	\$ 290,808

CITY OF SANTA FE, NEW MEXICO  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Capital Projects  
Library Improvements  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amount	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other revenue	\$ -	\$ 35,000	\$ 35,000	\$ -
<b>Total revenues</b>	<b>-</b>	<b>35,000</b>	<b>35,000</b>	<b>-</b>
<b>Expenditures:</b>				
<b>Cultural and Recreation:</b>				
Current	-	465	2,161	(1,696)
Capital Outlay	-	355,320	348,212	7,108
<b>Total expenditures</b>	<b>-</b>	<b>355,785</b>	<b>350,373</b>	<b>5,412</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>-</b>	<b>(320,785)</b>	<b>(315,373)</b>	<b>5,412</b>
<b>Other financing sources (uses):</b>				
Transfers in	-	305,031	305,031	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>305,031</b>	<b>305,031</b>	<b>-</b>
<b>Net changes in fund balance</b>	<b>-</b>	<b>(15,754)</b>	<b>(10,342)</b>	<b>5,412</b>
Fund balance, beginning of year	15,816	15,816	15,816	-
<b>Fund balance, end of year</b>	<b>\$ 15,816</b>	<b>\$ 62</b>	<b>\$ 5,474</b>	<b>\$ 5,412</b>

CITY OF SANTA FE, NEW MEXICO  
Major Governmental Fund  
Capital Projects  
1/2 % Gross Receipts Tax  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 14,065,494	\$ 14,065,494	\$ 14,360,040	\$ 294,546
<b>Total revenues</b>	<b>14,065,494</b>	<b>14,065,494</b>	<b>14,360,040</b>	<b>294,546</b>
<b>Expenditures:</b>				
General government				
Current	2,997,480	3,012,342	2,553,800	458,542
Capital outlay	299,251	299,251	870,882	(571,631)
<b>Total expenditures</b>	<b>3,296,731</b>	<b>3,311,593</b>	<b>3,424,682</b>	<b>(113,089)</b>
Excess (deficiency) of revenues over expenditures	10,768,763	10,753,901	10,935,358	181,457
<b>Other financing sources (uses):</b>				
Transfers in	3,050,000	4,887,371	1,870,373	(3,016,998)
Transfers out	(16,644,050)	(18,141,072)	(18,151,040)	(9,968)
<b>Total other financing sources (uses)</b>	<b>(13,594,050)</b>	<b>(13,253,701)</b>	<b>(16,280,667)</b>	<b>(3,026,966)</b>
Net change in fund balance	(2,825,287)	(2,499,800)	(5,345,309)	(2,845,509)
Fund balance, beginning of year	18,005,005	18,005,005	18,005,005	-
<b>Fund balance, end of year</b>	<b>\$ 15,179,718</b>	<b>\$ 15,505,205</b>	<b>\$ 12,659,696</b>	<b>\$ (2,845,509)</b>

**Major Governmental Fund  
Debt Service Fund  
Budget vs Actual**

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The Debt Service Funds are used to account for the accumulation of resources and payment of principal and interest on the City's general bonded debt.

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**CITY OF SANTA FE, NEW MEXICO**  
**Major Governmental Fund**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2011**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>		<b>Final Budget -</b>
				<b>(Negative)</b>
<b>Revenues:</b>				
Investment income	\$ 99,970	\$ 70,970	\$ 104,390	\$ 33,420
Property Tax Revenue	1,743,329	1,743,329	2,412,632	669,303
Reimbursements/Refunds	-	184,906	184,907	1
<b>Total revenues</b>	<b>1,843,299</b>	<b>1,999,205</b>	<b>2,701,929</b>	<b>702,724</b>
<b>Expenditures:</b>				
Debt service:				
Principal payments	8,409,213	8,309,213	23,509,213	(15,200,000)
Interest and fiscal agent fees	5,393,702	5,438,531	6,562,034	(1,123,503)
Bond issuance costs	-	420,600	420,600	-
<b>Total expenditures</b>	<b>13,802,915</b>	<b>14,168,344</b>	<b>30,491,847</b>	<b>(16,323,503)</b>
Excess (deficiency) of revenues over expenditures	(11,959,616)	(12,169,139)	(27,789,918)	(15,620,779)
<b>Other financing sources (uses):</b>				
Operating transfers in	12,296,382	28,927,058	28,951,743	24,685
Operating transfers out	(48,384)	(18,522,002)	(18,561,504)	(39,502)
HUD loan payments(flow through)	-	-	31,815	31,815
Issuance of bonds				
Face value of bonds issued	-	10,300,000	25,305,000	15,005,000
Premium on issuance of bond	-	473,478	2,027,264	1,553,786
<b>Total other financing sources (uses)</b>	<b>12,247,998</b>	<b>21,178,534</b>	<b>37,754,318</b>	<b>16,575,784</b>
<b>Net change in fund balance</b>	<b>288,382</b>	<b>9,009,395</b>	<b>9,964,400</b>	<b>955,005</b>
Fund balance, beginning of year	70,740,969	8,082,699	6,444,922	1,637,777
<b>Fund balance, end of year</b>	<b>\$ 71,029,351</b>	<b>\$ 17,092,094</b>	<b>\$ 16,409,322</b>	<b>\$ (682,772)</b>

CITY OF SANTA FE, NEW MEXICO  
Major Governmental Fund  
Debt Service Fund  
Combining Balance Sheet  
For the Year Ended June 30, 2011

	General Obligation 2008 Debt Service	General Obligation 2010 Debt Service	GRT 2002 Debt Service	GRT 2004A Debt Service	GRT Refunding 2004B Debt Service	GRT 2006 Debt Service	GRT 2008 CIP Debt Service
<b>Assets</b>							
Cash and Investments	\$ 108,835	\$ 270,780	\$ 11,762	\$ 496	\$ 3,956	\$ 1,128	\$ 1,500
Restricted cash, cash equivalents & investments:							
Restricted for debt service payments	4,166,716	10,366,694	-	52,648	-	76,813	86,697
Receivables							
Property taxes	15,007	37,338	-	-	-	-	-
Interest	6,722	16,725	293	201	605	341	433
<b>Total Assets</b>	<b>\$ 4,297,280</b>	<b>\$ 10,691,537</b>	<b>\$ 12,055</b>	<b>\$ 53,345</b>	<b>\$ 4,561</b>	<b>\$ 78,282</b>	<b>\$ 88,630</b>
<b>Liabilities and Fund Balances</b>							
Liabilities							
Vouchers payable	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances:							
Fund balance:							
Spendable:							
Restricted	4,297,280	10,691,537	12,055	53,345	4,561	78,282	88,630
<b>Total Fund Balances</b>	<b>4,297,280</b>	<b>10,691,537</b>	<b>12,055</b>	<b>53,345</b>	<b>4,561</b>	<b>78,282</b>	<b>88,630</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,297,280</b>	<b>\$ 10,691,537</b>	<b>\$ 12,055</b>	<b>\$ 53,345</b>	<b>\$ 4,561</b>	<b>\$ 78,282</b>	<b>\$ 88,630</b>



GRT Refunding 2008B Debt	GRT Refunding 2010A Debt	NMFA-Fire Department	HUD Section 108 Loan Debt	NMFA-Parking Loan Debt	NMFA-Land Acquisition	TOTAL	
\$ 20,691	\$ 446	\$ 350,838	\$ 15,849	\$ 2,929	\$ 3,050	\$ 792,260	<b>Assets</b>
611,867	51,883	117,225	41,958	4	1	15,572,506	Cash and Investments
-	-	-	-	-	-	52,345	Restricted cash, cash equivalents and investments: Restricted for debt service payments
5,274	8	642	-	848	134	32,226	Receivables
							Property taxes
							Interest
<b>\$ 637,832</b>	<b>\$ 52,337</b>	<b>\$ 468,705</b>	<b>\$ 57,807</b>	<b>\$ 3,781</b>	<b>\$ 3,185</b>	<b>\$ 16,449,337</b>	<b>Total Assets</b>
							<b>Liabilities and Fund Balances</b>
			15			15	<b>Liabilities</b>
			40,000			40,000	Vouchers payable
							Other current liabilities
			40,015			40,015	<b>Total Liabilities</b>
							<b>Fund balances:</b>
637,832	52,337	468,705	17,792	3,781	3,185	16,409,322	Fund balance:
							Spendable:
							Restricted
637,832	52,337	468,705	17,792	3,781	3,185	16,409,322	<b>Total Fund Balances</b>
<b>\$ 637,832</b>	<b>\$ 52,337</b>	<b>\$ 468,705</b>	<b>\$ 57,807</b>	<b>\$ 3,781</b>	<b>\$ 3,185</b>	<b>\$ 16,449,337</b>	<b>Total liabilities and fund balances</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Major Governmental Fund**  
**Debt Service Fund**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2011**

	General Obligation 2008 Debt Service	General Obligation 2010 Debt Service	GRT 2002 Debt Service	GRT 2004A Debt Service	GRT Relanding 2004B Debt Service	GRT 2006 Debt Service	GRT 2008 CIP Debt Service
<b>REVENUES:</b>							
Taxes							
Property	\$ 2,254,300	\$ 158,332	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	26,580	14,735	1,858	1,752	2,674	1,106	5,568
Reimbursements/Refunds	-	21,774	-	-	-	-	-
<b>Total Revenues</b>	<b>2,280,880</b>	<b>194,841</b>	<b>1,858</b>	<b>1,752</b>	<b>2,674</b>	<b>1,106</b>	<b>5,568</b>
<b>EXPENDITURES:</b>							
Debt service:							
Principal payments	750,000	-	15,200,000	-	-	85,000	-
Interest and fiscal agent fees	808,413	84,921	1,532,057	634,160	-	737,266	1,043,672
Bond Issuance Costs	-	191,861	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,558,413</b>	<b>276,782</b>	<b>16,732,057</b>	<b>634,160</b>	<b>-</b>	<b>822,266</b>	<b>1,043,672</b>
Excess (deficiency) of revenues over expenditures	722,467	(81,941)	(16,730,199)	(632,408)	2,674	(821,160)	(1,038,104)
<b>OTHER FINANCING SOURCES (USES):</b>							
Operating Transfers In	-	-	17,237,769	639,810	7,500	820,767	1,040,803
Operating Transfers Out	(72,645)	-	(580,975)	(6,912)	(752,811)	(26,050)	(109,494)
Other Sources	-	-	-	-	-	-	-
Other Uses	-	-	-	-	-	-	-
Issuance of Bonds	-	-	-	-	-	-	-
Bonds Proceeds	-	10,300,000	-	-	-	-	-
Bond Premiums	-	473,478	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(72,645)</b>	<b>10,773,478</b>	<b>16,656,794</b>	<b>632,898</b>	<b>(745,311)</b>	<b>794,717</b>	<b>931,309</b>
Net change in fund balance	649,822	10,691,537	(73,405)	490	(742,637)	(26,443)	(106,795)
Fund balance, beginning of year	3,647,458	-	85,460	52,855	747,198	104,725	195,425
<b>Fund balance, end of year</b>	<b>\$ 4,297,280</b>	<b>\$ 10,691,537</b>	<b>\$ 12,055</b>	<b>\$ 53,345</b>	<b>\$ 4,561</b>	<b>\$ 78,282</b>	<b>\$ 88,630</b>

GRT Refunding 2008B Debt Service	GRT Refunding 2010A Debt Service	NMFA-Fire Department Debt Service	HUD Section 108 Loan Debt Service	NMFA-Parking Loan Debt Service	NMFA-Land Acquisition Debt Service	TOTAL	
							<b>REVENUES:</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,412,632	Taxes
28,527	10,737	2,899	11	4,789	3,154	104,390	Property
-	-	163,133	-	-	-	184,907	Investment Income
							Reimbursements/Refunds
<u>28,527</u>	<u>10,737</u>	<u>166,032</u>	<u>11</u>	<u>4,789</u>	<u>3,154</u>	<u>2,701,929</u>	Total Revenues
							<b>EXPENDITURES:</b>
6,835,000		150,155	18,000	334,993	136,065	23,509,213	Debt service:
625,771	289,567	13,292	14,049	639,021	139,845	6,562,034	Principal payments
-	228,739	-	-	-	-	420,600	Interest and fiscal agent fees
							Bond Issuance Costs
<u>7,460,771</u>	<u>518,306</u>	<u>163,447</u>	<u>32,049</u>	<u>974,014</u>	<u>275,910</u>	<u>30,491,847</u>	Total Expenditures
(7,432,244)	(507,569)	2,585	(32,038)	(969,225)	(272,756)	(27,789,918)	Excess (deficiency) of revenues over expenditures
7,460,771	331,067	163,332	-	974,014	275,910	28,951,743	<b>OTHER FINANCING SOURCES (USES):</b>
(12,495)	(16,329,947)	-	-	(638,813)	(31,362)	(18,561,504)	Operating Transfers In
-	-	-	31,815	-	-	31,815	Operating Transfers Out
-	-	-	-	-	-	-	Other Sources
-	-	-	-	-	-	-	Other Uses
-	15,005,000	-	-	-	-	25,305,000	Issuance of Bonds
-	1,553,786	-	-	-	-	2,027,264	Bonds Proceeds
							Bond Premiums
<u>7,448,276</u>	<u>559,906</u>	<u>163,332</u>	<u>31,815</u>	<u>335,201</u>	<u>244,548</u>	<u>37,754,318</u>	Total other financing sources (uses)
16,032	52,337	165,917	(223)	(634,024)	(28,208)	9,964,400	Net change in fund balance
621,800	-	302,788	18,015	637,805	31,393	6,444,922	Fund balance, beginning of year
<b>\$ 637,832</b>	<b>\$ 52,337</b>	<b>\$ 468,705</b>	<b>\$ 17,792</b>	<b>\$ 3,781</b>	<b>\$ 3,185</b>	<b>\$ 16,409,322</b>	Fund balance, end of year

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## Nonmajor Enterprise Funds

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Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

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***Municipal Recreation Complex*** - to account for the operation of the City's golf course and adjoining recreation facility.

***Parking Enterprise Fund*** - to account for the operation of the City's parking lots and the operation of the on-street parking meters.

***Transit Bus System*** - to account for the operation of the City's public bus system: Santa Fe Trails.

***Airport*** - to account for the operation of the City's airport service.

***Genoveva Chavez Community Center (GCCC)*** - to account for the operation of the community recreational center.

## Major Enterprise Funds Budget vs Actual

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***Waste Water Management*** - to account for the operation of the City's sewage system.

***Water Management*** - to account for the operations of the City's water utility.

***Solid Waste Management*** - to account for the operation of the City's solid waste collection service.

***Railyard Properties*** - to account for the development of 50 acres of prime real estate near the center of the City previously owned by the railroad and a private developer.

***Santa Fe Convention Center*** - to account for the operation of the City's convention center.

***College of Santa Fe*** - The College of Santa Fe fund accounts for the lease operations, debt service, and construction activities associated with the City's purchase of the college from a not-for-profit corporation and subsequent lease to Laureate Education Inc. in September of 2009.

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**CITY OF SANTA FE, NEW MEXICO**  
**Combining Statement of Net Assets**  
**Nonmajor Enterprise Funds**  
**June 30, 2011**

	Municipal Recreation Complex	Parking Enterprise Fund	Transit Bus System
<b>Assets</b>			
Current assets:			
Cash, investments and cash equivalents	\$ -	\$ 954,440	\$ -
Restricted cash, investments and cash equivalents			
Grants receivable	-	135,480	2,475,679
Receivable (net of allowances)			
Accounts	214,438	4,450	-
Interest receivable	835	1,495	434
<b>Total current assets</b>	<b>215,273</b>	<b>1,095,865</b>	<b>2,476,113</b>
Noncurrent assets:			
Deferred Charges (net of amortization)	265,458	-	-
Capital assets:			
Land and land rights	2,250,000	-	-
Buildings and structures	2,314,761	18,360,390	7,721,323
Improvements	13,783,385	113,620	766,447
Furniture and fixtures	-	25,754	9,043
Equipment and machinery	1,086,155	854,772	1,090,758
Vehicles	53,479	449,955	10,755,483
Data processing equipment and software	73,475	706,564	361,284
Utility Systems	-	-	-
Art	-	-	180,971
Construction in progress	952,155	-	315,928
Less accumulated depreciation	(15,215,610)	(3,642,413)	(8,880,125)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>5,297,800</b>	<b>16,868,642</b>	<b>12,321,112</b>
<b>Total noncurrent assets</b>	<b>5,563,258</b>	<b>16,868,642</b>	<b>12,321,112</b>
<b>Total assets</b>	<b>\$ 5,778,531</b>	<b>\$ 17,964,507</b>	<b>\$ 14,797,225</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	\$ 29,645	\$ 67,761	\$ 67,657
Miscellaneous payable	5,954	17,186	-
Compensated absences payable	10,192	34,559	62,686
Accrued wages payable	35,198	156,608	297,183
Deposits and escrows	605	20,982	14
Interest payable	39,069	-	-
Due to other funds	320,604	-	930,718
Bonds payable net of amortization	842,286	-	-
<b>Total current liabilities</b>	<b>1,283,553</b>	<b>297,096</b>	<b>1,358,258</b>
Noncurrent liabilities			
Bonds payable net of amortization	10,237,425	-	-
Compensated absences payable	37,697	180,590	335,064
<b>Total noncurrent liabilities</b>	<b>10,275,122</b>	<b>180,590</b>	<b>335,064</b>
<b>Total liabilities</b>	<b>11,558,675</b>	<b>477,686</b>	<b>1,693,322</b>
<b>Net assets</b>			
Invested in capital assets, net of related debt	(5,781,911)	16,868,642	12,321,112
Unrestricted	1,767	618,179	782,791
<b>Total net assets</b>	<b>\$ (5,780,144)</b>	<b>\$ 17,486,821</b>	<b>\$ 13,103,903</b>



Airport	GCCC	Totals	
\$ 348,791	\$ 1,158,372	\$ 2,461,603	Current assets:
182,307	-	2,793,466	Cash, investments and cash equivalents
-	-	218,888	Restricted cash, investments and cash equivalents
480	1,588	4,832	Grants receivable
			Receivable (net of allowances)
			Accounts
			Interest receivable
531,578	1,159,960	5,478,789	Total current assets
			Noncurrent assets:
-	-	265,458	Deferred Charges (net of amortization)
			Capital assets:
129,711	2,072,067	4,451,778	Land and land rights
5,186,017	23,306,768	56,889,259	Buildings and systems
16,785,215	198,423	31,647,090	Improvements
-	37,525	72,322	Furniture and fixtures
891,341	520,449	4,443,475	Equipment and machinery
596,733	45,551	11,901,201	Vehicles
2,174	143,126	1,286,623	Data processing equipment and software
-	29,820	29,820	Utility Systems
-	-	180,971	Art
254,950	1,232,535	2,755,568	Construction in progress
(9,130,574)	(6,381,759)	(43,250,481)	Less accumulated depreciation
14,715,567	21,204,505	70,407,626	Total capital assets (net of accumulated depreciation)
14,715,567	21,204,505	70,673,084	Total noncurrent assets
\$ 15,247,145	\$ 22,364,465	\$ 76,151,873	<b>Total assets</b>
			<b>Liabilities</b>
\$ 161,787	\$ 125,210	\$ 452,060	Current liabilities:
200	8,861	32,201	Accounts payable
757	25,276	133,470	Miscellaneous payable
53,040	155,479	697,508	Compensated absences payable
-	15,726	37,327	Accrued wages payable
-	2,513	41,582	Deposits and escrows
-	-	1,251,322	Interest payable
-	27,561	869,847	Due to other funds
215,784	360,626	3,515,317	Bonds payable net of amortization
			Total current liabilities
-	-	10,237,425	Noncurrent liabilities
90,039	150,421	793,811	Bonds payable net of amortization
90,039	150,421	11,031,236	Compensated absences payable
305,823	511,047	14,546,553	Total noncurrent liabilities
			Total liabilities
14,715,567	21,204,505	59,327,915	<b>Net assets</b>
225,755	648,913	2,277,405	Invested in capital assets, net of related debt
\$ 14,941,322	\$ 21,853,418	\$ 61,605,320	Unrestricted
			<b>Total net assets</b>

**Enterprise Funds**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Net Assets**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2011**

	Municipal Recreation Complex	Parking Enterprise Fund	Transit Bus System
<b>Operating revenues:</b>			
User fees	\$ 1,074,020	\$ 3,807,785	\$ 1,182,876
Other revenue	85,288	611,929	102,024
Total operating revenues	1,159,308	4,419,714	1,284,900
<b>Operating expenses:</b>			
Salaries, wages and benefits	490,742	2,925,396	5,734,758
Contractual services and utilities	313,898	360,757	156,465
Repairs and maintenance	14,285	126,815	396,876
Supplies	39,034	145,805	433,553
Capital outlay-inventory exempt items	78,383	39,910	21,371
Depreciation expense	172,714	460,822	729,676
Amortization expense	19,670	-	-
Insurance	31,969	117,944	213,524
Bad debt expense	-	129,643	180
Other	188,437	840,319	735,546
Total operating expenses	1,349,132	5,147,411	8,421,949
Operating income (loss)	(189,824)	(727,697)	(7,137,049)
<b>Non-operating revenues (expenses):</b>			
Investment income	4,674	6,161	9,541
Intergovernmental Grants	-	-	3,777,168
Gain (Loss) on sale of capital assets	-	5,742	990
Interest expense	(4,674)	-	-
Prem/(Discount) debt service interest	17,286	-	-
Other non-operating (expenses)/income	-	-	-
Total non-operating revenues (expenses)	17,286	11,903	3,787,699
Income (loss) before transfers	(172,538)	(715,794)	(3,349,350)
Transfers in	853,151	5,000	5,977,783
Transfers out	(4,199)	(33,934)	-
Change in net assets	676,414	(744,728)	2,628,433
Net assets, beginning of year	(6,456,558)	18,231,549	10,475,470
<b>Net assets, end of year</b>	<b>\$ (5,780,144)</b>	<b>\$ 17,486,821</b>	<b>\$ 13,103,903</b>

Airport		GCCC		Totals	
\$	816,947	\$	1,666,079	\$	8,547,707
	210,329		304,088		1,313,658
	1,027,276		1,970,167		9,861,365
	904,121		2,668,064		12,723,081
	173,356		766,494		1,770,970
	28,193		99,392		665,561
	23,539		198,150		840,081
	42,820		114,296		296,780
	1,266,169		500,517		3,129,898
	-		-		19,670
	31,571		227,012		622,020
	-		6,089		135,912
	92,889		140,348		1,997,539
	2,562,658		4,720,362		22,201,512
	(1,535,382)		(2,750,195)		(12,340,147)
	2,521		4,796		27,693
	499,113		-		4,276,281
	-		(10,402)		(3,670)
	-		-		(4,674)
	-		-		17,286
	-		(5,026)		(5,026)
	501,634		(10,632)		4,307,890
	(1,033,748)		(2,760,827)		(8,032,257)
	15,056		2,981,257		9,832,247
	(190,895)		(263,698)		(492,726)
	(1,209,587)		(43,268)		1,307,264
	16,150,909		21,896,686		60,298,056
\$	14,941,322	\$	21,853,418	\$	61,605,320

**Operating revenues:**

User fees  
Other revenue  
Total operating revenues

**Operating expenses:**

Salaries, wages and benefits  
Contractual services and utilities  
Repairs and maintenance  
Supplies  
Capital outlay-inventory exempt items  
Depreciation expense  
Amortization expense  
Insurance  
Bad debt expense  
Other

Total operating expenses

Operating income (loss)

**Non-operating revenues (expenses):**

Investment income  
Intergovernmental  
Grants  
Gain (Loss) on sale of capital assets  
Interest expense  
Prem/(Discount) debt service interest  
Other non-operating (expenses) / income

Total non-operating revenues (expenses)

Income (loss) before transfers

Transfers in  
Transfers out

Change in net assets

Net assets, beginning of year

**Net assets, end of year**

**CITY OF SANTA FE, NEW MEXICO**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2011**

	<b>Municipal Recreation Complex</b>	<b>Parking Enterprise Fund</b>	<b>Transit Bus System</b>
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 1,079,144	\$ 4,551,306	\$ 1,284,900
Cash payments to suppliers for goods and services	(364,299)	(1,390,917)	(854,520)
Cash paid for interfund services provided and used	-	(397,080)	(640,464)
Cash payments to employees for services	(474,150)	(2,898,850)	(5,744,972)
<b>Net cash provided (used) by operating activities:</b>	<b>240,695</b>	<b>(135,541)</b>	<b>(5,955,056)</b>
<b>Cash flows from noncapital financing activities:</b>			
Intergovernmental	-	(104,190)	2,759,457
Transfers-in from other funds	853,151	5,000	5,977,783
Transfers-out to other funds	(4,199)	(33,934)	-
<b>Net cash provided (used) by noncapital financing activities</b>	<b>848,952</b>	<b>(133,124)</b>	<b>8,737,240</b>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition and construction of capital assets	(780,516)	(970)	(2,793,258)
Proceeds from sale of capital assets	-	5,742	990
Principal paid on revenue bond maturities and notes payable	(790,000)	-	-
Interest paid on revenue bonds and notes payable	(7,307)	-	-
<b>Net cash used for capital and related financing activities</b>	<b>(1,577,823)</b>	<b>4,772</b>	<b>(2,792,268)</b>
<b>Cash flows from investing activities:</b>			
Interest and dividends on investments	6,591	8,119	10,084
<b>Net cash provided by investing activities</b>	<b>6,591</b>	<b>8,119</b>	<b>10,084</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(481,585)</b>	<b>(255,774)</b>	<b>-</b>
<b>Cash, investments and cash equivalents at beginning of year</b>	<b>481,585</b>	<b>1,210,214</b>	<b>-</b>
<b>Cash, investments and cash equivalents at end of year</b>	<b>\$ -</b>	<b>\$ 954,440</b>	<b>\$ -</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ (189,824)	\$ (727,697)	\$ (7,137,049)
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>			
Depreciation/amortization	192,384	460,822	729,676
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(80,164)	131,592	-
Increase (decrease) in notes payable	-	-	-
Increase (decrease) in accounts payable	(24,851)	(40,844)	(69,901)
Increase (decrease) in compensated absences payable	14,490	12,428	(17,464)
Increase (decrease) in accrued wages payable	2,102	15,506	7,250
Increase (decrease) in miscellaneous payable	5,954	(1,387)	-
Increase (decrease) in escrow	-	14,039	-
Increase (decrease) in due to other funds	320,604	-	532,432
<b>Total adjustments</b>	<b>430,519</b>	<b>592,156</b>	<b>1,181,993</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 240,695</b>	<b>\$ (135,541)</b>	<b>\$ (5,955,056)</b>

Airport		GCCC		Totals	
\$	1,027,276	\$	1,970,167	\$	9,912,793
	(767,525)		(1,509,604)		(4,886,865)
	(88,476)		-		(1,126,020)
	(913,788)		(2,642,258)		(12,674,018)
	(742,513)		(2,181,695)		(8,774,110)
	1,478,469		-		4,133,736
	15,056		2,981,257		9,832,247
	(190,895)		(263,698)		(492,726)
	1,302,630		2,717,559		13,473,257
	(577,463)		(460,564)		(4,612,771)
	-		(10,402)		(3,670)
	-		-		(790,000)
	-		(2,513)		(9,820)
	(577,463)		(473,479)		(5,416,261)
	5,072		7,593		37,459
	5,072		7,593		37,459
	(12,274)		69,978		(679,655)
	361,065		1,088,394		3,141,258
<b>\$</b>	<b>348,791</b>	<b>\$</b>	<b>1,158,372</b>	<b>\$</b>	<b>2,461,603</b>
\$	(1,535,382)	\$	(2,750,195)	\$	(12,340,147)
	1,266,169		500,517		3,149,568
	-		-		51,428
	-		27,561		27,561
	(463,833)		7,141		(592,288)
	(21,854)		12,356		(44)
	12,187		13,450		50,495
	200		8,861		13,628
	-		(1,386)		12,653
	-		-		853,036
	792,869		568,500		3,566,037
<b>\$</b>	<b>(742,513)</b>	<b>\$</b>	<b>(2,181,695)</b>	<b>\$</b>	<b>(8,774,110)</b>

Cash flows from operating activities:

Cash received from customers  
Cash payments to suppliers for goods and services  
Cash paid for interfund services provided and used  
Cash payments to employees for services

Net cash provided (used) by operating activities:

Cash flows from noncapital financing activities:

Intergovernmental  
Transfers-in from other funds  
Transfers-out to other funds

Net cash provided (used) by noncapital financing activities

Cash flows from capital and related financing activities:

Acquisition and construction of capital assets  
Proceeds from sale of capital assets  
Principal paid on revenue bond maturities and notes payable  
Interest paid on revenue bonds and notes payable

Net cash used for capital and related financing activities

Cash flows from investing activities:

Interest and dividends on investments

Net cash provided by investing activities

Net increase (decrease) in cash and cash equivalents

Cash, investments and cash equivalents at beginning of year

**Cash, investments and cash equivalents at end of year**

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income (loss)

Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:

Depreciation/amortization  
Change in assets and liabilities:  
(Increase) decrease in accounts receivable  
Increase (decrease) in notes payable  
Increase (decrease) in accounts payable  
Increase (decrease) in compensated absences payable  
Increase (decrease) in accrued wages payable  
Increase (decrease) in miscellaneous payable  
Increase (decrease) in escrow  
Increase (decrease) in due to other funds

Total adjustments

**Net cash provided (used) by operating activities**

**CITY OF SANTA FE, NEW MEXICO**  
**Nonmajor Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**Municipal Recreation Complex**  
**For the Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget- Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
User fees	\$ 1,173,619	\$ 1,173,619	\$ 1,074,020	\$ (99,599)
Other revenue	118,988	118,988	85,288	(33,700)
Total operating revenues	<u>1,292,607</u>	<u>1,292,607</u>	<u>1,159,308</u>	<u>(133,299)</u>
<b>Operating expenses:</b>				
Salaries, wages and benefits	524,535	524,535	490,742	33,793
Contractual services and utilities	295,895	291,644	313,898	(22,254)
Repairs and maintenance	12,000	14,684	14,285	399
Supplies	31,050	38,988	39,034	(46)
Capital outlay-exempt items	-	717,782	78,383	639,399
Depreciation expense	-	-	172,714	(172,714)
Amortization	-	-	19,670	(19,670)
Insurance	31,969	31,969	31,969	-
Other	193,008	193,508	188,437	5,071
Total operating expenses	<u>1,088,457</u>	<u>1,813,110</u>	<u>1,349,132</u>	<u>463,978</u>
Operating income (loss)	<u>204,150</u>	<u>(520,503)</u>	<u>(189,824)</u>	<u>330,679</u>
<b>Non-operating revenues (expenses):</b>				
Investment income	1,950	1,950	4,674	2,724
Interest expense	(1,290,428)	(1,290,428)	(4,674)	1,285,754
Prem(Discount) debt service interest	-	-	17,286	17,286
Total non-operating revenues (expenses)	<u>(1,288,478)</u>	<u>(1,288,478)</u>	<u>17,286</u>	<u>1,305,764</u>
Income (loss) before transfers	<u>(1,084,328)</u>	<u>(1,808,981)</u>	<u>(172,538)</u>	<u>1,636,443</u>
Transfers in	853,151	853,151	853,151	-
Transfers out	(4,199)	(4,199)	(4,199)	-
Change in net assets	<u>(235,376)</u>	<u>(960,029)</u>	<u>676,414</u>	<u>1,636,443</u>
Net assets, beginning of year	<u>(6,456,558)</u>	<u>(6,456,558)</u>	<u>(6,456,558)</u>	<u>-</u>
<b>Net assets, end of year</b>	<b>\$ (6,691,934)</b>	<b>\$ (7,416,587)</b>	<b>\$ (5,780,144)</b>	<b>\$ 1,636,443</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Nonmajor Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**Parking Enterprise Fund**  
**For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
User fees	\$ 4,007,610	\$ 4,007,610	\$ 3,807,785	\$ (199,825)
Other revenue	682,000	682,000	611,929	(70,071)
Total operating revenues	4,689,610	4,689,610	4,419,714	(269,896)
<b>Operating expenses:</b>				
Salaries, wages and benefits	3,080,234	3,080,234	2,925,396	154,838
Contractual services and utilities	429,300	460,680	360,757	99,923
Repairs and maintenance	155,200	144,847	126,815	18,032
Supplies	182,800	172,876	145,805	27,071
Capital outlay-exempt items	30,200	44,987	39,910	5,077
Depreciation expense	-	-	460,822	(460,822)
Insurance	197,524	197,524	117,944	79,580
Bad debt expense	-	-	129,643	(129,643)
Other	982,870	985,744	840,319	145,425
Total operating expenses	5,058,128	5,086,892	5,147,411	(60,519)
Operating income (loss)	(368,518)	(397,282)	(727,697)	(330,415)
<b>Non-operating revenues (expenses):</b>				
Investment income	11,330	11,330	6,161	(5,169)
Intergovernmental	250,000	250,000	-	(250,000)
Gain (Loss) on sale of capital assets	-	-	5,742	5,742
Total non-operating revenues (expenses)	261,330	261,330	11,903	(249,427)
Income (loss) before transfers	(107,188)	(135,952)	(715,794)	(579,842)
Transfers in	-	-	5,000	5,000
Transfers out	-	-	(33,934)	(33,934)
Change in net assets	(107,188)	(135,952)	(744,728)	(608,776)
Net assets, beginning of year	18,231,549	18,231,549	18,231,549	-
<b>Net assets, end of year</b>	<b>\$ 18,124,361</b>	<b>\$ 18,095,597</b>	<b>\$ 17,486,821</b>	<b>\$ (608,776)</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Nonmajor Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**Transit Bus System**  
**For the Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget- Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
User fees	\$ 543,000	\$ 543,000	\$ 1,182,876	\$ 639,876
Other revenue	100,000	100,000	102,024	2,024
<b>Total operating revenues</b>	<b>643,000</b>	<b>643,000</b>	<b>1,284,900</b>	<b>641,900</b>
<b>Operating expenses:</b>				
Salaries, wages and benefits	5,983,507	5,983,507	5,734,758	248,749
Contractual services and utilities	150,700	185,366	156,465	28,901
Repairs and maintenance	503,400	643,370	396,876	246,494
Supplies	485,955	470,764	433,553	37,211
Capital outlay-exempt items	23,500	2,813,175	21,371	2,791,804
Depreciation expense	-	-	729,676	(729,676)
Insurance	213,524	213,524	213,524	-
Bad debt expense	-	-	180	(180)
Other	762,866	771,525	735,546	35,979
<b>Total operating expenses</b>	<b>8,123,452</b>	<b>11,081,231</b>	<b>8,421,949</b>	<b>2,659,282</b>
<b>Operating income (loss)</b>	<b>(7,480,452)</b>	<b>(10,438,231)</b>	<b>(7,137,049)</b>	<b>3,301,182</b>
<b>Non-operating revenues (expenses):</b>				
Investment income	3,740	3,740	9,541	5,801
Intergovernmental	2,021,690	4,151,257	3,777,168	(374,089)
Gain (Loss) on Sale of Capital Assets	-	-	990	990
<b>Total non-operating revenues (expenses)</b>	<b>2,025,430</b>	<b>4,154,997</b>	<b>3,787,699</b>	<b>(367,298)</b>
<b>Income (loss) before transfers</b>	<b>(5,455,022)</b>	<b>(6,283,234)</b>	<b>(3,349,350)</b>	<b>2,933,884</b>
Transfers in	5,771,923	5,977,783	5,977,783	-
Transfers out	-	-	-	-
<b>Change in net assets</b>	<b>316,901</b>	<b>(305,451)</b>	<b>2,628,433</b>	<b>2,933,884</b>
Net assets, beginning of year	10,475,470	10,475,470	10,475,470	-
<b>Net assets, end of year</b>	<b>\$ 10,792,371</b>	<b>\$ 10,170,019</b>	<b>\$ 13,103,903</b>	<b>\$ 2,933,884</b>



CITY OF SANTA FE, NEW MEXICO  
Nonmajor Enterprise Fund  
Schedule of Revenues, Expenses and  
Changes in Net Assets Budget and Actual  
Airport  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Operating revenues:</b>				
User fees	\$ 847,950	\$ 847,950	\$ 816,947	\$ (31,003)
Other revenue	207,965	207,965	210,329	2,364
Total operating revenues	1,055,915	1,055,915	1,027,276	(28,639)
<b>Operating expenses:</b>				
Salaries, wages and benefits	985,509	985,509	904,121	81,388
Contractual services and utilities	120,070	222,042	173,356	48,686
Repairs and maintenance	18,168	32,179	28,193	3,986
Supplies	28,599	30,099	23,539	6,560
Capital outlay-exempt items	64,000	1,159,660	42,820	1,116,840
Depreciation expense	-	-	1,266,169	(1,266,169)
Insurance	41,671	41,671	31,571	10,100
Other	96,362	93,462	92,889	573
Total operating expenses	1,354,379	2,564,622	2,562,658	1,964
Operating income (loss)	(298,464)	(1,508,707)	(1,535,382)	(26,675)
<b>Non-operating revenues (expenses):</b>				
Investment income	59,810	59,810	2,521	(57,289)
Intergovernmental	-	839,912	499,113	(340,799)
Total non-operating revenues (expenses)	59,810	899,722	501,634	(398,088)
Income (loss) before transfers	(238,654)	(608,985)	(1,033,748)	(424,763)
Transfers in	-	64,181	15,056	(49,125)
Transfers out	-	(190,895)	(190,895)	-
Change in net assets	(238,654)	(735,699)	(1,209,587)	(473,888)
Net assets, beginning of year	16,150,909	16,150,909	16,150,909	-
<b>Net assets, end of year</b>	<b>\$ 15,912,255</b>	<b>\$ 15,415,210</b>	<b>\$ 14,941,322</b>	<b>\$ (473,888)</b>

CITY OF SANTA FE, NEW MEXICO  
Nonmajor Enterprise Fund  
Schedule of Revenues, Expenses and  
Changes in Net Assets Budget and Actual  
Genoveva Chavez Community Center  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Operating revenues:</b>				
User fees	\$ 1,341,000	\$ 1,341,000	\$ 1,666,079	\$ 325,079
Other revenue	244,916	244,916	304,088	59,172
Total operating revenues	1,585,916	1,585,916	1,970,167	384,251
<b>Operating expenses:</b>				
Salaries, wages and benefits	2,669,354	2,757,305	2,668,064	89,241
Contractual services and utility	763,733	773,016	766,494	6,522
Repairs and maintenance	139,646	117,713	99,392	18,321
Supplies	191,746	215,452	198,150	17,302
Capital outlay-exempt items	40,000	869,930	114,296	755,634
Depreciation expense	-	-	500,517	(500,517)
Insurance	234,512	234,512	227,012	7,500
Bad debt expense	-	6,089	6,089	-
Other	144,290	145,491	140,348	5,143
Total operating expenses	4,183,281	5,119,508	4,720,362	399,146
Operating income (loss)	(2,597,365)	(3,533,592)	(2,750,195)	783,397
<b>Non-operating revenues (expenses):</b>				
Investment income	7,820	7,820	4,796	(3,024)
Gain/(loss) on sale of capital assets	-	-	(10,402)	(10,402)
Other non-operating (expenses) / income	-	-	(5,026)	(5,026)
Total non-operating revenues (expenses)	7,820	7,820	(10,632)	(18,452)
Income (loss) before transfers	(2,589,545)	(3,525,772)	(2,760,827)	764,945
Transfers in	2,424,076	2,981,257	2,981,257	-
Transfers out	(263,698)	(263,698)	(263,698)	-
Change in net assets	(429,167)	(808,213)	(43,268)	764,945
Net assets, beginning of year	21,896,686	21,896,686	21,896,686	-
<b>Net assets, end of year</b>	<b>\$ 21,467,519</b>	<b>\$ 21,088,473</b>	<b>\$ 21,853,418</b>	<b>\$ 764,945</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Major Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**Waste Water Management**  
**For the Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget- Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
User fees	\$ 9,943,210	\$ 10,698,617	\$ 12,451,454	\$ 1,752,837
Other revenue	-	-	73,029	73,029
<b>Total operating revenues</b>	<b>9,943,210</b>	<b>10,698,617</b>	<b>12,524,483</b>	<b>1,825,866</b>
<b>Operating expenses:</b>				
Salaries, wages and benefits	5,237,837	5,681,158	4,736,712	944,446
Contractual services and utilities	1,872,664	1,971,142	1,788,567	182,575
Repairs and maintenance	662,048	738,190	472,175	266,015
Supplies	678,304	673,433	516,543	156,890
Capital outlay-exempt items	416,340	983,313	21,477	961,836
Depreciation expense	-	-	4,866,408	(4,866,408)
Amortization expense	-	-	34,639	(34,639)
Bad debt expense	-	-	637,735	(637,735)
Insurance	306,866	321,082	321,082	-
Other	880,984	941,688	933,545	8,143
<b>Total operating expenses</b>	<b>10,055,043</b>	<b>11,310,007</b>	<b>14,328,883</b>	<b>(3,018,876)</b>
<b>Operating income (loss)</b>	<b>(111,833)</b>	<b>(611,390)</b>	<b>(1,804,400)</b>	<b>(1,193,010)</b>
<b>Non-operating revenues (expenses):</b>				
Investment income	134,490	134,594	127,578	(7,016)
Gain(loss) on sale of capital assets	-	-	(7)	(7)
<b>Intergovernmental</b>				
State-shared taxes	1,739,072	1,739,072	1,773,801	34,729
Grants	-	-	184,019	184,019
Interest expense	(2,572,975)	(1,781,510)	(411,176)	1,370,334
Prem/(Discount) debt service interest	-	-	34,927	34,927
<b>Total non-operating revenues (expenses)</b>	<b>(699,413)</b>	<b>92,156</b>	<b>1,709,142</b>	<b>1,616,986</b>
<b>Income (loss) before transfers</b>	<b>(811,246)</b>	<b>(519,233)</b>	<b>(95,258)</b>	<b>423,975</b>
<b>Transfers out</b>	<b>(108,333)</b>	<b>(108,333)</b>	<b>(108,333)</b>	<b>-</b>
<b>Change in net assets</b>	<b>(919,579)</b>	<b>(627,566)</b>	<b>(203,591)</b>	<b>423,975</b>
<b>Net assets, beginning of year</b>	<b>33,987,864</b>	<b>33,987,864</b>	<b>33,987,864</b>	<b>-</b>
<b>Net assets, end of year</b>	<b>\$ 33,068,285</b>	<b>\$ 33,360,298</b>	<b>\$ 33,784,273</b>	<b>\$ 423,975</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Major Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**Water Management**  
**For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
User fees	\$ 34,641,300	\$ 32,216,181	\$ 35,347,773	\$ 3,131,592
Other revenue	559,300	559,300	130,254	(429,046)
<b>Total operating revenues</b>	<b>35,200,600</b>	<b>32,775,481</b>	<b>35,478,027</b>	<b>2,702,546</b>
<b>Operating expenses:</b>				
Salaries, wages and benefits	6,156,685	8,410,351	7,525,431	884,920
Contractual services and utilities	9,177,594	12,812,545	6,589,459	6,223,086
Repairs and maintenance	535,050	615,266	358,410	256,856
Supplies	1,131,650	1,318,585	778,559	540,026
Capital outlay-exempt items	13,367,433	45,194,854	95,593	45,099,261
Depreciation expense	-	842	5,335,188	(5,334,346)
Amortization	-	-	941,055	(941,055)
Bad debt expense	-	-	99,069	(99,069)
Insurance	293,063	341,461	341,461	-
Other	1,678,344	2,058,540	2,631,815	(573,275)
<b>Total operating expenses</b>	<b>32,339,819</b>	<b>70,752,444</b>	<b>24,696,040</b>	<b>46,056,404</b>
<b>Operating income (loss)</b>	<b>2,860,781</b>	<b>(37,976,962)</b>	<b>10,781,987</b>	<b>48,758,950</b>
<b>Non-operating revenues (expenses):</b>				
Investment income	737,860	738,215	449,845	(288,370)
Intergovernmental				
State-shared taxes	6,915,442	6,915,442	7,068,340	152,898
Grants	-	5,835,778	3,150,751	(2,685,027)
Gain on sale of capital assets	-	182	3,922	3,740
Interest expense	(8,941,908)	(9,434,464)	(3,904,027)	5,530,437
Prem/(Discount) debt service interest	-	-	147,975	147,975
<b>Total non-operating revenues (expenses)</b>	<b>(1,288,606)</b>	<b>4,055,153</b>	<b>6,916,806</b>	<b>2,861,653</b>
<b>Income (loss) before transfers</b>	<b>1,572,175</b>	<b>(33,921,809)</b>	<b>17,698,793</b>	<b>51,620,603</b>
<b>Transfers out</b>	<b>(3,221,000)</b>	<b>(2,793,560)</b>	<b>(223,560)</b>	<b>2,570,000</b>
<b>Change in net assets</b>	<b>(1,648,825)</b>	<b>(36,715,369)</b>	<b>17,475,233</b>	<b>54,190,603</b>
<b>Net assets, beginning of year</b>	<b>148,782,456</b>	<b>148,782,456</b>	<b>148,782,456</b>	<b>-</b>
<b>Net assets, end of year</b>	<b>\$ 147,133,631</b>	<b>\$ 112,067,087</b>	<b>\$ 166,257,689</b>	<b>\$ 54,190,603</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Major Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**Solid Waste Management**  
**For the Year Ended June 30, 2011**

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Operating revenues:</b>				
User fees	\$ 9,951,218	\$ 10,674,294	\$ 9,966,207	\$ (708,087)
Other revenues	-	-	64,109	64,109
Total operating revenues	9,951,218	10,674,294	10,030,316	(643,978)
<b>Operating expenses:</b>				
Salaries, wages and benefits	3,814,212	4,300,716	4,041,464	259,252
Contractual services and utilities	4,232,162	4,126,192	2,742,446	1,383,746
Repairs and maintenance	473,800	512,243	427,621	84,622
Supplies	704,780	785,017	696,994	88,023
Capital outlay-exempt items	2,087,769	2,510,774	187,066	2,323,708
Amortization expense	-	-	21,163	(21,163)
Depreciation expense	-	-	798,514	(798,514)
Bad debt expense	-	-	486,594	(486,594)
Insurance	142,236	214,769	157,291	57,478
Other	810,180	880,997	869,650	11,347
Total operating expenses	12,265,139	13,330,709	10,428,803	2,901,906
Operating income (loss)	(2,313,921)	(2,656,415)	(398,487)	2,257,928
<b>Non-operating revenues (expenses):</b>				
Investment income	85,570	85,680	57,961	(27,719)
Intergovernmental				
State-shared taxes	1,737,859	1,737,859	1,773,654	35,795
Gain (Loss) on sale of capital assets	-	40,000	240	(39,760)
Interest expense	(1,304,835)	(1,304,835)	(581,963)	722,872
Prem/(Discount) debt service interest	-	-	18,110	18,110
Total non-operating revenues (expenses)	518,594	558,704	1,268,002	709,298
Income (loss) before transfers	(1,795,327)	(2,097,710)	869,515	2,967,225
Transfers in	14,000	60,703	60,703	-
Transfers out	(75,000)	(75,000)	(75,000)	-
Change in net assets	(1,856,327)	(2,112,007)	855,218	2,967,225
Net assets, beginning of year	823,054	823,054	823,054	-
<b>Net assets, end of year</b>	<b>\$ (1,033,273)</b>	<b>\$ (1,288,953)</b>	<b>\$ 1,678,272</b>	<b>\$ 2,967,225</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Major Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**Railyard Property**  
**For the Year Ended June 30, 2011**

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Operating revenues:</b>				
Facilities rental	\$ 1,212,325	\$ 712,325	\$ 712,325	\$ -
Total operating revenues	1,212,325	712,325	712,325	-
<b>Operating expenses:</b>				
Contractual services and utility	33,171	263,607	102,215	161,392
Capital outlay-exempt items	-	1,035,988	-	1,035,988
Depreciation expense	-	3,500	1,127,193	(1,123,693)
Amortization expense	-	-	6,878	(6,878)
Other operating	5,000	5,750	5,750	-
Total operating expenses	38,171	1,308,845	1,242,036	66,809
Operating income (loss)	1,174,154	(596,520)	(529,711)	66,809
<b>Non-operating revenues (expenses):</b>				
Investment income	6,800	6,800	11,398	4,598
Intergovernmental	-	678,500	668,500	(10,000)
Interest expense	(1,179,349)	(12,674,325)	(506,867)	12,167,458
Total non-operating revenues (expenses)	(1,172,549)	(11,989,025)	173,031	12,162,056
Income (loss) before transfers	1,605	(12,585,545)	(356,680)	12,228,865
Transfers in	-	212,375	212,375	-
Change in net assets	1,605	(12,373,170)	(144,305)	12,228,865
Net assets, beginning of year	39,182,957	39,182,957	39,182,957	-
<b>Net assets, end of year</b>	<b>\$ 39,184,562</b>	<b>\$ 26,809,787</b>	<b>\$ 39,038,652</b>	<b>\$ 12,228,865</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Major Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**Santa Fe Convention Center**  
**For the Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget- Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
User fees	\$ -	\$ -	\$ 466,002	\$ 466,002
Other revenue	440,500	448,000	28,115	(419,885)
Total operating revenues	440,500	448,000	494,117	46,117
<b>Operating expenses:</b>				
Salaries, wages and benefits	727,462	806,278	846,521	(40,243)
Contractual services and utilities	497,100	563,122	450,555	112,567
Repairs and maintenance	44,400	97,567	50,248	47,319
Supplies	105,600	76,142	45,344	30,798
Capital outlay-exempt items	2,000	400,237	14,312	385,925
Depreciation expense	-	-	1,304,443	(1,304,443)
Amortization expense	-	-	19,961	(19,961)
Insurance	85,035	85,035	85,035	-
Other	241,398	217,577	180,953	36,624
Total operating expenses	1,702,995	2,245,958	2,997,372	(751,414)
Operating income (loss)	(1,262,495)	(1,797,958)	(2,503,255)	(705,297)
<b>Non-operating revenues (expenses):</b>				
Interest income	40,180	40,180	39,014	(1,166)
Intergovernmental	8,000	8,000	3,500	(4,500)
Gain (Loss) on sale of capital assets	-	-	96	96
Interest Expense	(3,343,350)	(3,343,350)	(42,514)	3,300,836
Prem/(Discount) debt service interest	-	-	89,365	89,365
Total non-operating revenues (expenses)	(3,295,170)	(3,295,170)	89,461	3,384,631
Income (loss) before transfers	(4,557,665)	(5,093,128)	(2,413,794)	2,679,334
Transfers in	4,739,727	4,739,727	4,739,727	-
Transfers out	(2,230,977)	(2,230,977)	(2,230,977)	-
Change in net assets	(2,048,915)	(2,584,378)	94,956	2,679,334
Net assets, beginning of year	17,439,963	17,439,963	17,439,963	-
<b>Net assets, end of year</b>	<b>\$ 15,391,048</b>	<b>\$ 14,855,585</b>	<b>\$ 17,534,919</b>	<b>\$ 2,679,334</b>

**CITY OF SANTA FE, NEW MEXICO**  
**Major Enterprise Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Assets Budget and Actual**  
**College of Santa Fe**  
**For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
User fees	\$ -	\$ 48,001	\$ 24,000	\$ (24,001)
Other revenue	-	2,350,913	2,350,914	1
<b>Total operating revenues</b>	<b>-</b>	<b>2,398,914</b>	<b>2,374,914</b>	<b>(24,000)</b>
<b>Operating expenses:</b>				
Salaries, wages and benefits	-	-	63,080	(63,080)
Contractual services and utilities	302	26,410	176,931	(150,521)
Repairs and maintenance	-	-	664,706	(664,706)
Supplies	-	-	139	(139)
Capital outlay-exempt items	-	1,370,181	-	1,370,181
Depreciation expense	-	-	876,962	(876,962)
Other	100,000	100,000	102,802	(2,802)
<b>Total operating expenses</b>	<b>100,302</b>	<b>1,496,591</b>	<b>1,884,620</b>	<b>(388,029)</b>
<b>Operating income (loss)</b>	<b>(100,302)</b>	<b>902,323</b>	<b>490,294</b>	<b>(412,029)</b>
<b>Non-operating revenues (expenses):</b>				
Interest income	45,330	45,330	62,083	16,753
Gain (Loss) on sale of capital assets	-	7,608,000	4,316,785	(3,291,215)
Interest expense	(4,441,946)	(2,220,973)	(62,083)	2,158,890
<b>Total non-operating revenues (expenses)</b>	<b>(4,396,616)</b>	<b>5,432,357</b>	<b>4,316,785</b>	<b>(1,115,572)</b>
<b>Income (loss) before transfers</b>	<b>(4,496,918)</b>	<b>6,334,680</b>	<b>4,807,079</b>	<b>(1,527,601)</b>
<b>Change in net assets</b>	<b>(4,496,918)</b>	<b>6,334,680</b>	<b>4,807,079</b>	<b>(1,527,601)</b>
Net assets, beginning of year	16,606,463	16,606,463	16,606,463	-
<b>Net assets, end of year</b>	<b>\$ 12,109,545</b>	<b>\$ 22,941,143</b>	<b>\$ 21,413,542</b>	<b>\$ (1,527,601)</b>



## Internal Service Funds

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Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost reimbursement basis.

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***Risk Management*** – to account for the premiums, claims and operating costs of the property and liability insurance program. Costs are billed to departments protected by risk management coverage.

***Santa Fe Health / Dental Fund*** – to account for the cost of operating self-insured health and dental insurance programs. The City contributes 76.50% of the costs and the employee contributes 23.50% in regards to health; also the City contributes 60.00% of the costs and the employee contributes 40.00% for the dental program.

***Worker's Compensation*** – to account for the cost of operating a self-insured worker's compensation program.

***Union Sick Leave Bank*** – to account for donations of leave from union employees to support other union employees in need of leave.

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CITY OF SANTA FE, NEW MEXICO  
Internal Service Funds  
Combining Statement of Net Assets  
June 30, 2011

	Risk Management	Santa Fe Health/Dental	Worker's Compensation	Union Sick Leave Bank	Totals
<b>Assets</b>					
Current assets:					
Cash, investments and cash equivalents	\$ 3,631,607	\$ 9,182,615	\$ 3,848,335	\$ 67,685	\$ 16,730,242
Interest receivable	8,020	14,352	6,189	-	28,561
Prepaid expense	-	60,000	-	-	60,000
<b>Total current assets</b>	<b>3,639,627</b>	<b>9,256,967</b>	<b>3,854,524</b>	<b>67,685</b>	<b>16,818,803</b>
Noncurrent assets:					
Capital assets:					
Furniture and fixtures	34,818	-	-	-	34,818
Less accumulated depreciation	(27,486)	-	-	-	(27,486)
Equipment and machinery	19,722	-	-	-	19,722
Less accumulated depreciation	(13,022)	-	-	-	(13,022)
Data processing equipment and software	5,307	-	-	-	5,307
Less accumulated depreciation	(5,307)	-	-	-	(5,307)
Vehicles	35,829	-	-	-	35,829
Less accumulated depreciation	(23,354)	-	-	-	(23,354)
<b>Total capital assets (net of accum depreciation)</b>	<b>26,507</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,507</b>
<b>Total noncurrent assets</b>	<b>26,507</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,507</b>
<b>Total assets</b>	<b>3,666,134</b>	<b>9,256,967</b>	<b>3,854,524</b>	<b>67,685</b>	<b>16,845,310</b>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	110,959	240,118	5,263	-	356,340
Compensated absences payable	79,347	-	-	-	79,347
Accrued wages payable	35,581	-	-	-	35,581
Claims payable	2,156,445	449,260	3,829,677	-	6,435,382
Other payables	-	-	221	-	221
<b>Total current liabilities</b>	<b>2,382,332</b>	<b>689,378</b>	<b>3,835,161</b>	<b>-</b>	<b>6,906,871</b>
<b>Total liabilities</b>	<b>2,382,332</b>	<b>689,378</b>	<b>3,835,161</b>	<b>-</b>	<b>6,906,871</b>
<b>Net Assets</b>					
Invested in capital assets, net of related debt	26,507	-	-	-	26,507
Unrestricted	1,257,295	8,567,589	19,363	67,685	9,911,932
<b>Total net assets</b>	<b>\$ 1,283,802</b>	<b>\$ 8,567,589</b>	<b>\$ 19,363</b>	<b>\$ 67,685</b>	<b>\$ 9,938,439</b>

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

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

	Risk Management	Santa Fe Health/Dental	Worker's Compensation	Union Sick Leave Bank	Totals
<b>Operating revenues:</b>					
Premiums	\$ 3,838,784	\$ 15,723,091	\$ 1,648,739	\$ 192,799	\$ 21,403,413
Other Revenue	21,542	13,281	36,582	-	71,405
<b>Total operating revenues</b>	<b>3,860,326</b>	<b>15,736,372</b>	<b>1,685,321</b>	<b>192,799</b>	<b>21,474,818</b>
<b>Operating expenses:</b>					
Salaries, wages and fringe benefits	656,334	-	-	156,432	812,766
Contractual services and utilities	389,763	584,208	41,987	-	1,015,958
Repairs and maintenance	960	-	-	-	960
Capital outlay - inventory exempt items	8,614	-	-	-	8,614
Supplies	40,426	-	-	-	40,426
Depreciation expense	13,137	-	-	-	13,137
Insurance premiums	2,452,530	518,937	-	-	2,971,527
Claims and judgements	1,579,406	14,168,004	1,129,659	-	16,877,069
Excess insurance	-	717,028	125,334	-	842,362
Other	2,803	-	344	-	3,147
<b>Total operating expenses</b>	<b>5,144,033</b>	<b>15,988,177</b>	<b>1,297,324</b>	<b>156,432</b>	<b>22,585,966</b>
<b>Operating income (loss)</b>	<b>(1,283,707)</b>	<b>(251,805)</b>	<b>387,997</b>	<b>36,367</b>	<b>(1,111,148)</b>
<b>Non-operating revenues (expenses):</b>					
Investment income	39,445	53,060	20,934	-	113,439
Gain (Loss) on sale of fixed assets	185	-	-	-	185
<b>Total non-operating revenues (expenses)</b>	<b>39,630</b>	<b>53,060</b>	<b>20,934</b>	<b>-</b>	<b>113,624</b>
<b>Income (loss) before transfers</b>	<b>(1,244,077)</b>	<b>(198,745)</b>	<b>408,931</b>	<b>36,367</b>	<b>(997,524)</b>
<b>Net assets, beginning of year</b>	<b>2,527,879</b>	<b>8,766,334</b>	<b>(389,568)</b>	<b>31,318</b>	<b>10,935,963</b>
<b>Net assets, end of year</b>	<b>\$ 1,283,802</b>	<b>\$ 8,567,589</b>	<b>\$ 19,363</b>	<b>\$ 67,685</b>	<b>\$ 9,938,439</b>

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

CITY OF SANTA FE, NEW MEXICO  
Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended June 30, 2011

	Risk Management	Santa Fe Health/Dental	Worker's Compensation	Union Sick Leave Bank	Totals
<b>Cash flows from operating activities:</b>					
Cash received from customers	\$ 21,542	\$ 15,736,372	\$ 36,582	\$ 192,799	\$ 15,987,295
Cash received from interfund services provided and used	3,838,784	-	1,648,739	-	5,487,523
Cash payments to suppliers for goods and services	(4,487,946)	(16,079,493)	(1,304,277)	-	(21,871,716)
Cash payments to employees for services	(660,285)	-	-	(156,432)	(816,717)
<b>Net cash (used) by operating activities</b>	<b>(1,287,905)</b>	<b>(343,121)</b>	<b>381,044</b>	<b>36,367</b>	<b>(1,213,615)</b>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets	(6,811)	-	-	-	(6,811)
<b>Net cash used for capital &amp; related financing activities</b>	<b>(6,811)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,811)</b>
<b>Cash flows from investing activities:</b>					
Interest and dividends on investments	51,703	74,623	27,690	-	154,016
<b>Net cash provided by investing activities</b>	<b>51,703</b>	<b>74,623</b>	<b>27,690</b>	<b>-</b>	<b>154,016</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,243,013)</b>	<b>(268,498)</b>	<b>408,734</b>	<b>36,367</b>	<b>(1,066,410)</b>
Cash, investments & cash equivalents at beg of year	4,874,620	9,451,113	3,439,601	31,318	17,796,652
<b>Cash, Investments &amp; cash equivalents at end of year</b>	<b>\$ 3,631,607</b>	<b>\$ 9,182,615</b>	<b>\$ 3,848,335</b>	<b>\$ 67,685</b>	<b>\$ 16,730,242</b>
<b>Reconciliation of operating income (loss) to cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ (1,283,707)	\$ (251,805)	\$ 387,997	\$ 36,367	\$ (1,111,148)
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>					
Depreciation	13,137	-	-	-	13,137
<b>Change in assets and liabilities:</b>					
Increase (decrease) in accounts payable	(13,384)	(91,316)	(6,953)	-	(111,653)
Increase (decrease) in compensated abs. payable	(6,571)	-	-	-	(6,571)
Increase (decrease) in accrued wages payable	2,620	-	-	-	2,620
<b>Total adjustments</b>	<b>(4,198)</b>	<b>(91,316)</b>	<b>(6,953)</b>	<b>-</b>	<b>(102,467)</b>
<b>Net cash (used) by operating activities</b>	<b>\$ (1,287,905)</b>	<b>\$ (343,121)</b>	<b>\$ 381,044</b>	<b>\$ 36,367</b>	<b>\$ (1,213,615)</b>

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

CITY OF SANTA FE, NEW MEXICO  
Internal Service Fund  
Schedule of Revenues, Expenses and  
Changes in Net Assets - Budget and Actual  
Risk Management  
For the Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Operating revenues:</b>				
Premiums	\$ 3,791,902	\$ 3,791,902	\$ 3,838,784	\$ 46,882
Other Revenues	40,000	40,000	21,542	(18,458)
<b>Total operating revenues</b>	<b>3,831,902</b>	<b>3,831,902</b>	<b>3,860,326</b>	<b>28,424</b>
<b>Operating expenses:</b>				
Salaries, wages and fringe benefits	765,772	760,772	656,334	104,438
Contractual services and utilities	366,940	652,829	389,763	263,066
Repairs and maintenance	2,500	2,500	960	1,540
Supplies	51,950	52,405	40,426	11,979
Capital outlay - inventory exempt items	6,500	19,000	8,614	10,386
Depreciation expense	-	-	13,137	(13,137)
Insurance premiums	2,506,846	2,515,503	2,452,590	62,913
Claims and judgements	1,078,269	1,079,579	1,579,406	(499,827)
Other	4,200	4,200	2,803	1,397
<b>Total operating expenses</b>	<b>4,782,977</b>	<b>5,086,788</b>	<b>5,144,033</b>	<b>(57,245)</b>
<b>Operating income (loss)</b>	<b>(951,075)</b>	<b>(1,254,886)</b>	<b>(1,283,707)</b>	<b>(28,821)</b>
<b>Non-operating revenues (expenses):</b>				
Investment income	57,910	57,910	39,445	(18,465)
Gain (Loss) on sale of fixed assets	-	-	185	185
<b>Total non-operating revenues (expenses)</b>	<b>57,910</b>	<b>57,910</b>	<b>39,630</b>	<b>(18,280)</b>
<b>Income (loss) before operating transfers</b>	<b>(893,165)</b>	<b>(1,196,976)</b>	<b>(1,244,077)</b>	<b>(47,101)</b>
<b>Change in net assets</b>	<b>(893,165)</b>	<b>(1,196,976)</b>	<b>(1,244,077)</b>	<b>(47,101)</b>
Net assets, beginning of year	2,527,879	2,527,879	2,527,879	-
<b>Net assets, end of year</b>	<b>\$ 1,634,714</b>	<b>\$ 1,330,903</b>	<b>\$ 1,283,802</b>	<b>\$ (47,101)</b>

CITY OF SANTA FE, NEW MEXICO  
Internal Service Fund  
Schedule of Revenues, Expenses and  
Changes in Net Assets - Budget and Actual  
Santa Fe Health/Dental  
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
Premiums	\$ 16,893,361	\$ 16,893,361	\$ 15,723,091	\$ (1,170,270)
Other Revenues	-	-	13,281	\$ 13,281
Total operating revenues	16,893,361	16,893,361	15,736,372	(1,156,989)
<b>Operating expenses:</b>				
Contractual services and utilities	514,312	514,312	584,208	(69,896)
Insurance premiums	-	550,676	518,937	31,739
Claims and judgements	15,322,849	15,322,849	14,168,004	1,154,845
Excess insurance	599,962	599,962	717,028	(117,066)
Other	-	-	-	-
Total operating expenses	16,437,123	16,987,799	15,988,177	999,622
Operating income (loss)	456,238	(94,438)	(251,805)	(157,367)
<b>Non-operating revenues (expenses):</b>				
Investment income	92,860	92,860	53,060	(39,800)
Total non-operating revenues (expenses)	92,860	92,860	53,060	(39,800)
Income (loss) before transfers	547,968	(1,578)	(198,745)	(197,167)
Change in net assets	547,968	(1,578)	(198,745)	(197,167)
Net assets, beginning of year	8,766,334	8,766,334	8,766,334	-
Net assets, end of year	\$ 9,314,302	\$ 8,764,756	\$ 8,567,589	\$ (197,167)

CITY OF SANTA FE, NEW MEXICO  
Internal Service Fund  
Schedule of Revenues, Expenses and  
Changes in Net Assets - Budget and Actual  
Worker's Compensation  
For the Year Ended June 30, 2011

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Operating revenues:</b>				
Premiums	\$ 1,741,011	\$ 1,741,011	\$ 1,648,739	\$ (92,272)
Other revenues	20,000	20,000	36,582	16,582
Total operating revenues	<u>1,761,011</u>	<u>1,761,011</u>	<u>1,685,321</u>	<u>(75,690)</u>
<b>Operating expenses:</b>				
Contractual services and utilities	60,000	60,000	41,987	18,013
Claims and judgements	900,000	900,000	1,129,659	(229,659)
Excess insurance	125,000	125,000	125,334	(334)
Other	300	300	344	(44)
Total operating expenses	<u>1,085,300</u>	<u>1,085,300</u>	<u>1,297,324</u>	<u>(212,024)</u>
Operating income (loss)	<u>675,711</u>	<u>675,711</u>	<u>387,997</u>	<u>(304,296)</u>
<b>Non-operating revenues (expenses):</b>				
Investment income	39,670	39,670	20,934	(18,736)
Total non-operating revenues (expenses)	<u>39,670</u>	<u>39,670</u>	<u>20,934</u>	<u>(18,736)</u>
Income (loss) before transfers	<u>715,381</u>	<u>715,381</u>	<u>408,931</u>	<u>(323,032)</u>
Change in net assets	<u>715,381</u>	<u>715,381</u>	<u>408,931</u>	<u>(306,450)</u>
Net assets, beginning of year	(389,568)	(389,568)	(389,568)	-
Net assets, end of year	<u>\$ 325,813</u>	<u>\$ 325,813</u>	<u>\$ 19,363</u>	<u>\$ (306,450)</u>



CITY OF SANTA FE, NEW MEXICO  
Internal Service Fund  
Schedule of Revenues, Expenses and  
Changes in Net Assets - Budget and Actual  
Union Sick Leave Bank  
For the Year Ended June 30, 2011

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
<b>Operating revenues:</b>				
Donations	\$ -	\$ -	\$ 192,799	\$ 192,799
<b>Total operating revenues</b>	<b>-</b>	<b>-</b>	<b>192,799</b>	<b>192,799</b>
<b>Operating expenses:</b>				
Salaries, wages and fringe benefits	-	-	156,432	(156,432)
Other	-	-	-	-
<b>Total operating expenses</b>	<b>-</b>	<b>-</b>	<b>156,432</b>	<b>(156,432)</b>
<b>Operating income (loss)</b>	<b>-</b>	<b>-</b>	<b>36,367</b>	<b>36,367</b>
<b>Non-operating revenues (expenses):</b>				
Investment income	-	-	-	-
Other Debt Service Principle & Interest	-	-	-	-
<b>Total non-operating revenues (expenses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (loss) before transfers</b>	<b>-</b>	<b>-</b>	<b>36,367</b>	<b>36,367</b>
<b>Change in net assets</b>	<b>-</b>	<b>-</b>	<b>36,367</b>	<b>36,367</b>
Net assets, beginning of year	-	-	31,318	31,318
<b>Net assets, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 67,685</b>	<b>\$ 67,685</b>

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

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**Capital Assets Used in the Operation of Governmental Fund**

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CITY OF SANTA FE, NEW MEXICO  
 Capital Assets Used in the Operation of Governmental Funds  
 Comparative Schedule By Source  
 June 30, 2011 and 2010

	2011	2010
<b>Governmental Funds Capital Assets:</b>		
Land	\$ 169,939,946	\$ 169,562,174
Buildings	57,860,919	54,376,522
Improvements	42,585,573	36,149,085
Equipment and machinery	16,353,708	15,763,529
Furniture and fixtures	831,196	831,196
Vehicles	20,921,660	20,238,503
Data processing and Software	11,730,482	11,670,462
Construction in progress	16,747,696	17,132,182
Art	922,920	922,920
Traffic Signals	23,222,048	23,222,048
Streets	191,454,881	191,454,881
Bridges	2,109,269	2,109,269
<b>Total governmental funds capital assets</b>	<b>\$ 554,680,298</b>	<b>\$ 543,432,771</b>
<b>Investment in Governmental Funds Capital Assets by sources:</b>		
General Fund	334,863,433	335,072,765
Special Revenue Funds	20,652,668	19,418,625
Capital Project Funds	188,564,714	178,341,898
Other Sources	9,875,360	9,875,360
Donations	724,123	724,123
<b>Total governmental funds capital assets</b>	<b>\$ 554,680,298</b>	<b>\$ 543,432,771</b>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

CITY OF SANTA FE, NEW MEXICO  
Capital Assets Used in the Operation of Governmental Funds  
Schedule By Function and Activity  
June 30, 2011

Function and Activity	Land	Buildings	Improvements	Equipment and Machinery	Furniture and Fixtures	Vehicles
<b>General Government:</b>						
City Manager	\$ 25,668,001	\$ 29,358,090	\$ 5,403,906	\$ 119,009	\$ -	\$ -
City Clerk	-	-	-	286,843	22,241	56,850
Administrative Department	-	175,333	-	1,141,363	13,522	4,735,888
Planning and Land Use	-	-	-	39,347	236,897	297,191
City Services	137,847,376	7,221,395	399,754	1,273,052	132,166	840,252
<b>Total General Government</b>	<b>163,515,377</b>	<b>36,754,818</b>	<b>5,803,660</b>	<b>2,859,614</b>	<b>404,826</b>	<b>5,930,181</b>
<b>Public Safety:</b>						
Police	-	5,570,721	3,184,968	147,286	363,550	6,236,451
Fire	-	10,416,176	-	2,568,251	55,016	3,232,354
<b>Total Public Safety</b>	<b>-</b>	<b>15,986,897</b>	<b>3,184,968</b>	<b>2,715,537</b>	<b>418,566</b>	<b>9,468,805</b>
<b>Public Works:</b>						
Administration	-	104,455	19,748,789	5,592,794	3,026	767,565
<b>Total Public Works</b>	<b>-</b>	<b>104,455</b>	<b>19,748,789</b>	<b>5,592,794</b>	<b>3,026</b>	<b>767,565</b>
<b>Community Welfare:</b>						
Community Development	204,218	1,695,824	-	-	-	-
Affordable Housing	840,000	-	419,140	-	-	-
Human services	178,225	1,858,895	640,543	2,300,155	-	838,948
<b>Total Community Welfare</b>	<b>1,222,443</b>	<b>3,554,719</b>	<b>1,059,683</b>	<b>2,300,155</b>	<b>-</b>	<b>838,948</b>
<b>Culture and Recreation:</b>						
Parks and Grounds Maintenance	5,202,126	930,299	12,788,473	2,885,608	4,778	3,875,983
Arts Commission	-	-	-	-	-	40,178
Museums and Libraries	-	529,731	-	-	-	-
<b>Total Culture and Recreation</b>	<b>5,202,126</b>	<b>1,460,030</b>	<b>12,788,473</b>	<b>2,885,608</b>	<b>4,778</b>	<b>3,916,161</b>
<b>Total governmental funds capi</b>	<b>\$ 169,939,946</b>	<b>\$ 57,860,919</b>	<b>\$ 42,585,573</b>	<b>\$ 16,353,708</b>	<b>\$ 831,196</b>	<b>\$ 20,921,660</b>

This schedule presents only the capital asset balances re  
Accordingly, the capital assets reported in internal service funds are excluded from the  
above amounts. Generally, the capital assets of internal s  
governmental activities in the statement of net assets.

CITY OF SANTA FE, NEW MEXICO  
 Capital Assets Used in the Operation of Governmental Funds  
 Schedule By Function and Activity  
 June 30, 2011

Data Processing Equipment and Software	Construction in Progress	Art	Traffic Signals	Streets	Bridges	Total
\$ 13,124	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,562,130
26,599	-	-	-	-	-	392,533
8,349,610	165,698	-	-	-	-	14,581,414
277,195	-	-	-	-	-	850,630
1,154,945	1,176,136	-	-	-	-	150,045,076
<u>9,821,473</u>	<u>1,341,834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>226,431,783</u>
1,190,050	-	-	-	-	-	16,693,026
585,744	-	-	-	-	-	16,857,541
<u>1,775,794</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,550,567</u>
44,563	2,249,339	-	22,964,533	191,454,881	2,109,269	245,039,214
<u>44,563</u>	<u>2,249,339</u>	<u>-</u>	<u>22,964,533</u>	<u>191,454,881</u>	<u>2,109,269</u>	<u>245,039,214</u>
-	462	-	-	-	-	1,900,504
-	155,250	-	-	-	-	1,414,390
10,691	35,655	-	-	-	-	5,863,112
<u>10,691</u>	<u>191,367</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,178,006</u>
-	12,616,340	-	257,515	-	-	38,561,122
54,660	-	922,920	-	-	-	1,017,758
23,301	348,816	-	-	-	-	901,848
<u>77,961</u>	<u>12,965,156</u>	<u>922,920</u>	<u>257,515</u>	<u>-</u>	<u>-</u>	<u>40,480,728</u>
<u>\$ 11,730,482</u>	<u>\$ 16,747,696</u>	<u>\$ 922,920</u>	<u>\$ 23,222,048</u>	<u>\$ 191,454,881</u>	<u>\$ 2,109,269</u>	<u>\$ 554,680,298</u>

CITY OF SANTA FE, NEW MEXICO  
Capital Assets Used in the Operation of Governmental Funds  
Schedule of Changes By Function and Activity  
For the Year Ended June 30, 2011

Function and Activity	Governmental Funds Capital Assets July 1, 2010	Additions	Deletions	Governmental Funds Capital Assets June 30, 2011
General Government:				
City Manager	\$ 60,566,533	\$ -	\$ (4,403)	\$ 60,562,130
City Clerk	375,402	17,131		392,533
Administrative Department	14,650,030	39,568	(108,184)	14,581,414
Planning	797,889	55,541	(2,800)	850,630
City Services	149,011,043	1,119,763	(85,730)	150,045,076
Total General Government	<u>225,400,897</u>	<u>1,232,003</u>	<u>(201,117)</u>	<u>226,431,783</u>
Public Safety:				
Police	16,578,241	319,893	(205,108)	16,693,026
Fire	16,102,056	776,399	(20,914)	16,857,541
Total Public Safety	<u>32,680,297</u>	<u>1,096,292</u>	<u>(226,022)</u>	<u>33,550,567</u>
Public Works:				
Administration	242,513,567	2,526,166	(519)	245,039,214
Total Public Works	<u>242,513,567</u>	<u>2,526,166</u>	<u>(519)</u>	<u>245,039,214</u>
Community Welfare:				
Community Development	1,900,504	-	-	1,900,504
Affordable Housing	1,592,944	113,785	(292,339)	1,414,390
Human Services	5,764,597	140,403	(41,888)	5,863,112
Total Community Welfare	<u>9,258,045</u>	<u>254,188</u>	<u>(334,227)</u>	<u>9,178,006</u>
Culture and Recreation:				
Parks and Grounds Maint.	32,142,667	6,475,723	(57,268)	38,561,122
Arts Commission	1,017,758	-	-	1,017,758
Museums and Libraries	419,540	495,007	(12,699)	901,848
Total Culture and Recreation	<u>33,579,965</u>	<u>6,970,730</u>	<u>(69,967)</u>	<u>40,480,728</u>
Total governmental funds capital assets	<u>\$ 543,432,771</u>	<u>\$ 12,079,379</u>	<u>\$ (831,852)</u>	<u>\$ 554,680,298</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.



## **Statistical Section**

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**CITY OF SANTA FE, NEW MEXICO  
STATISTICAL SECTION  
For the Fiscal Year Ended June 30, 2011**

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

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	<b>168-173</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the city's ability to generate its gross receipts tax.	<b>174-181</b>
<b>Debt Capacity</b> These schedules present information to help the reader the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	<b>182-188</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.	<b>189-192</b>
<b>Operating information</b> These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the the city provides and the activities it performs.	<b>193-197</b>

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

CITY OF SANTA FE, NEW MEXICO  
NET ASSETS BY COMPONENT  
LAST NINE FISCAL YEARS  
(UNAUDITED)

	Fiscal Year			
	2002	2003	2004	2006
<b>Governmental Activities</b>				
Invested in capital assets, net of related debt	\$ (30,832,057)	\$ 1,349,357	\$ 157,113,667	\$ 143,746,053
Restricted	4,970,892	6,103,794	4,128,579	3,285,631
Unrestricted	83,264,368	86,932,817	99,594,397	98,610,581
<b>Total governmental activities net assets</b>	<b>\$ 57,403,203</b>	<b>\$ 94,385,968</b>	<b>\$ 260,836,643</b>	<b>\$ 245,642,265</b>
<b>Business-type activities</b>				
Invested in capital assets, net of related debt	\$ 54,323,125	\$ 66,834,205	\$ 75,547,411	\$ 100,137,996
Restricted	8,018,524	10,763,947	9,189,925	9,232,551
Unrestricted	20,664,954	20,751,616	37,983,865	48,735,531
<b>Total business-type activities</b>	<b>\$ 83,006,603</b>	<b>\$ 98,349,768</b>	<b>\$ 122,721,201</b>	<b>\$ 158,106,078</b>
<b>Primary government</b>				
Invested in capital assets, net of related debt	\$ 23,491,068	\$ 68,183,562	\$ 232,661,078	\$ 243,884,049
Restricted	12,989,416	16,867,741	13,318,504	12,518,182
Unrestricted	103,929,322	107,684,433	137,578,262	147,346,112
<b>Total primary government net assets</b>	<b>\$ 140,409,806</b>	<b>\$ 192,735,736</b>	<b>\$ 383,557,844</b>	<b>\$ 403,748,343</b>
<b>Governmental Activities</b>				
Invested in capital assets, net of related debt	\$ 142,109,428	\$ 182,790,257	\$ 178,547,796	\$ 188,345,882
Restricted	2,504,394	10,174,773	10,290,331	10,693,806
Unrestricted	63,338,892	98,944,233	93,668,312	69,331,327
<b>Total governmental activities net assets</b>	<b>\$ 207,952,714</b>	<b>\$ 291,909,263</b>	<b>\$ 282,506,439</b>	<b>\$ 268,371,015</b>
<b>Business-type activities</b>				
Invested in capital assets, net of related debt	\$ 152,636,141	\$ 159,508,099	\$ 160,986,556	\$ 174,237,581
Restricted	2,668,245	724,528	1,232,286	6,961,305
Unrestricted	127,184,590	89,549,081	110,164,825	135,921,927
<b>Total business-type activities</b>	<b>\$ 282,488,976</b>	<b>\$ 249,781,708</b>	<b>\$ 272,383,667</b>	<b>\$ 317,120,813</b>
<b>Primary government</b>				
Invested in capital assets, net of related debt	\$ 294,745,569	\$ 342,298,356	\$ 339,534,352	\$ 362,583,463
Restricted	5,172,639	10,899,301	11,522,617	17,655,111
Unrestricted	190,523,482	188,493,314	203,833,137	205,253,254
<b>Total primary government net assets</b>	<b>\$ 490,441,690</b>	<b>\$ 541,690,971</b>	<b>\$ 554,890,106</b>	<b>\$ 585,491,828</b>

Note: GASB 34 Implemented 2002

TABLE II

CITY OF SANTA FE, NEW MEXICO CHANGES IN NET ASSETS LAST TEN FISCAL YEARS (UNAUDITED)										
	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 21,195,929	\$ 21,451,013	\$ 22,393,020	\$ 31,765,902	\$ 21,318,849	\$ 23,484,442	\$ 27,873,924	\$ 29,566,386	\$ 27,660,875	\$ 26,391,068
Public Safety	24,083,675	26,538,341	28,500,025	31,103,547	31,355,147	33,841,007	34,894,206	38,118,398	38,313,141	38,015,879
Public Works	8,479,296	13,024,063	14,621,049	11,639,112	12,020,924	13,570,355	13,577,325	15,718,517	15,869,603	16,653,193
Community Development	9,520,528	9,761,578	10,180,137	10,946,430	10,722,375	11,289,698	11,397,085	12,974,275	15,145,394	12,191,952
Culture and Recreation	8,857,134	9,017,844	9,708,241	10,900,710	11,770,657	13,029,432	13,430,563	13,417,927	13,580,296	12,218,375
Education	2,231,343	2,280,164	2,456,459	2,528,186	2,573,152	2,737,868	2,864,722	2,899,570	2,988,945	2,846,887
Interest on Long Term Debt	5,166,341	5,375,063	5,093,359	5,630,475	5,404,184	5,583,608	4,563,643	5,456,528	5,485,953	4,952,563
<b>Total Governmental activities expenses</b>	<b>79,534,246</b>	<b>87,448,066</b>	<b>92,952,290</b>	<b>104,514,362</b>	<b>95,165,288</b>	<b>107,536,410</b>	<b>108,601,468</b>	<b>118,151,601</b>	<b>119,044,207</b>	<b>113,269,917</b>
<b>Business-type activities:</b>										
Wastewater Management	6,749,379	10,141,412	9,352,601	9,523,908	9,648,572	9,879,594	11,352,274	12,475,625	12,312,850	14,705,132
Water Management	19,371,310	19,240,504	20,258,711	20,647,005	20,115,817	23,608,849	19,074,551	22,882,185	22,369,231	28,452,091
Municipal Recreation Complex	3,050,869	3,205,273	3,302,425	3,263,270	3,634,257	3,021,228	2,408,341	2,408,341	1,803,235	1,336,520
Railyard Center	-	-	-	173,224	205,168	608,703	344,959	1,373,796	1,741,983	1,748,903
Genoveva Chavez Community Cntr	3,486,675	3,541,519	3,910,851	3,988,449	4,118,677	4,895,292	4,999,087	5,570,172	4,886,084	4,725,388
Santa Fe Convention Center	-	734,108	789,541	854,946	1,060,315	218,000	2,083,034	4,763,646	5,280,908	2,950,521
Solid Waste Management	-	7,921,077	8,296,083	8,373,182	8,745,255	8,888,090	9,884,422	9,576,135	9,942,609	10,992,656
College of Santa Fe	-	-	-	-	-	-	-	-	2,436,088	1,946,703
Transit and Airport Systems	-	6,093,452	6,702,672	6,911,775	7,394,114	8,309,125	10,312,198	11,275,507	12,366,693	10,984,607
Parking Enterprise Fund	-	3,188,057	3,456,637	3,977,672	4,006,651	4,194,759	4,716,561	5,128,803	5,271,354	5,147,411
All other proprietary funds	19,117,587	-	-	-	-	-	-	-	-	-
<b>Total business-type expenses</b>	<b>51,775,820</b>	<b>54,065,402</b>	<b>56,049,521</b>	<b>57,713,431</b>	<b>58,928,826</b>	<b>63,623,840</b>	<b>65,742,957</b>	<b>75,454,210</b>	<b>78,411,035</b>	<b>82,989,932</b>
<b>Total primary government expenses</b>	<b>\$ 131,310,066</b>	<b>\$ 141,513,468</b>	<b>\$ 149,001,811</b>	<b>\$ 162,227,793</b>	<b>\$ 154,094,114</b>	<b>\$ 171,160,050</b>	<b>\$ 174,344,425</b>	<b>\$ 193,605,811</b>	<b>\$ 197,455,242</b>	<b>\$ 196,259,849</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services:										
General Government	\$ 4,341,543	\$ 4,736,202	\$ 5,390,550	\$ 5,928,430	\$ 6,484,371	\$ 2,729,053	\$ 1,908,694	\$ 2,093,097	\$ 478,959	\$ 1,548,813
Public Safety	467,493	494,337	534,425	671,958	437,873	3,746,109	3,551,192	3,451,045	4,192,344	5,837,000
Public Works	1,540,498	153,334	1,158,799	3,052,065	3,101,740	3,420,434	2,248,481	2,084,381	2,379,542	2,782,439
Community Development	128,978	127,639	146,216	144,195	130,376	321,145	491,313	350,718	373,009	427,889
Culture and Recreation	73,174	62,230	18,900	106,684	114,848	518,602	536,901	578,429	685,743	790,664
Operating grants and contributions:										
General Government	376,460	243,831	119,129	26,578	224,321	400,848	417,614	292,957	660,242	292,957
Public Safety	877,486	911,513	1,140,086	1,201,267	899,851	577,716	1,032,705	832,402	1,268,866	731,000
Public Works	902,130	359,329	404,971	536,523	740,663	449,214	210,213	286,133	286,133	214,293
Community Development	2,132,899	3,316,551	3,324,270	3,474,113	2,806,880	3,260,771	3,250,551	3,718,589	5,989,952	3,400,765
Culture and Recreation	312,028	133,474	342,327	801,047	439,671	297,649	301,646	340,742	182,907	340,742
Education	44,724	-	-	226,070	-	-	-	-	-	-
Capital grants and contributions:										
General Government	-	160,287	122,541	10,168,219	184,045	401,529	2,711,654	1,706,164	406,830	1,700,235
Public Safety	32,275	-	-	-	283,119	418,952	-	529,270	340,853	529,270
Public Works	1,185,871	5,310,660	1,985,617	1,326,180	1,086,433	946,360	2,727,905	6,022,474	1,604,050	1,604,050
Community Development	353,335	334,517	18,911	120,244	1,436,378	171,251	372,517	673,023	386,287	673,023
Culture and Recreation	27,130	347,788	718,156	324,260	1,901,844	1,215,780	1,042,680	2,536,154	2,193,295	2,535,154
<b>Total governmental activities program revenues</b>	<b>12,796,024</b>	<b>16,691,692</b>	<b>15,424,898</b>	<b>28,107,833</b>	<b>20,272,433</b>	<b>18,875,413</b>	<b>20,802,066</b>	<b>25,433,738</b>	<b>23,557,395</b>	<b>23,408,294</b>

(Continued)

**CITY OF SANTA FE, NEW MEXICO**  
**CHANGES IN NET ASSETS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Business-type activities:</b>										
Charges for services:										
Wastewater Management	\$ 6,953,092	\$ 6,976,843	\$ 8,088,178	\$ 8,388,757	\$ 8,596,112	\$ 8,718,755	\$ 9,326,934	\$ 9,286,246	\$ 10,299,371	\$ 12,524,483
Water Management	26,886,400	27,100,848	29,506,311	26,305,704	36,401,216	29,158,277	30,148,350	27,086,239	30,236,761	35,478,027
Municipal Recreation Complex	1,451,570	1,231,628	1,195,813	1,073,646	1,164,630	1,035,847	1,055,670	1,076,776	1,100,296	1,159,308
Railyard Center				737,700		273,221	634,870	565,324	561,147	712,325
Genoveva Chavez Community Center	1,433,828	1,453,790	1,212,399	1,559,775	1,372,712	1,804,043	1,480,294	1,512,964	1,637,933	1,970,167
Santa Fe Convention Center		137,051		179,925	3,750			300,448	408,746	494,117
Solid Waste Management		7,477,676	8,682,479	8,877,203	8,906,200	9,249,160	9,419,575	9,195,553	9,178,089	10,030,316
College of Santa Fe				829,695	673,316	890,065	767,256	888,259	2,092,884	2,374,914
Transit and Airport Systems		710,410	643,268	3,559,993	3,661,069	3,726,114	3,693,146	3,715,155	1,918,748	2,312,176
Parking Enterprise Fund		3,091,690	3,626,228						4,498,969	4,419,714
All other proprietary funds	13,119,957									
Operating grants and contributions:										
Municipal Recreation Complex	4,545	2,700	215,000	805,979	905,751	935,944	1,260,704	1,120,734	1,021,037	
Transit and Airport Systems		435,724								
All other proprietary funds	523,786									
Capital grants and contributions:										
Wastewater Management					18,124	82,458	45,447	55,899	180,749	184,019
Water Management	695,657	1,586,829	10,458,328	1,339,601	6,759,310	3,203,186	1,567,685	1,372,315	8,812,197	3,150,751
Municipal Recreation Complex					8,622	1,315	73,433	96,986	464,581	
Railyard Center				412,659	166,007	2,495,258	7,187,248	536,692	50,154	668,500
Genoveva Chavez Community Center				24,428	32,952	36,834	144,607	293,548	17,029	
Transit and Airport Systems		2,274,673	1,816,745	943,507	1,416,163	5,230,489	5,438,603	4,012,989	6,620,886	4,276,281
Santa Fe Convention Center									55,532	3,500
All other proprietary funds	216,416						24,515	69,953		
Total business-type activities program revenues	\$ 51,285,251	\$ 52,479,862	\$ 65,444,749	\$ 55,038,572	\$ 70,085,934	\$ 66,840,966	\$ 72,268,337	\$ 61,186,080	\$ 79,155,109	\$ 79,758,598
Total government program revenues	\$ 64,081,275	\$ 69,171,554	\$ 80,869,647	\$ 83,146,405	\$ 90,358,367	\$ 85,716,379	\$ 93,070,403	\$ 86,619,818	\$ 102,712,504	\$ 103,166,892
<b>Net (Expenses)/Revenue</b>										
Governmental activities										
General Government	\$ (16,477,926)	\$ (16,310,693)	\$ (16,760,800)	\$ (15,642,675)	\$ (14,426,112)	\$ (19,953,012)	\$ (22,835,962)	\$ (25,474,168)	\$ (26,114,844)	\$ (22,849,063)
Public Safety	(22,706,421)	(25,132,491)	(26,825,514)	(29,230,322)	(29,734,304)	(29,098,230)	(30,310,309)	(33,305,681)	(32,511,078)	(30,918,609)
Public Works	(4,850,797)	(7,200,740)	(11,071,662)	(6,724,344)	(7,092,068)	(6,754,347)	(8,392,726)	(7,387,369)	(9,471,475)	(12,052,411)
Community development	(6,905,316)	(5,982,871)	(6,690,740)	(7,207,878)	(6,348,741)	(7,536,551)	(7,282,704)	(8,231,945)	(8,396,166)	(7,690,275)
Culture and recreation	(8,444,802)	(8,474,352)	(8,458,758)	(9,668,719)	(9,314,294)	(10,997,401)	(11,549,336)	(9,962,602)	(10,518,351)	(8,551,815)
Education	(2,186,619)	(2,280,164)	(2,456,459)	(2,302,116)	(2,573,152)	(2,737,868)	(2,864,722)	(2,899,570)	(2,988,945)	(2,846,887)
Interest on Long term debt	(5,166,341)	(5,375,063)	(5,093,359)	(5,630,475)	(5,404,184)	(9,593,608)	(4,563,643)	(5,456,528)	(5,485,953)	(4,952,563)
Business-type activities										
Wastewater Management	203,713	(3,184,569)	(1,264,423)	(1,135,151)	(1,034,336)	(1,078,381)	(1,979,893)	(3,133,480)	(1,832,730)	(1,996,630)
Water Management	8,210,747	9,447,173	19,705,928	6,998,300	23,044,709	8,752,614	12,641,484	5,576,369	16,679,727	10,176,687
College of Santa Fe									(343,204)	428,211
Municipal Recreation Complex	(1,594,754)	(1,970,945)	(2,106,612)	(2,189,624)	(2,461,005)	(1,984,066)	(1,846,768)	(1,234,579)	(238,358)	(177,212)
Railyard Center				977,135	(39,161)	2,159,776	7,477,159	(271,780)	(1,130,682)	(368,078)
Genoveva Chavez Community Center	(2,052,847)	(2,087,729)	(2,698,452)	(2,404,246)	(2,713,013)	(3,054,415)	(3,374,186)	(3,763,660)	(3,291,122)	(2,755,221)
Santa Fe Convention Center		(597,057)	(769,541)	(675,021)	(1,056,565)	(218,000)	(2,083,034)	(4,393,730)	(4,816,630)	(2,452,904)
Solid Waste Management		(443,401)	386,396	504,021	160,945	361,070	(464,847)	(380,582)	(764,520)	(962,340)
Transit and Airport Systems		(2,672,645)	(4,027,659)	(4,332,594)	(4,398,884)	(1,252,627)	(2,806,627)	(5,253,525)	(2,806,022)	(4,396,150)
Parking Enterprise Fund		(96,367)	169,591	(417,679)	(345,582)	(468,645)	(1,023,415)	(1,413,163)	(772,385)	(727,697)
All other proprietary funds	(5,257,428)						24,515			
Total government expenses	\$ (67,228,791)	\$ (72,341,914)	\$ (67,962,064)	\$ (79,081,388)	\$ (63,735,747)	\$ (85,443,671)	\$ (81,274,022)	\$ (106,985,993)	\$ (94,742,738)	\$ (93,092,957)

(Continued)

CITY OF SANTA FE, NEW MEXICO  
CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General Revenues and Other Changes in Net Assets</b>										
<b>Governmental activities</b>										
Taxes										
Property taxes	\$ 1,388,393	\$ 1,462,020	\$ 1,545,895	\$ 1,646,328	\$ 1,759,219	\$ 3,584,591	\$ 3,964,867	\$ 3,773,701	\$ 6,658,311	\$ 7,763,486
Sales taxes	75,360,232	79,760,433	82,323,111	85,755,995	92,621,304	88,146,556	91,972,070	82,800,905	76,345,768	77,533,815
Lodgers taxes	-	-	-	-	-	8,677,392	8,797,321	7,872,311	7,238,114	8,350,150
Franchise taxes	2,075,035	2,086,183	2,269,999	2,308,962	2,418,323	2,391,985	2,549,067	2,646,539	2,589,218	2,226,689
Motor fuel taxes	1,332,483	299,457	1,307,593	1,432,826	1,592,130	1,130,555	1,654,875	1,696,868	1,739,763	1,792,433
Cigarette taxes	148,163	153,932	141,980	145,074	126,683	107,712	113,820	65,597	96,502	8,940
Unrestricted investment earnings	4,618,919	3,592,394	840,040	2,049,567	3,570,611	7,187,724	4,383,448	3,264,549	664,354	492,319
Miscellaneous revenues	1,444,175	1,209,258	1,463,231	1,984,446	991,112	1,947,896	1,401,382	1,684,015	1,538,546	1,993,112
Gain on sale of capital assets	553,731	3,976	1,039,062	-	117,180	-	142,601	-	215,508	-
Transfers	(5,822,656)	(8,496,185)	(12,103,500)	(13,262,714)	(14,175,434)	(76,331,238)	(29,791,045)	(20,489,446)	(15,734,696)	(11,714,456)
Special item-transfer of capital asset	-	-	-	(20,145,837)	-	-	-	-	-	-
Total governmental activities	81,098,475	80,071,468	78,827,411	61,914,647	89,021,128	36,843,173	85,188,406	83,315,039	81,351,388	88,446,488
<b>Business-type activities</b>										
Property taxes	-	-	-	-	-	7,123,902	8,800,497	11,055,714	10,451,588	10,615,795
Unrestricted investment earnings	1,932,195	1,499,788	1,347,344	1,822,075	2,608,907	6,301,086	7,078,365	3,291,660	1,110,329	775,571
Miscellaneous revenues	3,556,171	-	1,567,250	2,793,229	1,650,873	379,823	1,689,593	1,997,611	-	-
Donated land	-	-	-	-	-	-	-	-	16,683,838	-
Gain (loss) on sale of capital assets	-	(41,845)	(41,889)	35,881	413,528	1,023,973	(24,603)	35,658	12,621	4,317,366
Transfers	5,822,656	8,496,185	12,103,500	13,262,714	14,175,434	76,331,238	29,791,045	20,489,446	15,734,696	11,714,456
Special item-transfer of capital asset	-	-	-	20,145,837	-	-	-	-	-	-
Total business-type activities	11,311,022	9,954,128	14,976,205	38,059,736	18,848,742	91,159,722	47,334,897	36,870,089	43,993,072	27,423,188
Total government	\$ 92,409,497	\$ 90,025,596	\$ 93,803,616	\$ 99,974,383	\$ 107,869,870	\$ 128,002,895	\$ 132,523,303	\$ 120,185,128	\$ 125,344,460	\$ 115,869,676
<b>Change in Net Assets</b>										
Governmental activities	\$ 14,360,253	\$ 9,315,094	\$ 1,470,119	\$ (14,491,882)	\$ 14,128,273	\$ (51,817,824)	\$ (2,610,996)	\$ (9,402,824)	\$ (14,135,424)	\$ (1,415,135)
Business-type activities	10,820,453	8,368,588	24,371,433	35,384,877	30,005,850	94,377,048	53,860,277	22,601,959	44,737,146	24,191,854
Total government	\$ 25,180,706	\$ 17,683,682	\$ 25,841,552	\$ 20,892,995	\$ 44,134,123	\$ 42,559,224	\$ 51,249,281	\$ 13,199,135	\$ 30,601,722	\$ 22,776,719

Note: GASB 34 Implemented 2002

TABLE III

CITY OF SANTA FE, NEW MEXICO  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General fund</b>										
Non-spendable	-	-	-	-	-	-	-	-	-	440,752
Restricted	639,743	\$ 835,208	\$ 1,675,855	\$ 1,517,007	\$ 1,187,102	\$ 1,469,090	\$ 3,920,763	\$ 2,063,939	\$ 1,823,960	\$ 6,071,202
Committed	14,453,097	16,621,949	19,280,645	19,527,994	25,105,946	26,378,133	16,309,042	12,059,216	7,314,057	1,243,499
Unassigned	15,092,840	\$ 17,457,157	\$ 20,956,500	\$ 21,045,001	\$ 26,293,048	\$ 27,847,223	\$ 26,952,671	\$ 20,966,831	\$ 15,671,833	\$ 8,269,206
<b>Total general fund</b>										
	\$ 21,325,023	20,555,714	21,068,096	24,748,085	27,354,805	19,576,314	23,697,756	19,063,112	16,558,006	11,184,545
<b>All Other Governmental Funds</b>										
Non-spendable	-	-	-	-	-	-	-	-	-	41,744,396
Restricted	5,453,066	7,112,747	5,108,988	4,627,065	71,980,338	18,536,628	25,927,119	4,738,444	4,802,848	2,007,489
Committed	48,561,040	42,877,220	55,001,474	50,737,536	51,579,609	46,282,108	51,720,722	56,203,130	37,176,386	3,375,086
Assigned	75,339,129	\$ 70,545,681	\$ 81,178,558	\$ 80,112,686	\$ 150,914,752	\$ 84,375,050	\$ 101,345,597	\$ 80,004,686	\$ 58,537,240	\$ (413,391)
<b>Total all other governmental funds</b>										
	\$ 129,227,258	\$ 118,486,762	\$ 137,356,136	\$ 135,577,367	\$ 279,849,105	\$ 248,234,099	\$ 277,383,177	\$ 245,271,532	\$ 212,473,374	\$ 57,896,125

Note: GASB 34 Implemented 2002



CITY OF SANTA FE, NEW MEXICO  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>										
Taxes	\$ 80,304,306	\$ 83,762,025	\$ 87,588,578	\$ 91,289,185	\$ 98,517,659	\$ 104,038,791	\$ 109,052,020	\$ 98,855,921	\$ 94,667,676	\$ 97,675,513
Licenses and permits	1,465,954	1,442,750	2,667,343	2,727,092	2,946,359	2,863,976	2,211,926	2,262,507	1,571,947	1,855,363
Intergovernmental revenues	6,244,338	11,117,950	8,176,008	18,204,501	10,003,225	8,140,070	12,067,485	16,866,088	15,447,798	12,021,489
Fees and charges for services	4,025,034	3,410,981	4,751,647	7,176,240	7,322,849	7,871,367	6,522,655	6,305,163	6,537,650	9,531,442
Sale of capital assets	30,663	3,976	18,888	79,164	197,052	28,793	42,601	42,204	215,508	35,552
Fines and forfeitures	376,051	421,146	319,827	375,497	290,372	304,993	527,173	518,267	526,845	448,621
Rents, royalties and concessions	647,162	298,861	586,737	99,520	79,202	165,995	79,490	130,047	126,043	219,850
Investment income	3,685,469	2,994,761	703,634	1,794,068	3,260,419	6,498,985	3,695,071	2,784,697	507,687	378,878
Land Sales	523,068	215,598	520,174	428,823	80,392	267,786	100,000	-	-	-
Other revenues	1,480,265	993,660	556,667	767,606	541,146	1,209,122	864,065	993,497	885,658	1,288,904
<b>Total Revenues</b>	<b>98,782,310</b>	<b>104,651,712</b>	<b>105,889,503</b>	<b>122,941,696</b>	<b>123,238,675</b>	<b>131,389,878</b>	<b>135,162,486</b>	<b>128,758,371</b>	<b>120,486,812</b>	<b>123,455,612</b>
<b>Expenditures</b>										
General government	16,655,252	17,408,043	18,288,525	29,315,163	19,036,303	22,514,387	26,330,509	27,641,394	25,807,820	23,115,451
Public safety	23,121,768	25,881,312	27,179,898	30,499,746	30,740,879	32,864,855	32,809,858	35,979,160	36,856,996	36,797,749
Public works	6,117,328	6,672,395	6,053,746	6,333,134	6,478,166	7,702,612	6,218,207	6,442,473	6,533,194	9,198,763
Community development	9,307,102	9,633,956	10,000,586	10,846,818	10,606,676	11,160,216	11,217,328	12,785,076	14,786,993	12,093,940
Culture and recreation	7,898,557	8,021,152	8,852,562	10,058,953	10,207,370	10,813,076	11,920,461	12,559,894	11,690,820	11,709,686
Education	2,210,671	2,274,474	2,450,329	2,522,707	2,568,199	2,732,739	2,859,578	2,892,938	2,983,168	2,841,615
Capital outlay	13,277,460	13,359,356	13,532,467	10,329,737	17,210,254	18,273,680	20,319,842	24,938,573	16,150,454	13,392,473
Capital outlay/inventory exempt	2,775,370	2,776,689	1,698,664	1,316,442	582,837	3,845,167	5,909,298	6,963,610	4,871,841	-
Debt Service:										
Principal	7,812,252	8,122,744	7,724,078	7,813,894	8,072,719	22,635,861	7,352,698	30,193,446	7,673,026	23,509,213
Interest and fiscal agent fees	5,642,227	5,445,493	5,681,334	5,505,673	6,050,067	10,603,454	5,361,324	6,301,926	5,784,564	6,562,034
Bond issuance costs	-	-	-	-	-	-	-	-	-	420,600
<b>Total expenditures</b>	<b>94,817,987</b>	<b>99,595,614</b>	<b>102,000,189</b>	<b>114,542,267</b>	<b>111,553,470</b>	<b>143,146,047</b>	<b>130,299,103</b>	<b>166,698,490</b>	<b>133,118,876</b>	<b>139,641,524</b>
Excess of revenues over (under)	3,964,323	5,056,098	3,889,314	8,399,429	11,685,205	(11,756,169)	4,863,383	(37,940,119)	(12,632,064)	(16,185,912)
<b>Other Financing Sources (Uses)</b>										
Transfers in	57,118,507	28,240,815	46,999,843	26,708,209	38,270,293	40,684,259	61,064,891	85,030,926	32,228,023	53,075,463
Transfers out	(63,290,445)	(35,874,406)	(56,589,827)	(39,687,743)	(52,070,727)	(116,975,199)	(90,855,936)	(104,721,290)	(46,365,517)	(64,789,919)
HUD loan payments (flow through)	-	-	-	-	-	25,656	7,862	58,866	7,113	31,815
Other uses	-	-	-	-	(300,000)	-	-	-	-	-
Other sources	18,944,263	-	19,880,589	1,716,667	14,986,587	-	-	-	-	-
Issuance of Bonds:										
Face value of bonds issued	-	-	-	8,470,000	59,930,000	24,940,000	40,135,000	26,370,000	-	25,305,000
Premium on issuance of bond	-	-	-	133,355	3,548,755	785,088	1,623,540	672,959	-	2,027,264
Payments to refund bond	-	-	-	(8,399,880)	-	-	-	-	-	-
<b>Total other Financing sources (uses)</b>	<b>12,772,325</b>	<b>(7,633,591)</b>	<b>10,290,605</b>	<b>(11,059,392)</b>	<b>64,364,908</b>	<b>(50,540,196)</b>	<b>11,975,357</b>	<b>7,411,461</b>	<b>(14,130,381)</b>	<b>15,649,623</b>
<b>Net change in fund balances</b>	<b>\$ 16,736,648</b>	<b>\$ (2,577,493)</b>	<b>\$ 14,179,919</b>	<b>\$ (2,659,963)</b>	<b>\$ 76,050,113</b>	<b>\$ (62,296,365)</b>	<b>\$ 16,838,740</b>	<b>\$ (30,528,658)</b>	<b>\$ (26,762,445)</b>	<b>\$ (536,289)</b>
Debt service as a percentage of noncapital expenditures	16.5%	15.7%	15.2%	12.8%	15.0%	26.6%	11.6%	25.7%	11.5%	23.8%

Note: GASB 34 Implemented 2002

TABLE V

CITY OF SANTA FE, NEW MEXICO  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY  
 LAST TEN FISCAL YEARS, IN THOUSANDS OF DOLLARS  
 (UNAUDITED)

Fiscal Year Ended June 30	Real Property Assessed Value	Estimated Actual Value	Personal Property Assessed Value	Estimated Actual Value	Exemptions Real Property	Total Assessed Value	Total Estimated Actual Value	Ratio of Total Assessed to Total Estimated
2002	2,026,036	6,084,192	71,447	214,556	24,087	2,073,426	6,226,505	33.3%
2003	2,141,583	6,431,180	68,192	204,780	29,939	2,179,836	6,456,054	33.3%
2004	2,338,417	7,022,273	70,907	212,934	33,767	2,375,557	7,133,805	33.3%
2005	2,587,264	7,769,562	71,734	215,417	36,567	2,622,431	7,875,168	33.3%
2006	2,849,552	8,557,213	78,279	235,072	38,889	2,888,942	8,675,502	33.3%
2007	3,138,480	9,424,865	72,456	217,586	39,751	3,171,185	9,523,081	33.3%
2008	3,315,706	9,957,075	175,280	526,985	39,987	3,450,999	10,363,360	33.3%
2009	3,506,494	10,530,012	67,798	203,598	68,934	3,505,358	10,526,601	33.3%
2010	3,632,556	10,908,577	62,630	187,913	67,679	3,627,507	10,893,414	33.3%
2011	3,655,579	10,977,715	61,775	185,511	70,146	3,647,208	10,952,577	33.3%

Note: The New Mexico State constitution regulates areas of property tax. The assessed valuation is set at 33 1/3% of market valuation by New Mexico statutes.

Source: Santa Fe County Assessor's Office

TABLE VI

CITY OF SANTA FE, NEW MEXICO  
 BOTH RESIDENTIAL AND NON-RESIDENTIAL  
 PROPERTY TAX RATES PER \$1,000 ASSESSED VALUATION  
 ALL DIRECT AND OVERLAPPING GOVERNMENTS  
 (UNAUDITED)

RESIDENTIAL

Tax Year Ended June 30	City	State	County	School District	Santa Fe Community College	Total Residential Tax Levy
2002	0.468	1.123	5.360	7.578	3.318	17.847
2003	0.454	1.520	5.917	7.488	3.264	18.643
2004	0.459	1.028	5.624	7.162	3.221	17.494
2005	0.440	1.234	6.319	7.022	4.046	19.061
2006	1.033	1.291	6.147	6.999	2.220	17.690
2007	1.026	1.221	6.282	6.960	3.119	18.608
2008	1.516	1.250	6.476	6.982	3.160	19.384
2009	1.595	1.150	6.600	7.038	3.236	19.619
2010	1.772	1.530	6.570	7.040	3.220	20.132
2011	1.878	1.362	6.742	7.120	3.314	20.416

NON-RESIDENTIAL

Tax Year Ended June 30	City	State	County	School District	Santa Fe Community College	Total Non- Residential Tax Levy
2002	1.268	1.123	9.648	7.798	4.046	23.883
2003	1.292	1.520	10.608	7.803	4.046	25.269
2004	1.266	1.028	10.868	7.440	4.046	24.648
2005	1.284	1.234	11.824	7.443	4.046	25.831
2006	1.901	1.291	11.935	7.269	4.046	26.442
2007	1.945	1.221	11.856	7.237	4.030	26.289
2008	2.459	1.250	12.500	7.247	4.046	27.502
2009	2.856	1.150	13.780	7.310	4.046	29.142
2010	3.247	1.530	13.723	7.350	4.015	29.865
2011	3.560	1.362	13.701	7.485	4.015	30.123

Source: New Mexico Department of Finance and Administration, Local Government Division

TABLE VII

CITY OF SANTA FE, NEW MEXICO  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND TEN YEARS AGO  
(UNAUDITED)

Taxpayer	2011			2010		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Public Service New Mexico	\$ 131,026,915	1	3.59%	\$ 76,637,691	1	4.00%
Qwest/ U.S. West	66,543,010	2	1.82%	70,070,016	2	3.65%
NM Gas Company	47,653,997	3	1.31%	14,958,050	8	0.78%
Singleton Properties	42,416,820	4	1.16%	-	-	-
Truzaf Ltd. Partnership	40,061,600	5	1.10%	-	-	-
El Dorado Partnership	39,726,336	6	1.09%	18,294,500	6	0.95%
B & B Santa Fe Mall LLC	30,999,690	7	0.85%	19,339,678	5	1.01%
La Posada	30,710,368	8	0.84%	-	-	-
Wal-Mart	26,991,439	9	0.74%	-	-	-
Canyon Encantado LLC	26,303,770	10	0.72%	-	-	-
La Fonda Hotel	-	-	-	12,714,390	10	0.66%
St. Vincent Hospital	-	-	-	20,000,000	4	1.04%
San Christobal Ranch	-	-	-	16,859,627	7	0.88%
Chelsea GCA Reality	-	-	-	12,925,337	-	-
Zoro Ranch	-	-	-	33,232,725	3	1.74%
<b>Total</b>	<b>\$ 482,433,945</b>		<b>13.23%</b>	<b>\$ 295,032,014</b>		<b>15.38%</b>

Source: Santa fe County Assessor's Office

TABLE VIII

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Agriculture, Forestry, Hunting, Fishing	\$ 14,535,305	\$ 13,323,327	\$ 14,835,226	\$ 14,233,052	\$ 15,543,808	\$ 15,220,498	\$ 14,074,406	\$ 15,377,597	\$ 12,204,888	\$ 9,879,744
Mining	-	-	28,792	-	-	55,455	8,736	272,856	-	45,695
Transportation, Comm., Utilities	125,832,865	125,328,634	126,928,178	132,492,509	134,687,705	88,766,665	99,278,414	94,502,403	76,608,504	96,542,131
Construction	226,063,778	260,034,725	263,352,787	271,432,965	380,430,714	388,417,042	436,060,485	404,777,586	274,052,776	255,458,962
Manufacturing	52,401,641	53,881,403	54,428,710	57,877,054	65,874,819	64,132,851	65,750,198	54,959,608	49,920,425	54,372,037
Wholesale	71,782,783	70,050,020	33,008,529	52,857,424	75,216,827	82,665,311	64,371,974	50,164,427	48,175,711	48,886,043
Retail	1,007,896,673	1,033,006,717	1,111,472,486	1,109,047,122	1,174,552,952	989,287,438	987,207,613	948,902,960	891,484,336	884,291,670
Finance, Insurance & Real Estate	82,194,438	76,265,903	90,920,308	101,515,174	112,402,443	111,654,920	108,156,523	89,564,306	80,082,754	81,396,496
Services	913,806,542	971,407,620	994,134,811	991,322,300	1,100,096,163	1,101,909,545	1,118,560,311	1,123,074,448	1,128,156,567	1,146,522,994
Government	-	-	19,848	231,683	-	5,802	9,243	-	-	-
Unclassified/Misc. Other	2,076,962	5,922,033	61,077,685	104,911,676	5,113,158	13,316,089	38,073,156	13,466,097	19,867,134	7,983,405
Total	\$ 2,496,590,967	\$ 2,609,220,382	\$ 2,750,207,360	\$ 2,835,920,959	\$ 3,063,918,589	\$ 2,855,431,615	\$ 2,931,551,059	\$ 2,795,062,288	\$ 2,580,553,095	\$ 2,585,379,177

Source: State of New Mexico Taxation and Revenue Department  
Major changes in data format for earlier years preclude extending this table to earlier years.  
Note: GASB 34 implemented 2002

CITY OF SANTA FE, NEW MEXICO  
TOTAL GROSS RECEIPTS TAX BY CATEGORY  
(UNAUDITED)

	Fiscal Year									
	2002	2003	2004	2005	2006 <sup>(1)</sup>	2007	2008 <sup>(2)</sup>	2009	2010	2011
Agriculture, forestry, hunting	\$ 347,880	\$ 360,156	\$ 394,162	\$ 401,436	\$ 455,081	\$ 456,874	\$ 425,121	\$ 462,067	\$ 360,973	\$ 299,657
Mining	588	722	(771)	-	-	1,663	112	8,238	272	3,100
Utilities	-	101,488	1,502,911	1,216,904	1,543,145	2,240,231	2,312,988	2,244,517	2,283,430	2,126,983
Construction	6,124,825	7,363,629	7,200,207	7,538,377	9,413,746	11,877,725	13,329,669	11,981,369	8,218,948	7,479,285
Manufacturing	1,485,782	1,465,851	1,557,272	1,582,900	1,839,688	1,954,756	1,972,298	1,655,709	1,461,937	1,581,150
Wholesale	1,959,464	2,002,390	1,811,327	1,453,583	1,726,084	2,541,040	1,923,131	1,483,543	1,342,178	1,451,394
Retail	31,861,671	30,092,879	30,852,659	29,019,897	28,049,244	30,363,839	29,388,707	28,306,999	26,456,316	26,589,033
Transportation & warehousing	3,234,982	763,649	150,146	210,111	217,660	389,881	625,939	532,132	514,611	481,208
Information & Cultural Indust.	-	-	792,009	1,209,249	1,238,465	1,673,707	1,631,339	1,704,690	2,755,004	3,267,602
Finance & insurance	2,323,365	1,726,658	669,778	775,655	809,785	960,829	1,168,871	982,546	881,891	940,872
Real estate, rental & leasing	-	429,851	1,853,383	2,019,600	2,474,170	2,450,804	2,094,448	1,639,091	1,474,704	1,442,114
Prof, Scientific, Technical	-	-	3,200,770	4,959,538	5,516,711	5,997,613	6,356,094	6,226,754	6,352,059	6,648,110
Management of companies	-	50,162	241,479	241,936	300,174	376,823	344,512	300,802	228,036	232,026
Admin & Support, Waste Mgt	-	-	35,204	101,389	203,807	289,906	442,406	445,420	539,050	794,833
Educational Services	-	-	133,238	185,471	227,896	254,368	254,901	258,390	319,473	491,982
Health Care & Social Assist	-	-	2,843,387	3,803,193	3,291,168	3,769,174	3,969,203	4,364,551	4,302,733	4,533,433
Arts, Entertainment & Recr	-	-	131,952	236,192	271,597	342,073	387,837	364,818	398,593	458,067
Accommodation & Food	-	-	4,392,307	7,431,444	8,900,411	10,039,922	10,134,875	9,950,881	9,424,398	9,700,468
Other Services	21,819,789	21,644,932	15,566,920	10,932,030	10,278,795	10,291,231	9,940,018	9,540,958	8,583,369	8,291,869
Public Administration	-	-	472	1,393	491	133	274	-	-	-
Unclassified	-	5,999,655	2,231,658	2,490,505	3,948,493	463,376	1,199,556	402,126	381,402	374,213
State Reimb-Food/Med Tax-Exempt	-	-	-	2,493,403	8,370,340	7,461,268	12,605,194	10,195,332	10,411,415	9,963,290
Municipal Equivalent Distribution	-	-	-	-	-	-	-	115,947	302,556	218,208
<b>Total GRT Revenue Distribution</b>	<b>\$ 69,158,346</b>	<b>\$ 72,002,023</b>	<b>\$ 75,560,469</b>	<b>\$ 78,304,206</b>	<b>\$ 89,076,953</b>	<b>\$ 94,197,236</b>	<b>\$ 100,507,493</b>	<b>\$ 93,166,880</b>	<b>\$ 86,993,348</b>	<b>\$ 87,368,897</b>
<b>City direct Gross Receipts Tax rate</b>	<b>6.44%</b>	<b>6.69%</b>	<b>6.69%</b>	<b>7.31%</b>	<b>7.63%</b>	<b>7.63%</b>	<b>7.94%</b>	<b>7.94%</b>	<b>8.06%</b>	<b>8.19%</b>

Note: GASB 34 Implemented 2002.

Source: State of New Mexico Department of Taxation and Revenue Distribution Reports. Tax & Rev. collects and distributes these revenues to the City of Santa Fe. Taxation & Revenue has implemented revised reporting formats at different times over the years, compromising comparability with earlier years.

General grocery items are not taxable; Gross Receipts Tax (GRT) applies only to prepared food items and nonfood items.

<sup>(1)</sup> In July 2005 a 1/4% Water CIP was imposed. This increase is reflected in succeeding years.

<sup>(2)</sup> In May 2008 the City received a one-time allocation adjustment for the food tax exemption for approx. \$3,863,000.

TABLE X

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CITY OF SANTA FE, NEW MEXICO  
DIRECT AND OVERLAPPING GROSS RECEIPTS TAX RATES  
LAST TEN FISCAL YEARS  
(UNAUDITED)

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<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Santa Fe County</u>
2002	6.44%	5.88%
2003	6.69%	6.13%
2004	6.69%	6.13%
2005	7.31%	6.25%
2006	7.63%	6.31%
2007	7.63%	6.31%
2008	7.94%	6.63%
2009	7.94%	6.38%
2010	8.06%	6.50%
2011	8.19%	6.62%

Source: New Mexico Taxation and Revenue Department

Note: The city gross receipts tax rate may be changed only with the approval of the state legislature.

Note: GASB 34 Implemented 2002

TABLE XI

CITY OF SANTA FE, NEW MEXICO  
 SCHEDULE OF PLEDGED REVENUES  
 FISCAL YEAR 2010 AND 2011  
 (UNAUDITED)

	<b>Fiscal Year</b>	
	2010	2011
0.05% Municipal Gross Receipts Tax (GRT) revenues	\$ 14,145,489	\$ 14,360,040
MGRT Infrastructure revenues	1,747,049	1,773,654
MGRT Environmental revenues	1,747,319	1,773,801
State shared GRT revenues	35,693,466	35,925,147
<b>TOTAL</b>	<b>\$ 53,333,323</b>	<b>\$ 53,832,642</b>

Source: City of Santa Fe Cash Management and Investment Officer



CITY OF SANTA FE, NEW MEXICO  
 SCHEDULE OF GROSS RECEIPTS TAX REVENUES  
 FISCAL YEAR 2010 AND 2011  
 (UNAUDITED)

	<b>Fiscal Year</b>	
	2010	2011
Municipal general GRT (Including Capital Improvements)	\$ 28,290,978	\$ 28,720,080
Infrastructure revenues	6,988,195	7,094,615
MGRT revenues	7,072,744	7,180,020
Environmental revenues	1,747,319	1,773,800
State-shared GRT revenues	35,693,466	35,924,147
Water Capital Outlay	6,957,221	7,063,026
Municipal Equivalent Distribution	300,393	333,680
<b>TOTAL</b>	<b>\$ 87,050,316</b>	<b>\$ 88,089,368</b>

Source: City of Santa Fe Cash Management and Investment Officer

CITY OF SANTA FE, NEW MEXICO  
 RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE  
 AND NET BONDED DEBT PER CAPITA  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

## GENERAL FUND EQUITY DEBT

Fiscal Year Ended June 30	Population <sup>1</sup>	Assessed Value <sup>2</sup>	Total General Obligation Debt Outstanding June 30	Amount Available Debt Service Fund	Net Bonded Debt	Ratio of Net Long Term Debt To Assessed Value	Net General Long Term Debt Per Capita
2001	63,000	\$ 1,979,555,408	\$ -	\$ -	\$ -	-	-
2002	63,500	\$ 2,073,426,259	\$ -	\$ -	\$ -	-	-
2003	64,700	\$ 2,179,835,636	\$ -	\$ -	\$ -	-	-
2004	65,800	\$ 2,375,557,803	\$ -	\$ -	\$ -	-	-
2005	66,500	\$ 2,622,431,696	\$ -	\$ -	\$ -	-	-
2006	68,359	\$ 2,888,942,909	\$ -	\$ -	\$ -	-	-
2007	69,142	\$ 3,171,185,528	\$ -	\$ -	\$ -	-	-
2008 (3)	69,961	\$ 3,450,998,939	\$ 20,000,000	\$ -	\$ 20,000,000	0.58%	286
2009	70,661	\$ 3,505,357,810	\$ 20,000,000	\$ 1,538,960	\$ 18,461,040	0.57%	261
2010	67,947	\$ 3,627,507,187	\$ 19,400,000	\$ 2,003,936	\$ 17,396,064	0.53%	256

<sup>1</sup> Estimated population figures for 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008 and 2009 were provided by the City of Santa Fe Planning Department staff. Estimated population figures for 2010 were provided by US Census Bureau.

<sup>2</sup> Assessment are made by the elected Santa Fe County Assessor. Assessment are made each year in January. Amounts represent thirty-three and one-third percent of market value as set by state statute.

<sup>3</sup> The City issued its first general obligation debt in 28 years on June 10, 2008

TABLE XIV

CITY OF SANTA FE, NEW MEXICO  
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
 FOR GENERAL OBLIGATION BONDED DEBT  
 TO TOTAL GENERAL FUND EXPENDITURES  
 LAST FOUR FISCAL YEARS  
 (UNAUDITED)

FISCAL YEAR	PRINCIPAL	INTEREST	DEBT SERVICE	TOTAL GENERAL FUND EXPENDITURE	RATIO OF DEBT SERVICE TO GENERAL GOVERNMENTAL EXPENDITURES
2009	\$ -	\$ 541,860	\$ 541,860	\$ 68,683,865	0.0079
2010	\$ 600,000	\$ 829,457	\$ 1,429,457	\$ 67,956,485	0.0210
2011	\$ 750,000	\$ 883,796	\$ 1,633,796	\$ 69,496,944	0.0235

The City of Santa Fe issued its first general obligation bond in 28 years on June 10, 2008

TABLE XV

CITY OF SANTA FE, NEW MEXICO  
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
 JUNE 30, 2011  
 (UNAUDITED)

	General Obligation as of June 30, 2011	Percentage Applicable to City of Santa Fe	City of Santa Fe Share of Debt
State of New Mexico	\$ 401,589,000	6.44%	\$ 25,862,332
City of Santa Fe	\$ 28,950,000	100.00%	28,950,000
Santa Fe County	\$ 130,165,000	52.78%	68,701,087
Santa Fe Public Schools	\$ 92,375,000	57.03%	52,681,463
Santa Fe Community College	\$ 30,320,000	57.03%	<u>17,291,496</u>
Total Direct and Overlapping Debt			<u>\$ 193,486,377</u>

## Ratios:

Total direct and overlapping debt to assessed valuation for tax year 2010 \$3,620,291,451	5.34%
Direct and overlapping debt to actual valuation of \$10,952,577,000	1.63%
Direct and overlapping debt per capita of 67,947	\$ 2,848

TABLE XVI

CITY OF SANTA FE, NEW MEXICO  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2010

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed Value										\$ 3,647,208,573
Debt Limit (4% of Assessed Value)										\$ 145,888,343
Debt applicable to limit	\$ 82,937,050	\$ 87,193,425	\$ 95,022,312	\$ 104,897,268	\$ 115,557,716	\$ 126,847,421	\$ 138,039,594	\$ 140,214,312	\$ 145,100,287	\$ 145,888,343
General obligation bonds										(28,950,000)
Less: Amount set aside for repayment of general obligation debt							(20,000,000)	(20,000,000)	(19,400,000)	(28,950,000)
Total net debt applicable to limit	\$ 82,937,050	\$ 87,193,425	\$ 95,022,312	\$ 104,897,268	\$ 115,557,716	\$ 126,847,421	\$ 118,039,594	\$ 120,214,312	\$ 125,700,287	\$ 116,938,343
Legal debt margin										
Total net debt applicable to limit as a percentage of debt	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	14.49%	14.26%	13.37%	19.84%

CITY OF SANTA FE, NEW MEXICO  
PLEGGED- REVENUE COVERAGE  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<b>Solid Waste System Bonds (1)</b>						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for		Service Interest	Coverage
			Debt Service	Debt Principal		
2002	7,686,945.00	6,407,879.00	1,279,066.00	855,000	173,020	1.24
2003	9,168,144.00	7,313,927.00	1,854,217.00	975,000	130,176	1.68
2004	8,758,678.00	7,389,506.00	1,369,172.00	830,000	79,800	1.50
2005	9,002,479.00	7,568,713.00	1,433,766.00	775,000	38,750	1.76
2006	9,586,034.00	8,177,846.00	1,408,188.00	-	-	-
2007	9,558,837.00	8,266,994.00	1,291,843.00	-	-	-
2008 (2)	11,425,138.00	8,435,925.00	2,989,213.00	635,000	670,998	2.29
2009	12,276,761.00	8,141,442.00	4,135,319.00	665,000	642,423	3.16
2010	11,041,661.00	8,341,668.00	2,699,993.00	690,000	614,160	2.07
2011	11,861,931.00	9,609,126.00	2,252,805.00	720,000	584,835	1.73

(1) Revenues pledged for 2011 included municipal gross receipts tax infrastructure revenues of \$1,773,654.

(2) The City of Santa Fe Gross Receipts Tax Refunding Revenue Bonds, Series 2006B, were reclassified as enterprise debt in the solid waste fund in FY 2007-2008.

<b>Water System Bonds (1)</b>						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for		Service Interest	Coverage
			Debt Service	Debt Principal		
2002	28,391,646	9,782,972	18,608,674.00	2,680,000	4,197,892	2.71
2003	30,603,150	12,980,867	17,622,283.00	2,805,000	4,074,612	2.56
2004	28,068,292	16,399,297	11,668,995.00	2,935,000	3,942,778	1.70
2005	25,672,488	16,891,351	8,781,137.00	3,170,000	3,707,978	1.28
2006	27,989,331	16,124,320	11,865,011.00	3,425,000	3,454,378	1.72
2007	30,092,304	18,063,030	12,029,274.00	3,695,000	3,549,049	1.66
2008	30,583,912	17,138,584	13,445,328.00	3,995,000	2,725,818	2.00
2009	26,473,819	18,182,591	8,291,228.00	2,105,000	2,406,219	1.84
2010	32,456,123	20,144,274	12,311,849.00	2,345,000	3,852,835	1.99
2011 (2)	42,996,211	18,429,596	24,566,615.00	3,625,594	5,551,724	2.68

(1) Revenues pledged for 2011 included water system revenues and the 1/4% municipal capital outlay gross receipts of \$7,063,026.

(2) Debt includes bonds and loans.

<b>Railyard Infrastructure Refunding Bonds (1)</b>						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for		Service Interest	Coverage
			Debt Service	Debt Principal		
2011 (2)	936,098.00	107,965.00	828,133.00	240,000.00	223,687.00	1.79

(1) The City of Santa Fe Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2010B, were issued December 14, 2010. Revenues pledged include municipal gross receipts tax railyard infrastructure revenues of \$1,733,654.

(2) Debt includes the bond and loans.

(continued)

Municipal Recreation Complex Bonds (1)						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for		Service Interest	Coverage
			Debt Service	Debt Principal		
2002	2,316,542.00	727,534.00	1,589,008.00	465,000.00	996,190.00	1.09
2003	2,288,481.00	740,862.00	1,547,619.00	495,000.00	973,632.00	1.05
2004	2,433,497.00	817,025.00	1,616,472.00	515,000.00	949,227.00	1.10
2005	2,392,543.00	1,740,581.00	651,962.00	545,000.00	923,133.00	0.44
2006	2,280,039.00	1,578,402.00	701,637.00	580,000.00	894,988.00	0.48
2007	2,097,707.00	1,583,318.00	514,389.00	670,000.00	606,128.00	0.40
2008	2,382,508.00	1,533,264.00	849,244.00	705,000.00	579,328.00	0.66
2009	2,661,658.00	1,564,447.00	1,097,211.00	735,000.00	554,652.50	0.85
2010	2,188,038.00	1,438,896.00	749,142.00	760,000.00	528,928.00	0.58
2011	2,017,133.00	1,156,748.00	860,385.00	790,000.00	500,428.00	0.67

(1) Revenues pledged include Municipal Recreation Complex revenues with a subordinate lien on gross receipts tax revenues.

Convention Center Bonds (1)						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for		Service Interest	Coverage
			Debt Service	Debt Principal		
2008 (2)	1,393,947.00	671,547.00	722,400.00	285,000.00	1,968,800.00	0.32
2009	4,735,197.00	1,437,526.00	3,297,671.00	895,000.00	2,441,716.00	0.99
2010	3,939,717.00	1,709,132.00	2,230,585.00	1,010,000.00	2,345,325.00	0.66
2011	3,041,881.00	1,672,968.00	1,368,913.00	1,035,000.00	2,308,350.00	0.41

(1) Revenues pledged for 2011 included gross receipts tax revenues of \$2,861,392.

(2) The New Mexico Finance Authority Convention Center loan was reclassified as enterprise debt in the convention center fund in FY 2007-2008. Debt includes the bond and loan.

Wastewater System Bonds (1)						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for		Service Interest	Coverage
			Debt Service	Debt Principal		
2008 (2)	11,023,657.00	7,434,117.00	3,589,540.00	1,095,000.00	1,035,014.00	1.69
2009	11,670,486.00	8,108,002.00	3,562,484.00	1,120,000.00	661,951.00	2.00
2010	12,185,467.00	8,215,370.00	3,970,097.00	1,240,000.00	439,255.00	2.36
2011 (3)	14,425,862.00	9,427,836.00	4,998,026.00	1,365,000.00	416,510.00	2.81

(1) Revenues pledged include wastewater and municipal gross receipts tax environmental revenues of \$1,773,801.

(2) The City of Santa Fe Gross Receipts Tax (Subordinate Lien) Wastewater Systems Variable Rate Revenue Bonds, Series 1997B, and the City of Santa Fe Subordinate Lien Gross Receipts Tax/Wastewater System Improvement Revenue Bonds, Series 2006C, were reclassified as enterprise debt in the wastewater fund in FY 2007-2008.

(3) 1997B bonds actual interest paid was \$40,535 in addition to interest for the 2006C bonds.

NOTE: Details regarding governmental outstanding debt can be found in the notes to the financial statements.

CITY OF SANTA FE, NEW MEXICO  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year	Government Activities				Business-Type Activities				Total Primary Government	Percent of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>				
	GRT Bonds	General Oblig. Bonds	NMFA Loans	HUD 108 Loan	SFPS <sup>1</sup> Loan	Capital Lease	MRC Bonds	Convention Center Bonds				Water Bonds	Wastewater Bonds	Solid Waste Bonds	NMFA Loans
2001	103,305,000	-	-	-	-	2,153,234	18,050,000	-	70,920,000	-	-	2,045,532	196,473,766	11.90%	3,119
2002	113,775,000	-	-	-	-	1,529,916	17,585,000	-	68,240,000	-	-	1,903,148	203,033,064	11.84%	3,197
2003	105,955,000	-	-	-	-	1,009,666	17,090,000	-	65,435,000	-	-	1,755,647	191,245,313	10.63%	2,956
2004	117,210,000	-	-	-	-	462,868	16,575,000	-	62,500,000	-	-	1,604,296	198,352,164	10.52%	3,014
2005	109,910,000	-	-	-	-	110,959	16,030,000	300,000	59,330,000	-	-	7,135,548	193,983,174	9.89%	2,917
2006	161,900,000	-	1,166,667	300,000	-	1,033,941	14,515,000	-	55,905,000	-	-	5,686,677	255,361,153	12.14%	3,736
2007	164,345,000	-	16,021,535	298,000	-	770,795	13,845,000	-	53,785,000	-	-	14,221,135	263,146,604	12.01%	3,806
2008	92,615,000	20,000,000	15,881,674	298,000	-	520,046	13,140,000	50,505,000	49,790,000	26,895,000	13,710,000	28,962,201	312,174,223	13.71%	4,462
2009	65,435,000	20,000,000	19,114,530	279,000	-	261,059	12,405,000	49,610,000	47,685,000	25,775,000	13,145,000	29,150,052	302,659,641	13.04%	4,286
2010	78,660,000	19,400,000	18,834,504	261,000	560,000	-	11,645,000	48,600,000	105,310,000	24,535,000	12,455,000	59,086,893	379,347,397	18.22%	5,423

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See the Table XV Economic and Demographic Information for personal income and population data.

GRT/revenue debt for solid waste, convention center and wastewater was reclassified FY 2007-2008 to respective enterprise funds.  
<sup>1</sup> SFPS is Santa Fe Public Schools for land purchase.

Resources: City of Santa Fe's Investment Officer and the Planning Department Staff.



TABLE XIX

CITY OF SANTA FE, NEW MEXICO  
DEMOGRAPHIC AND ECONOMIC INFORMATION  
(UNAUDITED)

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2001	63,000	1,651,734	26,218	3.60%
2002	63,500	1,714,754	27,004	3.80%
2003	64,700	1,799,566	27,814	4.30%
2004	65,800	1,885,104	28,649	4.30%
2005	66,500	1,962,282	29,508	4.50%
2006	68,359	2,103,816	30,776	3.50%
2007	69,142	2,191,041	31,689	3.10%
2008	69,961	2,276,951	32,546	3.30%
2009	70,661	2,322,698	32,871	6.70%
2010	67,947	2,022,238	29,762	5.60%

Source: The City of Santa Fe's Planning Department

**POPULATION:**

YEAR	CITY	COUNTY	STATE
2001	63,000	130,915	1,829,146
2002	63,500	134,525	1,855,059
2003	64,700	138,000	1,874,614
2004	65,800	141,000	1,903,289
2005	66,500	144,000	1,928,384
2006	68,359	144,809	1,954,599
2007	69,142	146,295	1,964,402
2008	69,961	147,781	1,984,356
2009	70,661	149,870	2,009,671
2010	67,947	144,170	2,059,179

Source: Estimated population figures for 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007 and 2009 were provided by the City of Santa Fe Planning Dept. Staff. Estimates for State for State population for 2000-2010 were provided by the Bureau of Business and Economic Research and U.S. Census

**AGE PROFILE:**

AGE	CITY	STATE	UNITED STATES
0-19	20.80%	28.20%	26.90%
20-34	17.60%	19.90%	20.30%
35-44	12.60%	12.10%	13.30%
45-54	14.60%	14.10%	14.60%
55+	34.40%	25.70%	24.90%
	100.00%	100.00%	100.00%

Source: Age profile for, "State and United States," U.S. Department of Commerce released December 2010.

(Continued)

TABLE XIX

CITY OF SANTA FE, NEW MEXICO  
DEMOGRAPHIC AND ECONOMIC INFORMATION  
(UNAUDITED)

**INCOME PROFILE:****HOUSEHOLD INCOME DISTRIBUTION, SANTA FE COUNTY, 2000:**

INCOME \$	NUMBER OF HOUSEHOLDS	PERCENT OF HOUSEHOLDS
Under 10,000	4,787	9%
10,000 to 14,999	3,157	6%
15,000 to 24,999	6,573	13%
25,000 to 34,999	6,834	13%
35,000 to 49,999	8,863	17%
50,000 to 74,999	9,672	18%
75,000 to 99,000	5,771	11%
100,000 and more	6,824	13%
Total Households	52,481	100%

The table above sets forth Income Profile based on the 2000 U.S. Census Bureau for 2000.

The table below sets forth the per-capita income, based on the total gross income divided by population, for Santa Fe County, the State of New Mexico and the United States.

CALENDAR YEAR	SANTA FE COUNTY	STATE OF NEW MEXICO	UNITED STATES
2000	29,949	21,931	29,469
2001	31,568	23,081	30,413
2002	32,932	24,730	30,795
2003	32,378	24,903	31,487
2004	36,095	26,184	33,090
2005	37,934	28,042	34,685
2006	38,854	29,929	36,714
2007	40,020	31,474	38,611
2008	41,221	33,019	39,769
2009	42,645	33,267	39,635

Source: Bureau of Business & Economic Research, UNM 2009 and 2010 information not available

(Continued)

TABLE XIX

CITY OF SANTA FE, NEW MEXICO  
DEMOGRAPHIC AND ECONOMIC INFORMATION  
(UNAUDITED)

## PUBLIC SCHOOL DISTRICT ENROLLMENT

The Santa Fe Public School District consists of 21 elementary schools (which includes kindergarden), 4 mid-high schools, and 2 high schools.

YEAR	PRE-KINDERGARTEN	1-6	7-12	SPECIAL EDUCATION	TOTAL
2001	1,011	6,860	5,507	0	13,378
2002	1,015	6,879	5,199	0	13,093
2003	1,094	6,745	5,626	0	13,465
2004	1,056	6,819	5,682	0	13,557
2005	1,292	6,770	5,673	0	13,735
2006	1,269	6,796	5,675	0	13,740
2007	1,241	6,850	5,274	0	13,365
2008	1,216	6,947	5,395	0	13,558
2009	1,164	7,061	5,366	0	13,591
2010	1,256	7,157	5,271	0	13,684

The NM Department of Education no longer separately reports special education for public school.

Source: New Mexico Department of Education

## PRIVATE SCHOOL DISTRICT ENROLLMENT-ASSESS EVALUATION UNIT

Santa Fe has 27 private and/or parochial schools, grades 1-12.

YEAR	KINDERGARTEN	1-6	7-12	SPECIAL EDUCATION	TOTAL
2001	263	868	1,700	0	2,831
2002	222	872	2,258	0	3,352
2003	275	847	2,244	0	3,366
2004	216	805	2,263	0	3,284
2005	188	820	2,379	0	3,387
2006	150	808	1,600	0	2,558
2007	195	859	1,643	0	2,697
2008	482	875	2,379	0	3,736
2009	394	835	2,326	0	3,555
2010	370	827	2,254	0	3,451

Source: New Mexico Department of Education

(Continued)

TABLE XIX

CITY OF SANTA FE, NEW MEXICO  
DEMOGRAPHIC AND ECONOMIC INFORMATION  
(UNAUDITED)

## HIGHER EDUCATION ENROLLMENT

School Year Ending	College of Santa Fe	Santa Fe Community College	St. Johns College	UNM Graduate Center	Institute of Indian Arts
2001	2,392	8,421	516	118	146
2002	2,369	8,535	467	118	194
2003	2,520	8,756	444	82	199
2004	2,565	9,747	450	15	182
2005	2,543	8,592	463	34	231
2006	2,576	8,537	473	40	239
2007	2,614	8,961	473	50	337
2008	2,121	9,039	483	33	270
2009	931	9,393	473	69	325
2010	268	9,799	463	Not Avail.	442

Source: Individual Institutions

TABLE XX

CITY OF SANTA FE, NEW MEXICO  
PROPERTY VALUE, CONSTRUCTION PERMITS AND UTILITY CONNECTIONS  
LAST TEN CALENDAR YEARS  
(UNAUDITED)

CALENDAR YEAR	PROPERTY VALUE <sup>1</sup>	CONSTRUCTION PERMITS <sup>2</sup>	
		ISSUED	VALUE
2002	3,789,882,996	6,392	154,617,427
2003	4,053,243,194	6,006	135,332,034
2004	4,374,594,705	6,722	160,606,719
2005	4,887,341,479	6,871	487,596,832
2006	5,405,014,766	7,076	249,530,361
2007	6,074,890,747	6,224	213,697,011
2008	6,550,808,648	4,925	142,844,833
2009	6,736,975,380	3,864	136,960,866
2010	6,890,742,053	3,870	125,204,260
2011	6,916,810,418	4,161	152,272,115

Utility Connections

CALENDAR YEAR	WATER METERS <sup>3</sup>	ELECTRIC METERS <sup>4</sup>	GAS METERS <sup>5</sup>
2002	31,477	60,515	41,968
2003	31,615	62,330	42,599
2004	33,734	64,199	43,876
2005	35,287	66,124	45,192
2006	36,169	68,107	46,547
2007	37,073	70,150	47,943
2008	37,991	72,254	49,381
2009	39,131	74,422	50,862
2010	39,393	76,654	52,387
2011	39,642	77,107	52,764

Source:

<sup>1</sup> Santa Fe County Assessor: Value of property on which taxes are assessed.

<sup>2</sup> City of Santa Fe Building Inspectors Office.

<sup>3</sup> Sangre De Cristo Water Division

<sup>4</sup> Public Service Company of New Mexico

<sup>5</sup> New Mexico Gas Company

CITY OF SANTA FE, NEW MEXICO  
TEN LARGEST EMPLOYERS  
SANTA FE METROPOLITAN AREA  
JUNE 30, 2011  
(UNAUDITED)

EMPLOYER	TYPE OF BUSINESS	APPROXIMATE NUMBER OF EMPLOYEES	PERCENTAGE <sup>1</sup>
State of New Mexico	Government	9,443	12.1%
Santa Fe School District	Education	1,850	2.4%
U.S. Federal Government	Government	1,750	2.2%
City of Santa Fe	Government	1,719	2.2%
St. Vincent Hospital	Medical	1,450	1.9%
Santa Fe County	Government	815	1.0%
Santa Fe Community College	Education	717	0.9%
Santa Fe Opera	Entertainment	650	0.8%
College of Santa Fe	Education	564	0.7%
Santa Fe Ski Company	Recreation	437	0.6%
Totals		19,395	24.8%

<sup>1</sup> These percentages are based on a total civilian labor force (Santa Fe County) of 78,148 from the New Mexico Department of Labor for 2011.

CITY OF SANTA FE, NEW MEXICO  
 AUTHORIZED BUDGETED POSITIONS OF CITY GOVERNMENT EMPLOYEES BY FUNCTION  
 FOR THE LAST TEN FISCAL YEARS  
 (UNAUDITED)

Function	Authorized Budgeted Positions of Employees as of June 30									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government	267	262	271	271	284	313	313	325	307	309
Public safety										
Police										
Officers	147	151	150	150	150	120	158	162	160	160
Civilians	73	48	49	49	49	80	42	45	42	42
Fire										
Firefighters and officers	113	112	112	112	118	127	126	140	145	145
Civilians	10	12	10	10	9	15	16	19	8	8
Highways and streets										
Engineering	60	65	71	71	77	72	74	83	75	75
Maintenance	83	83	87	87	83	84	80	78	78	78
Sanitation	65	125	135	135	132	131	131	132	132	133
Culture and recreation	552	561	570	570	574	567	570	585	570	572
Water	119	71	74	80	86	86	87	105	95	97
Transit	78	78	84	84	89	101	111	117	116	116
Parking	58	60	59	59	54	56	58	70	64	64
Total	1625	1628	1672	1678	1705	1752	1766	1861	1792	1799

Source: City of Santa Fe Budget Office

CITY OF SANTA FE, NEW MEXICO  
SCHEDULE OF INSURANCE IN FORCE  
June 30, 2011  
(Unaudited)

Insurance Carrier/Description	Policy #	Term	Coverage Limits	Annual Premium	Deductible	Miscellaneous
I. City of Santa Fe Self Insurance A. Worker's Compensation B. Group Health Insurance		Jul 01 - Jun 30	Maximum benefits under law Unlimited	\$900,000 \$13,365,636	\$500,000	(Medical and Indemnity)
II. Midwest Employers Casualty Company Excess Worker's Compensation	SP-9938-NM	July 1 - June 30	Statutory limit	\$112,583	\$500,000	Self-Insured Retention
III. St. Paul Insurance Company. Public Entity Package A. Public Building Contents/Pers. Prop B. General Liability	GPO6301413	July 1 - June 30	\$250,000,000 Aggregate \$3 million, \$1,050,000 tort limit	\$1,939,929	\$75,000 \$50,000	Self-Insured Retention
C. Foreign Jurisdiction			\$1,050,000		\$50,000	Self-Insured Retention
D. Auto Liability			\$1,050,000		\$50,000	
E. Auto Physical Damage			Actual Cash Value		\$25,000	Self-Insured Retention
F. Healthcare Professional			\$1,050,000		\$50,000	
G. Inland Marine			Various		\$25,000	
H. Law Enforcement			\$4,000,000	\$382,708	\$50,000	
I. Public Officials & Employment Practices			\$4,000,000	\$95,707	\$100,000	
IV. Travelers Indemnity Company Boiler/Machinery Hazardous Substance Water Damage Ammonia Contamination Expediting Expenses Ordinance or Law	BAJPMC802X8550TIL07	July 1 - June 30	\$10,000,000 \$100,000 \$100,000 \$100,000 \$100,000 \$500,000	\$28,458	\$5,000	
V. HUB International A. Ace Property & Casualty Insurance Company Airport General Liability	AAPN0097867A	July 1 - June 30	\$20,000,000	\$14,900	\$2,500	
VI. United Health Care Insurance Company A. Specific Stop Loss B. Aggregate Stop Loss C. Supplemental Life	26001-1	Aug 31 - Aug 31	Medical in excess of \$200,000 \$2,000,000 2x annual salary-Natural death, 4x annual salary-Accidental death	\$534,816 \$69,250 \$518,936		Stoploss
VII. Zurich American Insurance Company Underground Storage Tank Liability	USC 92723845	July 1 - June 30	\$1,000,000 Total	\$4,976	\$5,000	
VIII. Chartis A. Pollution Legal Liability B. Santa Fe Solid Waste Mgmt. Agency C. Fiduciary Employee Benefit Plan	PLS2673957 EG 2671908 672-82-86	July 1 - June 30 July 1 - June 30 July 1 - June 30	\$2,000,000 aggregate \$1,000,000 \$2,000,000 aggregate	\$70,299 \$53,228 \$9,980	\$50,000 \$25,000 \$25,000	Retention
IX. Fireman's Fund Exhibition Floater	MXI-98387070	July 1 - June 30	\$25,000	\$1,000	\$500	
X. St. Paul Insurance Co. Skateboard/BMXTrack/Parks	GPO6301413	July 1 - June 30	\$1,000,000 aggregate	Incl in Blanket Policy	\$50,000	Self Insurance Retention



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CITY OF SANTA FE, NEW MEXICO  
MISCELLANEOUS STATISTICS  
(UNAUDITED)

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## Form of Government

The City has a mayor/council/city manager form of government with the mayor and eight member council elected by district for four-year overlapping terms. The non-partisan elections are held each March of odd numbered years.

The City Charter provides for a City Manager appointed by the Mayor and approved by the Council who is responsible for the administration of the merit system and, subject to the authority of the Mayor, supervises the operation of all departments.

Year of incorporation	1891
City area (square miles)	46.2
Fire Protection	
Number of stations (Manned and Unmanned)	10
Total employees (Includes 9 Civilians)	150
Police Protection	
Number of stations	2
Total employees (Includes 42 Civilians)	195
Parks	
Acreage (developed, not open space or trails)	923
Number of parks	68
Community centers and recreational buildings	3
Swimming pools	4
Tennis courts	23
Libraries	
Holdings	388,003 items
Circulation	726,408 per year
Municipal Sewer	
Number of sewer accounts	32,220
Miles of sanitary lines	346

## Notes:

Data as of June 30, 2011

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## **Supplementary Schedules**

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CITY OF SANTA FE, NEW MEXICO  
 COMBINED SCHEDULE OF DEPOSITS AND INVESTMENTS  
 (RECONCILIATION OF BANK BALANCE TO CARRYING BALANCE)  
 ALL FUNDS  
 June 30, 2011

	Type of Account	Bank Balance	Outstanding Checks	Deposits In Transit	Carrying Balance	FAIR VALUE
Change, imprest funds	Petty cash	\$ -	\$ -		\$ 17,338	\$ 17,338
Deposits with financial institutions:						
Wells Fargo Bank - General Liability	Checking	82,810	40,723	-	42,087	42,087
Wells Fargo Bank - Workers' Comp.	Checking	66,968	31,338	-	35,630	35,630
Wells Fargo Bank - HUD Loan Repayment	Checking	1,911	-	-	1,911	1,911
Wells Fargo Bank - HUD Debt Service Reserve	Checking	40,047	-	-	40,047	40,047
Wells Fargo Bank - Common	Checking	199,874	-	-	199,874	199,874
Wells Fargo Bank - Overland Sweep	Sweep	9,419,795	1,308,515	1,625,316	9,736,596	9,736,596
Wells Fargo Bank - Credit Card	Checking	-	-	48,924	48,924	48,924
Wells Fargo Bank - Payroll	Checking	503,993	31,270	-	472,723	472,723
Wells Fargo Bank - Business Savings	Savings	55,086,406	-	-	55,086,406	55,086,406
First National Bank of Santa Fe Checking	Savings	4,010,573	-	-	4,010,573	4,010,573
First National Bank of Santa Fe Savings	Checking	8,019,728	-	-	8,019,728	8,019,728
New Mexico Finance Auth. Fire Vehicle Loan-Reserve	Trust	116,684	-	-	116,684	116,684
New Mexico Finance Auth.-Fire Vehicle	Trust	540	-	-	540	540
New Mexico Finance Auth.-Parking Garage	Trust	4	-	-	4	4
New Mexico Finance Auth. - Railyard I Reserve Taxable	Trust	52,749	-	-	52,749	52,749
New Mexico Finance Auth. - College of Santa Fe	Trust	9	-	-	9	9
New Mexico Finance Auth.-SWAMA Reserve	Trust	100,015	-	-	100,015	100,015
New Mexico Finance Auth.-SWAMA	Trust	1	-	-	1	1
New Mexico Finance Auth.-Buckman	Trust	8	-	-	8	8
New Mexico Finance Auth.- Other Loan Acnts < \$1	Trust	4	-	-	4	4
Century Bank-Certificate of Deposit	Time Deposit	250,000	-	-	250,000	250,000
Guadalupe Credit Union-CD	Time Deposit	250,000	-	-	250,000	250,000
State Employees Credit Union-CD	Time Deposit	250,000	-	-	250,000	250,000
Los Alamos National Bank-CD	Time Deposit	250,000	-	-	250,000	250,000
Los Alamos National Bank-CD	Time Deposit	10,000,000	-	-	10,000,000	10,000,000
Community Bank-CD	Time Deposit	500,000	-	-	500,000	500,000
Community Bank-CD	Time Deposit	2,500,000	-	-	2,500,000	2,500,000
Community Bank-CD	Time Deposit	2,500,000	-	-	2,500,000	2,500,000
First National Bank of Santa Fe	Time Deposit	278,826	-	-	278,826	278,826
First National Bank of Santa Fe	Time Deposit	1,000,000	-	-	1,000,000	1,000,000
First National Bank of Santa Fe	Time Deposit	2,000,000	-	-	2,000,000	2,000,000
First National Bank of Santa Fe	Time Deposit	3,000,000	-	-	3,000,000	3,000,000
<b>Total bank and carrying balances</b>		<b>100,480,945</b>	<b>1,411,846</b>	<b>1,674,240</b>	<b>100,743,339</b>	<b>100,743,339</b>
Wells Fargo Gov't Money Market - 2009A&B Reserve-Cash	Investment	21,739	-	-	21,739	21,739
Wells Fargo Gov't Money Market - 2009A&B Reserve-Bonds	Investment	5,275,000	-	-	5,275,000	5,276,180
Wells Fargo Gov't Money Market - 2009B BABs Account-Cash		3	-	-	3	3
Wells Fargo Government Money Market - Cash	Investment	9,010,286	-	-	9,010,286	9,010,286
NM State Local Government Investment Pool (LGIP)	Investment	682,557	-	-	682,557	682,557
NM State LGIP Reserve Contingency Fund	Investment	121,191	-	-	121,191	121,191
U.S. Government Agency Securities	Investment	70,905,359	-	-	70,905,359	71,180,908
New Mexico Municipal Securities	Investment	13,385,000	-	-	13,385,000	13,558,823
<b>Total investment balances</b>		<b>99,401,135</b>	<b>-</b>	<b>-</b>	<b>99,401,135</b>	<b>99,851,687</b>
<b>Total Accounts</b>		<b>199,882,080</b>	<b>1,411,846</b>	<b>1,674,240</b>	<b>200,161,812</b>	<b>200,612,364</b>
<i>Less: joint venture share of pooled cash</i>		<i>(12,423,396)</i>	<i>-</i>	<i>-</i>	<i>(12,423,396)</i>	<i>(12,471,675)</i>
<b>TOTAL</b>		<b>\$ 187,458,685</b>	<b>\$ 1,411,846</b>	<b>\$ 1,674,240</b>	<b>\$ 187,738,416</b>	<b>\$ 188,140,689</b>

**CITY OF SANTA FE, NEW MEXICO**  
**SCHEDULE OF PLEDGED COLLATERAL**  
**(MARKET VALUE)**  
**June 30, 2011**

	<u>Bank Balance</u>	<u>Total Unsecured Public Funds</u>	<u>Pledged Securities Market Value</u>	<u>Maturity Date</u>
<b><u>WELLS FARGO BANK:</u></b>				
<u>Non-Interest Bearing Accounts</u>				
General Liability Checking	82,810			
Worker's Comp. Checking	66,968			
HUD Debt Service Reserve Checking	1,911			
Common Checking	199,874			
<u>Payroll Checking</u>	<u>503,993</u>			
Total Checking Requiring Collateral	855,556			
<u>Federal Depository Insurance - 100% on NIB</u>	<u>(855,556)</u>			
Total Unsecured Public Funds - NIB				
*NIB = Non-Interest Bearing Accounts				
<u>Interest Bearing Accounts</u>				
HUD Debt Service Reserve Checking	40,047			
Savings	55,086,405			
Total Requiring Collateral	55,126,452			
<u>Federal Depository Insurance</u>	<u>(250,000)</u>			
<u>Total Unsecured Public Funds - Interest Bearing</u>		54,876,452		
Total Unsecured Public Funds		54,876,452		
<u>Collateral held by Wells Fargo Bank, California:</u>				
FHLMC, CUSIP 3128M9LQ9			(576,431)	06/01/38
FHLMC, CUSIP 3128MS3V0			(180,901)	05/01/37
FHLMC, CUSIP 3128MS7G9			(1,234,652)	06/01/37
FNMA, CUSIP 31371MHK6			(133,981)	11/01/35
FNMA, CUSIP 31371MSW8			(84,287)	05/01/36
FNMA, CUSIP 31371MT31			(118,377)	06/01/36
FNMA, CUSIP 31371NGH2			(91,976)	07/01/37
FNMA, CUSIP 3138AFEJ5			(13,307,154)	05/01/41
FNMA, CUSIP 31407HRF5			(1,309,704)	02/01/36
FNMA, CUSIP 31409AND7			(2,412,795)	02/01/36
FNMA, CUSIP 31409CE76			(1,538,056)	02/01/36
FNMA, CUSIP 31409CV51			(4,519,513)	05/01/36
FNMA, CUSIP 31409CV69			(8,617,474)	05/01/36
FNMA, CUSIP 31409HBR4			(3,778,574)	05/01/36
FNMA, CUSIP 31410KJY1			(2,843,689)	05/01/38
FNMA, CUSIP 31412MDX3			(605,387)	12/01/37
FNMA, CUSIP 31414D5V4			(3,119,233)	06/01/38
FNMA, CUSIP 31414DYB6			(100,245)	06/01/38
FNMA, CUSIP 31415AWC1			(87,424)	07/01/38
FNMA, CUSIP 31415PGU6			(89,164)	08/01/38
FNMA, CUSIP 31415THU7			(105,690)	08/01/38
FNMA, CUSIP 31415TP20			(132,349)	08/01/38
FNMA, CUSIP 31416BK72			(132,314)	06/01/38
FNMA, CUSIP 31416BTB4			(10,855,256)	12/01/35
Total Pledged Collateral			<u>(55,974,626)</u>	
Difference Between Pledged Collateral and Unsecured Funds			(1,098,174)	
102% pledged collateral requirement			55,973,981	
Total Pledged Collateral			<u>(55,974,626)</u>	
<b>Pledged collateral (over) under 102% requirement</b>			<u><b>(645)</b></u>	
(continued)				
<b><u>FIRST NATIONAL BANK OF SANTA FE:</u></b>				
Certificate of Deposit	3,000,000			
Certificate of Deposit	2,000,000			
Certificate of Deposit	1,000,000			
Certificate of Deposit	278,826			
Checking	4,010,573			
Savings	8,019,728			
Total Checking Requiring Collateral	<u>18,309,127</u>			
<u>Federal Deposit Insurance</u>	<u>(250,000)</u>			
Total Unsecured Public Funds		18,059,127		
<u>Collateral Issued by Federal Reserve Bank of Boston</u>				
FCSB, CUSIP 31331XWW8			(5,582,080)	04/25/14

	<u>Bank Balance</u>	<u>Total Unsecured Public Funds</u>	<u>Pledged Securities Market Value</u>	<u>Maturity Date</u>
FHLMC, CUSIP 31371RMM5			(130,868)	02/01/33
FGRM, CUSIP 31394GTX1			(241,595)	12/15/16
FNSM, CUSIP 31398AYN6			(10,026,789)	07/28/14
FNSM, CUSIP 31398A6L1			(10,035,762)	11/26/13
Subtotal Collateral			<u>(26,017,094)</u>	
Difference between Pledged Collateral and Unsecured Funds			(7,957,967)	
102% pledged collateral requirement			18,420,310	
Total Pledged Collateral			<u>(26,017,094)</u>	
<b>Pledged collateral (over) under 100% requirement</b>			<u><u>(7,596,784)</u></u>	
<b><u>LOS ALAMOS NATIONAL BANK</u></b>				
Certificate of Deposit	10,000,000			
Certificate of Deposit	250,000			
<u>Federal Deposit Insurance</u>	<u>(250,000)</u>			
Total Unsecured Public Funds		10,000,000		
<u>Collateral Issued by Federal Home Loan Bank of Dallas</u>				
Letter of Credit **			(6,250,000)	10/21/11
Letter of Credit **			<u>(4,000,000)</u>	05/14/12
Total Pledged Collateral			<u>(10,250,000)</u>	
Difference between Pledged Collateral and Unsecured Funds			(250,000)	
102% pledged collateral requirement			10,200,000	
Total Pledged Collateral			<u>(10,250,000)</u>	
<b>Pledged collateral (over) under 100% requirement</b>			<u><u>(50,000)</u></u>	
<b><u>COMMUNITY BANK</u></b>				
Certificate of Deposit	2,500,000			
Certificate of Deposit	2,500,000			
Certificate of Deposit	500,000			
Total Requiring Collateral	5,500,000			
<u>Federal Deposit Insurance</u>	<u>(250,000)</u>			
Total Unsecured Public Funds		5,250,000		
<u>Collateral Held By Federal Reserve Bank of Boston</u>				
FNMA, CUSIP 31360FCZ6			(629)	02/01/24
FHLMC, CUSIP 3128M1RX9			<u>(282,299)</u>	11/01/21
			(282,928)	
<u>Collateral Held By Federal Home Loan Bank Of Dallas</u>				
FNMA, CUSIP 31360YKS2			(9,722)	11/01/24
FNMA, CUSIP 31361SVR4			<u>(4,509)</u>	01/01/27
			(14,231)	
				(continued)
<u>Collateral Issued By Federal Home Loan Bank Of Dallas</u>				
Letter of Credit - 100%**			(2,500,000)	01/17/11
Letter of Credit - 100%**			<u>(2,500,000)</u>	07/14/11
Subtotal Collateral			(5,000,000)	
Total Pledged Collateral			<u>(5,297,159)</u>	
Difference between Pledged Collateral and Unsecured Funds			(47,159)	
100% and 102% pledged collateral requirements			5,255,000	
Total Pledged Collateral			<u>(5,297,159)</u>	
<b>Pledged collateral (over) under 100% requirement**</b>			<u><u>(42,159.00)</u></u>	

\*\*The City's 102% requirement is necessary for those types of pledged collateral that change value. Letters of credit do not change value so face value equal to or over the value of the unsecured public funds is sufficient. FHLB LOCs at Los Alamos National Bank and Community Bank are all equal to or greater than 100% of the value of unsecured public funds, so collateralization is sufficient.

CITY OF SANTA FE, NEW MEXICO  
 Proprietary Funds  
 Schedule of Capital Assets and Depreciation  
 For the Year Ended June 30, 2011

				Balance June 30, 2011	ALLOWANCE FOR DEPRECIATION		
	Balance June 30, 2010	Additions	Deletions		Current Fiscal Year Deprec.	Accumulated Balance June 30, 2011	Net Asset Value June 30, 2011
<b>Enterprise funds</b>							
<b>Primary government</b>							
Land	\$ 41,551,773	\$ -	\$ (3,291,215)	\$ 38,260,558	\$ -	\$ -	\$ 38,260,558
Water Rights	341,279	575,088	-	916,367	-	-	916,367
Buildings and structures	183,831,321	2,835,218	(29,059)	186,637,480	4,380,339	34,091,921	152,545,559
Improvements	67,178,233	15,248,176	-	82,426,409	6,053,183	47,341,928	35,084,481
Sewerlines and Utility Systems	102,198,821	693,966	(7,540)	102,885,247	3,821,312	55,374,606	47,510,641
Equipment and machinery	20,132,570	572,160	(105,093)	20,599,637	1,356,868	14,790,475	5,809,162
Furniture and fixtures	775,143	-	(1,094)	774,049	11,447	743,765	30,284
Vehicles	21,674,151	3,082,004	(65,316)	24,690,839	1,618,248	15,610,698	9,080,141
Intangible plant	57,625	-	-	57,625	-	57,625	-
Data processing and software	3,375,153	35,764	(59,484)	3,351,433	197,209	2,329,373	1,022,060
Art	185,971	-	-	185,971	-	-	185,971
Construction in progress	168,037,613	28,457,356	(18,815,762)	177,679,207	-	-	177,679,207
Total - primary government	609,339,653	51,499,732	(22,374,563)	638,464,822	17,438,606	170,340,391	468,124,431
<b>Total Proprietary funds</b>	<b>\$ 647,334,660</b>	<b>\$ 51,499,732</b>	<b>\$ (22,374,563)</b>	<b>\$ 638,464,822</b>	<b>\$ 17,438,606</b>	<b>\$ 170,340,391</b>	<b>\$ 468,124,431</b>



## **Other Supplementary Financial Data**

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**CITY OF SANTA FE, NEW MEXICO**  
**Schedule of Industrial Revenue Bonds Authorized and Outstanding**  
**As of June 30, 2011**  
**(Unaudited)**

<b>Recipient</b>	<b>Year Issue</b>	<b>Year of Retirement</b>	<b>Interest Rate</b>	<b>Amount of Issue</b>	<b>Purpose</b>
Hillhaven Corporation	1983	2013	68% of prime rate of Bank of New York	4,060,000	Construction of Nursing Home
First Interstate Plaza Assoc.	1983	2013	10.25%	4,000,000	Commercial Office
St. John's College	1998	2024	4.50%-5.50%	6,900,000	Refund outstanding balance on the 1992 debt issue and construction of campus facilities
Ridgetop Road LLC	2007	2037	15.00%	45,000,000	Commercial office

**CITY OF SANTA FE, NEW MEXICO**  
**Schedule of Bonds and Loans Payable**  
**Classified by Fund and Purpose**  
**June 30, 2011 (UNAUDITED)**

Fund and Purpose	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Outstanding June 30, 2011 Issue Remaining	Total
<b>Revenue bonds payable solely from state-shared taxes:</b>						
Gross receipts tax - Series 2004A	2.00% - 4.00%	01/14/04	18,660,000	June 1, 2018	14,415,000	
Series 2006	4.00% - 5.00%	02/14/06	17,710,000	June 1, 2023	14,950,000	
Series 2008	3.25% - 5.50%	04/07/08	20,135,000	June 1, 2022	20,115,000	
Series 2008B	4.00% - 5.00%	12/08/08	22,760,000	June 1, 2012	7,060,000	
Series 2010A	2.00% - 5.00%	12/14/10	15,005,000	June 1, 2015	15,005,000	
Total bonds payable solely from state-shared taxes					<u>71,545,000</u>	
<b>General obligation bonds payable solely from property tax:</b>						
Property tax - Series 2008	3.75% - 5.00%	06/10/2008	20,000,000	June 1, 2028	18,650,000	
Property tax - Series 2010	2.50% - 4.00%	11/01/2010	10,300,000	June 1, 2030	10,300,000	
Total bonds payable solely from property tax					<u>28,950,000</u>	
Total bonds payable from tax revenue (governmental)						\$ 100,495,000
<b>Revenue bonds payable from Enterprise funds (primary government)</b>						
Convention Center - NMFA Series 2006	3.75% - 4.75%	03/28/06	42,220,000	June 15, 2035	39,450,000	
Series 2008 GRT/CCtr Share	3.250% - 5.50%	04/07/08	8,570,000	June 1, 2022	8,115,000	
Total bonds payable from Convention Center fund					<u>47,565,000</u>	
Solid Waste - Series 2006B	4.25% - 5.00%	07/31/06	15,160,000	June 1, 2023	11,735,000	
Total bonds payable from Solid Waste fund					<u>11,735,000</u>	
Municipal Recreation Complex - Series 2005	4.00% - 4.25%	08/30/05	15,315,000	June 1, 2024	10,855,000	
Total bonds payable from Municipal Recreation Complex fund					<u>10,855,000</u>	
Water Revenue Bonds - Series 2006D	4.25% - 5.00%	08/09/06	49,790,000	June 1, 2025	43,340,000	
Series 2009A&B	2.00% - 6.20%	12/15/09	59,970,000	June 1, 2039	59,125,000	
Total bonds payable from Water fund					<u>102,465,000</u>	
Wastewater Bonds - Series 1997B	4.00% - 6.00%	12/11/97	20,800,000	June 1, 2022	15,900,000	
Series 2006C	4.125% - 5.00%	09/29/06	9,780,000	June 1, 2021	7,270,000	
Total bonds payable from Wastewater fund					<u>23,170,000</u>	
Railyard Center Refunding Bonds - Series 2010B	2.00% - 5.00%	12/14/2010	10,490,000	06/01/36	10,250,000	
Total revenue bonds payable from Railyard fund					<u>10,250,000</u>	
Total revenue bonds payable from Enterprise funds (business-type)						<u>206,040,000</u>
<b>TOTAL LONG-TERM BOND INDEBTEDNESS</b>						<u><b>\$ 306,535,000</b></u>

(continued)

Fund and Purpose	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Outstanding June 30, 2011	
					Remaining	Total
<b>LOANS PAYABLE</b>						
<b>Loans payable from 1/2% Municipal GRT</b>						
NMFA SANTAFE#18 - Land Acquisition	1.95% - 4.79%	08/01/08	3,610,000	06/01/28	3,249,233	
Santa Fe Public Schools - Land purchase	1.78%	01/05/2010	840,000	06/01/2012	280,000	
Total loans payable from 1/2% Municipal GRT					<u>3,529,233</u>	
<b>Loans payable from Municipal GRT - Railyard</b>						
NMFA SANTAFE#8 - Railyard Infra.	1.15% - 5.19%	09/24/2004	579,025	05/01/2024	488,888	
NMFA SANTAFE#15B - Railyard Infra.	5.19% - 5.87%	10/20/2009	892,227	06/01/26	826,148	
NMFA SANTAFE#13 - Parking Garage	3.02% - 4.24%	03/28/2006	14,986,587	06/01/36	14,651,594	
Total loans payable from 1/2% Municipal GRT					<u>15,966,630</u>	
Total loans payable from tax revenue						19,495,863
<b>Loans payable from Water Enterprise Fund</b>						
NMFA SANTAFE#16 - Buckman (City share)	0.25%	11/02/2007	100,000	06/01/27	64,819	
NMFA SANTAFE#19 - Buckman (City share)	0.25%	03/27/2009	400,000	06/01/39	332,518	
NMFA SANTAFE#WPF6 - Buckman (City share)	0.25%	05/06/2011	400,000	06/01/31	400,000	
NMFA SANTAFE#21 - Electrical System	2.00%	01/15/2010	141,400	06/01/30	136,582	
NMFA SANTAFE#22 - Water Upgrade Proje	1.00%	06/04/2010	210,777	06/01/31	210,777	
NMFA SANTAFE#23 - Conservation	1.00%	06/04/2010	127,500	06/01/40	122,081	
NMFA SANTAFE#24 - Micro-Hydroelectric F	2.00%	04/02/2010	161,807	06/01/31	161,807	
NMFA SANTAFE#DW-2 - Buckman	2.00%	05/16/2008	15,150,000	06/01/29	13,891,078	
NMFA SANTAFE#DW-3 - Green Energy Effi	2.00%	08/13/2010	250,000	06/01/32	132,602	
NMFA SANTAFE#WPF3 - Canyon Rd. Trea	0.25%	06/12/2009	400,000	06/01/39	360,895	
NMFA SANTAFE#WPF4 - Canyon Rd. Trea	0.25%	05/07/2010	800,000	06/01/30	760,942	
NMFA SANTAFE#WPF5 - Watershed Mana	0.25%	05/07/2010	264,892	06/01/20	216,300	
Total loans payable from Water Fund					<u>16,790,401</u>	
Total loans payable from Enterprise Funds						16,790,401
<b>Loans payable from State Fire Grant</b>						
NMFA SANTAFE#10 - Fire Equipment	62% - 2.84%	01/14/2005	1,166,667	05/01/13	312,464	
Total loans payable from State Fire Grant					<u>312,464</u>	
<b>Loans payable from third parties</b>						
Laureate Education, Inc. facility lease:						
NMFA SANTAFE#20 - College of Santa F	1.81% - 6.07%	09/14/2009	29,615,000	06/01/36	29,000,000	
Santa Fe Business Incubator, Inc. loan payment:						
HUD Section 108 Loan	3.0%	06/30/2004	300,000	08/01/24	243,000	
Total loans payable from third parties					<u>29,243,000</u>	
Total loans payable from Special Sources						<u>29,555,464</u>
<b>TOTAL LONG-TERM LOAN INDEBTEDNESS</b>						<u>65,841,728</u>
<b>TOTAL OUTSTANDING INDEBTEDNESS</b>						<u>372,376,728</u>

CITY OF SANTA FE, NEW MEXICO  
 SCHEDULE OF JOINT POWERS AGREEMENTS  
 FISCAL YEAR ENDED  
 June 30, 2011

PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	DATES OF AGREEMENT	TOTAL AMOUNT/ CITY SHARE	FY11 AMOUNT	AUDIT RESPONSIBILITY
City of Santa Fe NM Taxation & Revenue	Both	City to Provide 1 Parking Space in the Convention Center Parking Garage for the TRD Property Tax Examiner	76/52010 06/30/2011	\$60.00 Per Month	\$720	Both
City of Santa Fe NM Tourism Department	Both	London Internation LLC to Produce "Art Santa Fe"	07/15/2010 07/18/2010	N/A	N/A	Both
City of Santa Fe Santa Fe County	Both	Accept all Referrals for Teen Court from the Santa Fe Municipal Court	08/17/2010 08/17/2011	\$20,000	\$20,000	Both
City of Santa Fe Earth Care	Both	Collaboration and Designation of AmeriCorps Member Positions	08/24/2010 08/24/2011	N/A	N/A	Both
City of Santa Fe Santa Fe County	Both	Airport Road Safety Improvements Projects	08/25/2010 08/25/2011	Per Agreement	Per Agreement	Both
City of Santa Fe Boys & Girls Club of Santa Fe	Both	Place Foster Grandparents to Serve up to 6 Children for 15-20 hours per Week	09/23/2010 06/30/2011	N/A	N/A	Both
City of Santa Fe Santa Fe County	Both	Amendment No. 5 Trails and Open Space Projects	09/29/2010	\$1,788,330	Per Agreement	Both
City of Santa Fe Santa Fe County	Both	Promote Santa Fe as a Travel Destination Through Aggressive Media Efforts	10/12/2010 06/30/2011	\$50,000	\$50,000	Both
City of Santa Fe NM DOT SF Metropolitan Planning Org	Both	Facilitate Communications Between Local & Tribal Governments Effectuating Funds for UPWP Tasks	11/08/2010 Per Agreement	Per Agreement	Per Agreement	Both

**CITY OF SANTA FE, NEW MEXICO**  
**SCHEDULE OF JOINT POWERS AGREEMENTS**  
**FISCAL YEAR ENDED**  
**June 30, 2011**

<b>PARTICIPANTS</b>	<b>RESPONSIBLE PARTY</b>	<b>DESCRIPTION</b>	<b>DATES OF AGREEMENT</b>	<b>TOTAL AMOUNT/ CITY SHARE</b>	<b>FY11 AMOUNT</b>	<b>AUDIT RESPONSIBILITY</b>
City of Santa Fe Bureau of Land Management Rio Puerco Field Office	Both	Authorization for Relocation of Gunnison's Praire Dogs	12/01/2010	Per Agreement	Per Agreement	City of Santa Fe
City of Santa Fe INFINILUX, Inc.	Both	Infinilux Will Test LED Light Fixtures on the Exterior of The Sandoval Parking Garage	12/29/2010 12/31/2015	N/A	N/A	City of Santa Fe
City of Santa Fe NM Energy, Minerals & Natural Resources Department	Both	Implement Natural Resource Restoration Projects for the Fire Department	01/26/2011 Per Agreement	Per Agreement	Per Agreement	Both
City of Santa Fe Santa Fe County	Both	Promote Santa Fe as a Travel Destination Through Aggressive Media Efforts	02/01/2011 06/30/2011	\$375,000	\$375,000	Both
City of Santa Fe NM Motor Vehicle Division	Both	Access to MVD Records for Identification of Official Business Duties	02/14/2011 Per Agreement	N/A	N/A	Both
City of Santa Fe NM Department of Health	Both	Provide for Emergency & Public Health Response Planning & Delivery by DOH	02/18/2011 Per Agreement	N/A	N/A	City of Santa Fe
City of Santa Fe Santa Fe County	Both	Construction of El Camino Real Trail Along SF River From NIM599 to Agua Fria St	03/06/2011 Per Agreement	\$119,927	\$119,927	City of Santa Fe
City of Santa Fe NM DOT	Both	Santa Fe Trails RY 2010/2011 Ridefinders Program for Transit Division	03/06/2011 06/30/2011	\$67,653	\$67,653	Both
City of Santa Fe Santa Fe Public Schools	Both	Establish Provisions to Administer & Operate the Restorative Justice Program	03/24/2011 06/30/2011	\$15,000	\$15,000	City of Santa Fe
City of Santa Fe Santa Fe Public Schools	Both	The City Shall Fund the Disparities Program	04/12/2011 06/30/2011	\$17,000	\$17,000	City of Santa Fe

CITY OF SANTA FE, NEW MEXICO  
SCHEDULE OF JOINT POWERS AGREEMENTS  
FISCAL YEAR ENDED  
June 30, 2011

PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	DATES OF AGREEMENT	TOTAL AMOUNT/ CITY SHARE	FY11 AMOUNT	AUDIT RESPONSIBILITY
City of Santa Fe Santa Fe County	Both	Amendment: Nutrition Transportation & In-home Support; Senior Service Div	05/11/2011 06/30/2011	\$560,000	\$560,000	Both
City of Santa Fe Santa Fe Public Schools	Both	The Family Youth Resource Advocate Program (FYRA) Shall be Funded by the City & Administered by SFPS	05/17/2011 06/30/2011	\$31,000	\$31,000	Both
City of Santa Fe Santa Fe County	Both	Amendment No. 1 Increase Amount of Compensation	06/07/2011	\$15,000	\$15,000	Both
City of Santa Fe Santa Fe Public Schools	Both	Administer & Operate School Crossing Guard Program	06/08/2011 06/30/2012	\$225,000	\$225,000	Both
City of Santa Fe NM Taxation & Revenue Dept	Both	City to Provide 1 Parking Space in the SFCC Garage for TRD Property Tax Division	06/22/2011 06/30/2012	Per Agreement	Per Agreement	City of Santa fe
City of Santa Fe Santa Fe County	Both	Trails & Open Space Projects Amendment No. 6 Extends Agreement to 6/30/2013	06/22/2011 06/30/2013	Per Agreement	Per Agreement	Both

\*JPA Between City and County for Buckman is Found at Page 70 of the Footnotes



CITY OF SANTA FE, NEW MEXICO  
SCHEDULE OF OTHER FINANCIAL ASSISTANCE  
FISCAL YEAR ENDED  
June 30, 2011  
(UNAUDITED)

Grantor Program Name Grant Number	State Program or Award Amount	Cash/Accrued or (Deferred) Revenue at July 1, 2010	Cash or Receipts Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2011
<b>N.M. HIGHWAY AND TRANSPORTATION DEPARTMENT</b>					
Operation DWI FY08-09	3,405	3,405	-	(3,405)	
Selective Traffic Enforcement Program (STEP)	4,688	4,688	-	(4,688)	
Operation Buckle Down Fy09-10	7,735	2,550	6,333	3,783	-
Operation DWI FY09-10	43,680	9,886	23,982	14,096	-
Selective Traffic Enforcement Program (STEP)	7,969	4,014	7,969	3,955	-
Click It or Ticket FY09-10	5,015	5,015	5,015	-	-
Teen Seat Belt Demonstration FY09-10	4,590	4,420	4,420	-	-
100 Days and Nights FY09-10	8,415	2,044	8,415	6,371	-
Selective Traffic Enforcement Program 10-11 (STEP)	7,965	-	7,965	7,965	-
Click It or Ticket FY10-11	4,950	-	-	4,437	4,437
Operation Buckle Down FY 10-11	7,740	-	589	1,880	1,290
Operation DWI FY 10-11	43,680	-	18,957	26,196	7,239
100 Days and Nights FY 10-11	8,415	-	-	183	183
Statewide Expanded Operation DWI-Operation Descansos	19,333	-	-	9,427	9,427
City Vehicle Seizure Program -VSP-FY 10-11	50,000	-	-	33,333	33,333
Cerrillos Road Reconstruction	6,500,000	-	295,225	1,815,931	1,520,706
Small Drainage	264,814	20,981	20,981	-	-
Barrio de la Canada Entrance Way	80,000	3,713	80,000	76,287	-
Paved Street Resurfacing	98,287	33,617	33,617	-	-
Siler Road Extension	3,656,300	7,064	7,064	-	-
Old Pecos Trail Design	150,000	-	150,000	150,000	-
Airport Improvements	19,200	240	-	-	240
Airport Improvements	62,500	4,233	7,044	2,811	-
Airport Improvements	12,500	304	304	-	-
Airport Improvements	72,500	15,247	21,042	5,795	-
Airport Improvements	101,600	-	20,077	33,864	13,787
Airport Improvements	3,947	-	695	1,529	834
Airport Improvements	450,000	-	2,884	6,364	3,480
<b>TOTAL Highway and Transportation Department</b>	<b>\$ 11,699,228</b>	<b>\$ 121,421</b>	<b>\$ 722,578</b>	<b>\$ 2,196,114</b>	<b>\$ 1,594,957</b>
<b>N.M. DEPARTMENT OF TOURISM</b>					
Marketing Grant Program	\$ 16,515	\$ 7,514	\$ 7,514	\$ -	\$ -
Creative Tourism	\$ 2,137	\$ -	\$ 2,137	\$ 2,137	\$ -
Beautification and Litter Control Program	33,300	13,653	31,992	33,300	14,961
<b>TOTAL N.M. Department of Tourism</b>	<b>\$ 51,952</b>	<b>\$ 21,167</b>	<b>\$ 41,643</b>	<b>\$ 35,437</b>	<b>\$ 14,961</b>
<b>N.M. PUBLIC REGULATION COMMISSION</b>					
Fire Protection	\$ 471,847	\$ -	\$ 616,322	\$ 616,322	\$ -
<b>TOTAL Public Regulation Commission</b>	<b>\$ 471,847</b>	<b>\$ -</b>	<b>\$ 616,322</b>	<b>\$ 616,322</b>	<b>\$ -</b>
<b>N.M. HEALTH AND ENVIRONMENT DEPARTMENT</b>					
Sewer Line 2400 Block Aqua Fria	204,774	104,638	288,657	\$ 184,019	-
Effluent Line-Tierra Contenta	10,452	10,452	10,452	-	-
<b>TOTAL Health and Environment Department</b>	<b>\$ 215,226</b>	<b>\$ 115,090</b>	<b>\$ 299,109</b>	<b>\$ 184,019</b>	<b>\$ -</b>

(continued)

CITY OF SANTA FE, NEW MEXICO  
SCHEDULE OF OTHER FINANCIAL ASSISTANCE  
FISCAL YEAR ENDED  
June 30, 2011  
(UNAUDITED)

Grantor Program Name Grant Number	State Program or Award Amount	Cash/Accrued or (Deferred) Revenue at July 1, 2010	Cash or Receipts Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2011
<b>N.M. DEPARTMENT OF CULTURAL AFFAIRS</b>					
Historical Preservation	\$ 11,895	\$ -	\$ 11,895	\$ 11,895	
<b>TOTAL Department of Cultural Affairs</b>	<b>\$ 11,895</b>	<b>\$ -</b>	<b>\$ 11,895</b>	<b>\$ 11,895</b>	<b>\$ -</b>
<b>N.M. ECONOMIC DEVELOPMENT DEPARTMENT</b>					
Design Week	\$ 37,000	\$ 8,000	\$ 37,000	\$ 29,000	\$ -
<b>TOTAL Economic Development Department</b>	<b>\$ 37,000</b>	<b>\$ 8,000</b>	<b>\$ 37,000</b>	<b>\$ 29,000</b>	<b>\$ -</b>
<b>N.M. ENERGY, MINERALS, NATURAL RESOURCES</b>					
Fire Hazard Reduction Grants	\$ 149,438	\$ 63,383	\$ 128,213	\$ 141,395	\$ 76,565
Santa Fe River Trail	815,000	-	331,928	331,928	-
<b>TOTAL Energy, Minerals, Natural Resources</b>	<b>\$ 964,438</b>	<b>\$ 63,383</b>	<b>\$ 460,141</b>	<b>\$ 473,323</b>	<b>\$ 76,565</b>
<b>STATE AGENCY ON AGING</b>					
Senior Companion Program	\$ 124,782	\$ 43,945	\$ 159,218	\$ 124,782	\$ 9,509
Senior Employment Program	35,384	6,855	37,419	34,806	4,242
Foster Grandparent Program	108,663	26,480	130,325	108,663	4,818
Retired Senior Volunteer Program	35,196	21,830	53,406	35,196	3,620
HB-2- Nutrition	370,243	105,443	418,651	355,972	42,764
HB-2- In Home Support	106,803	37,488	129,980	103,813	11,321
HB-2- Assisted Transportation	95,246	26,633	119,212	92,579	-
State Area On Aging Capital improvements	115,460	36,488	151,948	115,460	-
Mary Ester Gonzales Senior Center	273,000	-	164,515	164,515	-
<b>TOTAL State Agency on Aging</b>	<b>\$ 1,264,777</b>	<b>\$ 305,162</b>	<b>\$ 1,364,674</b>	<b>\$ 1,135,786</b>	<b>\$ 76,274</b>
<b>COUNTY OF SANTA FE</b>					
Senior Program-County Grant	\$ 560,000	\$ 264,688	\$ 659,196	\$ 560,000	\$ 165,492
Southside Library	15,000	15,000	15,000	-	-
Santa Fe Paratransit	288,033	96,011	-	-	96,011
Arroyo Chimiso Trail	205,000	-	-	75,868	75,868
Trails and Bike Paths	115,678	-	-	102,282	102,282
Acequia Trails	94,322	-	-	94,322	94,322
Santa Fe Rail Yard-Park and Plaza	220,000	-	-	220,000	220,000
Santa Fe Rail Yard-Park and Plaza	200,000	-	-	200,000	200,000
<b>TOTAL County of Santa Fe</b>	<b>\$ 1,698,033</b>	<b>\$ 375,699</b>	<b>\$ 674,196</b>	<b>\$ 1,252,472</b>	<b>\$ 953,975</b>
<b>SANTA FE PUBLIC SCHOOLS</b>					
Crossing Guards Grant	\$ 95,506	\$ 95,506	\$ 95,506	\$ -	\$ -
<b>TOTAL Santa Fe Public Schools</b>	<b>\$ 95,506</b>	<b>\$ 95,506</b>	<b>\$ 95,506</b>	<b>\$ -</b>	<b>\$ -</b>

(continued)

CITY OF SANTA FE, NEW MEXICO  
SCHEDULE OF OTHER FINANCIAL ASSISTANCE  
FISCAL YEAR ENDED  
June 30, 2011  
(UNAUDITED)

Grantor Program Name Grant Number	State Program or Award Amount	Cash/Accrued or (Deferred) Revenue at July 1, 2010	Cash or Receipts Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2011
<b>N.M. DEPARTMENT OF FINANCE AND ADMINISTRATION</b>					
Crime Victims Reparation	43,865	-	19,460	23,812	4,352
400th Anniversary	47,215	8,866	24,391	15,525	-
New Mexico State Library	41,925	-	11,530	11,530	-
Santa Fe Police Department	247,500	247,500	247,500	-	-
Botanical Gardens	50,000	31,756	31,756	-	-
Botanical Gardens	95,000	79,941	95,000	15,059	-
La Familia	396,000	-	35,655	35,655	-
Ragle Park Exp	24,362	-	24,362	24,362	-
Ragle Park Exp	50,000	-	50,000	50,000	-
El Museo Cultural	222,750	-	17,292	108,964	91,672
Santa Fe River and Rail Trails	700,000	610,840	668,265	89,160	31,735
Bikeways/Horse Trails, Grant	3,000,000	2,689,836	3,000,000	310,164	-
Santa Fe Railyard-Park and Plaza	2,225,000	10,000	-	(10,000)	-
Santa Fe Railyard-Park and Plaza	148,500	-	148,500	148,500	-
Santa Fe Railyard-Park and Plaza	110,000	-	110,000	110,000	-
<b>TOTAL Dept. of Finance and Administration</b>	<b>\$ 7,358,252</b>	<b>\$ 3,678,739</b>	<b>\$ 4,464,251</b>	<b>\$ 908,919</b>	<b>\$ 123,407</b>
<b>NM FINANCE AUTHORITY</b>					
NMFA 2382 ADW	\$ 702,590	\$ 179,209	\$ 456,205	\$ 344,022	\$ 67,026
Water Project Grant/Loan (thru NMFA)	700,000	700,000	700,000	-	-
NMFA 170-WTB	4,000,000	-	-	2,000,000	2,000,000
NMFA 2378-DW	141,400	141,400	141,400	-	-
NMFA 2389-ADW	425,000	400,000	400,000	-	-
NMFA 2431-DW	161,807	161,807	161,807	-	-
NMFA 171-WTB	1,324,460	-	58,962	242,493	183,531
NMFA 2392-DW	250,000	-	-	132,602	132,602
<b>TOTAL NM Mortgage Finance Authority</b>	<b>\$ 7,705,257</b>	<b>\$ 1,582,416</b>	<b>\$ 1,918,374</b>	<b>\$ 2,719,117</b>	<b>\$ 2,383,159</b>
<b>NM ARTS COMMISSION</b>					
Community Gallery FY09-10	\$ 1,712	\$ -	\$ 1,712	\$ 1,712	\$ -
Community Gallery FY10-11	\$ 7,940	\$ -	\$ 3,500	\$ 3,500	\$ -
<b>TOTAL NM Arts Commission</b>	<b>\$ 9,652</b>	<b>\$ -</b>	<b>\$ 5,212</b>	<b>\$ 5,212</b>	<b>\$ -</b>
<b>OTHER</b>					
Department of Energy/LANL	\$ 333,247	\$ -	\$ 141,624	\$ 141,624	\$ -
<b>TOTAL Other</b>	<b>\$ 333,247</b>	<b>\$ -</b>	<b>\$ 141,624</b>	<b>\$ 141,624</b>	<b>\$ -</b>
<b>GRAND TOTAL</b>	<b>\$ 31,916,310</b>	<b>\$ 6,366,583</b>	<b>\$10,852,525</b>	<b>\$ 9,709,240</b>	<b>\$ 5,223,298</b>

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## **Single Audit Section**

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CITY OF SANTA FE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FISCAL YEAR ENDED  
June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Program or Award Amount	Cash/Accrued or (Deferred) Revenue at July 1, 2010	C/Y Cash Receipts Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2011
<b>Primary Government</b>							
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>							
Department of Housing and Urban Development Direct Programs:							
CDBG-Entitlement and (HUD-Administered) Small Cities Cluster:							
Community Develop Block Grant	14.218	B09MC350003	\$ 582,208	\$ 232,676	\$ 287,991	\$ 86,222	\$ 30,908
Community Develop Block Grant	14.218	B10MC350003	625,163	-	-	328,443	328,443
Neighborhood Stabilization Program	14.218	09-0290	344,620	88,518	331,414	315,576	72,680
Total CDBG-Entitlement and (HUD-Administered) Small Cities Cluster			1,551,991	321,194	619,405	730,242	432,031
Shelter Plus Care Grants:							
Shelter Plus	14.238	NM02C5-01-008	524,460	10,219	10,219	-	-
Shelter Plus	14.238	NM0026C6B010801	214,056	38,056	38,056	-	-
Shelter Plus	14.238	NM0034C6B010801	214,848	31,315	31,315	-	-
Shelter Plus	14.238	NM0029C6B010801	128,124	11,829	11,829	-	-
Shelter Plus	14.238	NM02C7-01-001	75,000	-	41,651	45,727	4,076
Shelter Plus	14.238	NM29C6B010802	133,500	-	121,119	132,724	11,605
Shelter Plus	14.238	NM0034C6B010802	233,412	-	202,702	224,656	22,154
Shelter Plus	14.238	NM0026C6B010802	223,080	-	197,419	223,080	25,861
Shelter Plus	14.238	NM02C5-01-008	110,835	-	101,785	110,835	9,050
Shelter Plus	14.238	NM0049C6B010900	324,360	-	1,407	3,522	2,115
Shelter Plus	14.238	NM0048C6B010900	90,780	-	687	1,374	687
Total Shelter Plus Care Grants			2,272,455	89,419	756,189	742,118	75,348
			<b>\$ 3,824,446</b>	<b>\$ 410,613</b>	<b>\$ 1,375,594</b>	<b>\$ 1,472,360</b>	<b>\$ 507,379</b>
Department of Housing and Urban Development							
<b>DEPARTMENT OF INTERIOR</b>							
National Park Service							
Passed through NM State Historic Preservation :							
Historic Preservation	15.904	35-06-21534.08	\$ 1,672	\$ -	\$ -	\$ 1,672	\$ 1,672
			<b>\$ 1,672</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,672</b>	<b>\$ 1,672</b>
Department of Interior							
<b>US DEPARTMENT OF JUSTICE</b>							
Passed-through NM Children Youth and Families:							
Juvenile Justice - Continuum 09/10	16.523	10-690-10491	195,598	185,292	185,292	-	-
Juvenile Justice - Continuum 10/11	16.523	11-690-12430	25,000	-	-	24,443	24,443
Juvenile Justice - Continuum 10/11	16.523	11-690-12431	233,031	-	59,127	158,030	98,903
Total passed-through NM Children Youth and Families			453,629	185,292	244,419	182,473	123,346
Passed-through NM Crime Victims Reparation Commission							
Recovery act STOP Violence Against Women Grant	16.806	2008-WF-AX-0018	31,322	11,240	11,240	197	197
Total passed-through NM Crime Victims Reparation Commission			31,322	11,240	11,240	197	197
Passed-through Santa Fe County							
Edward Byrne Memorial 2008	16.580	2008-DJ-BX-0426	16,000	-	16,000	16,000	-
Edward Byrne Memorial 2009	16.580	2009-SB-B9-2733	165,432	-	157,452	157,452	-
Edward Byrne Memorial 2010	16.580	2010-DJ-BX-0113	51,064	-	44,492	44,492	-
Total passed-through Santa Fe County			232,496	-	217,944	217,944	-
Domestic Violence and Sexual Assault Probation Officers							
2007 Justice Assistance Grant -Edward Byrne Grant	16.580	2009-WE-AX-0046	600,000	90,094	246,213	218,343	62,224
	16.580	08-HE-64-P13D	48,169	48,169	48,169	-	-
			648,169	138,263	294,382	218,343	62,224
			<b>\$ 1,385,616</b>	<b>\$ 334,795</b>	<b>\$ 767,985</b>	<b>\$ 618,957</b>	<b>\$ 185,767</b>
US Department of Justice							
<b>DEPARTMENT OF TRANSPORTATION</b>							
Federal Aviation Administration Direct Program:							
Airport Improvement Grant #28	20.106	AIP 3-35-0037-28-2008	\$ 1,736,142	\$ 134,632	\$ 125,172	\$ (9,460)	\$ -
Airport Improvement Grant #29	20.106	AIP 3-35-0037-29-2008	2,367,506	251,117	329,530	78,413	-
Airport Improvement Grant #31	20.106	AIP 3-35-0037-31-2009	498,857	95,871	95,871	-	-
Airport Improvement Grant #32	20.106	AIP 3-35-0037-32-2009	1,000,000	66,287	66,287	-	-
Airport Improvement Grant #33	20.106	AIP 3-35-0037-33-2010	776,000	581,826	661,650	79,824	-
Airport Improvement Grant #34	20.106	AIP 3-05-0037-034-2010	450,000	-	109,585	241,841	132,256
Airport Improvement Grant #35	20.106	AIP 3-05-0037-035-2010	106,400	-	26,424	58,133	31,709
Total Federal Aviation Administration Direct Program:			6,934,905	1,129,733	1,414,519	448,751	163,965
Department of Transportation Direct Program:							
Section 5316 (JARC)	20.516	NM37X014	146,232	146,232	146,232	-	-
Section 5316 (JARC)	20.516	NM90X100	362,626	-	-	159,462	159,462
Section 5316 (JARC)	20.516	NM37X022	8,949	-	-	8,949	8,949
Section 5316 (JARC)	20.516	NM90X093	65,000	-	-	65,000	65,000
Section 5316 (JARC)	20.516	NM90X086	142,592	106,546	106,546	36,046	36,046
Total Department of Transportation Direct Program:			725,399	252,778	252,778	269,457	269,457
(continued)							
Passed-through N.M. Highway and Transportation Department:							
Highway and Planning Cluster:							
Section 112	20.205	FTA-PL-92A-3(69)	\$ 106,433	\$ 23,534	\$ 23,534	\$ -	\$ -
Section 112	20.205	FTA-PL-92A-3(72)	20,000	897	897	-	-
Section 112 Unobligated Funds Distribution	20.205	FTA-PL-92A-3(97)	123,756	97,454	97,454	-	-
Section 112	20.205		-	-	132,344	194,265	61,921
Santa Fe Railyard Park and Plaza	20.205	STP-HPP -7649(B)	2,378,239	-	-	-	-
Total Highway and Planning Cluster:			2,628,428	121,885	254,229	194,265	61,921

CITY OF SANTA FE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FISCAL YEAR ENDED  
June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Program or Award Amount	Cash/Accrued or (Deferred) Revenue at July 1, 2010	C/Y Cash Receipts Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2011
Section 5303 08/09	20.505	MOA # M00461	30,696	10,463	10,463	-	
Section 5303 09/10	20.505	MOA # M00461	34,889	11,548	26,965	27,619	12,202
			65,585	22,011	37,428	27,619	12,202
<b>Federal Transit Cluster:</b>							
Ridefinders 09/10	20.507	TPO-7749(9)	67,653	51,890	51,890	-	
Ridefinders 10/11	20.507	TPO-7749(9)	67,653	-	41,217	66,195	24,978
Section 5309	20.500	NM58X003	500,000	-	500,000	500,000	-
Section 5309	20.500	NM58X004	700,000	-	59,830	699,745	639,915
Section 5309	20.500	NM04X006	294,000	29,875	291,875	262,000	-
Section 5307 - Operating	20.507	NM90X072	850,658	5,487	5,487	-	-
Section 5307 - Operating	20.507	NM90X075	1,115,859	37,434	37,434	151,406	151,406
Section 5307 - Operating	20.507	NM90X081	1,136,342	11,363	11,363	-	-
Section 5307 - Operating	20.507	NM90X087	1,222,151	12,222	12,222	-	-
Section 5307 - Operating	20.507	NM90X101	1,335,413	-	-	1,322,060	1,322,060
Section 5307 - Operating	20.507	NM90X090	1,173,605	11,736	11,736	-	-
<b>Total Federal Transit Cluster:</b>			8,463,334	160,007	1,023,054	3,001,406	2,138,359
Total Department of Transportation passed-through			\$ 11,157,347	\$ 303,903	\$ 1,314,711	\$ 3,223,290	\$ 2,212,482
<b>Department of Transportation</b>			\$ 18,817,651	\$ 1,686,414	\$ 2,982,008	\$ 3,941,498	\$ 2,645,904
<b>NATIONAL ENDOWMENT FOR THE ARTS</b>							
Artworks	45.024	09-5100-8105	50,000	21,957	21,957	-	-
<b>National Endowment for the Arts</b>			\$ 50,000	\$ 21,957	\$ 21,957	\$ -	\$ -
<b>US DEPARTMENT OF ARMY CORPS OF ENGINEERS</b>							
US Department of Army Corps of Engineers	81.108	DE-FG52-09NA29592	984,000	-	358,695	841,215	482,520
<b>US Department of Army Corps of Engineers</b>			\$ 984,000	\$ -	\$ 358,695	\$ 841,215	\$ 482,520
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>							
Passed-through NM State Agency on Aging/NCNMEDD:							
Aging Cluster:							
Title III-B	93.044	2009-10-60026	\$ 109,857	\$ 20,443	\$ 125,804	\$ 109,857	\$ 4,496
Title III-C-1	93.045	2009-10-60026	125,338	51,475	162,436	125,338	14,377
Title III-C-2	93.045	2009-10-60026	57,163	-	46,571	57,163	10,592
NSIP	93.053	2009-10-60026	147,115	80,582	224,491	147,115	3,206
Title III-E	93.052	2009-10-60026	76,340	40,135	102,292	76,340	14,183
<b>Total Aging Cluster:</b>			515,813	192,635	661,594	515,813	48,854
Passed-through Mid Region Council of Governments:							
Temporary Assistance to Needy Families	93.558	TANF 2009-10	50,000	7,919	7,919	-	-
<b>Total Mid Region Council of Governments</b>			\$ 50,000	\$ 7,919	\$ 7,919	\$ -	\$ -
<b>Department of Health and Human Services</b>			\$ 565,813	\$ 200,554	\$ 669,513	\$ 515,813	\$ 48,854
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>							
Passed-through NM State Agency on Aging/NCNMEDD:							
Foster Grandparent Program	94.011	10-624-4000-0024	\$ 25,868	\$ 11,615	\$ 27,336	\$ 25,868	\$ 10,147
Retired Senior Volunteer Program	94.002	10-624-4000-0065	37,854	17,491	32,002	37,854	23,343
<b>Total Passed-through NM State Agency on Aging:</b>			\$ 63,722	\$ 29,106	\$ 59,338	\$ 63,722	\$ 33,490
<b>Corporation for National and Community Service</b>			\$ 63,722	\$ 29,106	\$ 59,338	\$ 63,722	\$ 33,490
<b>US DEPARTMENT OF HOMELAND SECURITY</b>							
Emergency Management Performance	97.042	2009-EMPG-SANTA FE	30,900	7,494	7,494	-	-
Emergency Management Performance	97.042	2010-EP-EO-0022	32,425	-	23,254	31,903	8,649
Emergency Management Performance	97.067	2009-SS-T9-000030	321,350	220,381	298,237	83,762	5,906
Emergency Management Performance	97.067	2009-SS-T0-0011	219,500	-	-	31,463	31,463
<b>US Department of Homeland Security</b>			\$ 604,175	\$ 227,875	\$ 328,985	\$ 147,128	\$ 46,018
<b>AMERICAN RECOVERY AND REINVESTMENT ACT GRANTS (ARRA)</b>							
ARRA - Airport Improvement Grant #30	20.106	AIP 3-35-0037-030-2009	\$ 522,254	\$ 11,906	\$ 11,906	\$ -	\$ -
ARRA - Community Development Block Grant	14.253	B09MY350003	155,961	86,220	97,961	11,741	-
ARRA - Epidemiology and Other Health Studies	81.108	DE-FG52-09NA29592	-	-	-	-	-
ARRA - Energy Efficiency Buildings - Administered by State	81.128	DE-SC00002936	781,600	77,456	532,819	455,363	-
ARRA - Energy Efficiency & Conservation Block Grant Program	81.128	DE-EE0000681	500,000	25,441	493,705	468,854	590
ARRA - Nutrition Contract	93.705-93.707	2009-10 60026	29,661	29,661	29,661	-	-
ARRA - Pavement Resurfacing	20.208	ECO-4726(2)	2,222,022	156,742	1,463,653	1,356,951	50,040
ARRA - Section 5309	20.500	NM96X003	1,370,382	-	572,500	572,500	-
ARRA - Cops Hiring Recovery Program	16.710	2009-KRWX0642	1,479,328	-	284,110	376,302	92,192
<b>American Recovery and Reinvestment Act Grants (ARRA)</b>			\$ 7,061,208	\$ 387,426	\$ 3,486,315	\$ 3,241,711	\$ 142,822
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 33,338,303	\$ 3,298,740	\$ 10,050,389	\$ 10,844,076	\$ 4,082,426



CITY OF SANTA FE, NEW MEXICO  
 NOTES TO SUPPLEMENTAL SCHEDULE OF  
 EXPENDITURES OF FEDERAL AWARDS  
 JUNE 30, 2011

**General**

The following is a reconciliation of the total Federal Awards of the City of Santa Fe and its component unit Santa Fe Civic Housing Authority for the year ended June 30, 2011:

City of Santa Fe Federal Expenditures as reported on page 212:	\$	10,844,076
 Total Federal Expenditures of the Primary Government	<u>\$</u>	<u>10,844,076</u>

**Basis of Accounting**

The accompanying Supplemental Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in note 1 to the City's Comprehensive Annual Financial Report.

<u>Relationship to the Comprehensive Annual Financial Report:</u>	<u>CFDA #</u>	<u>AMOUNT</u>
<b>U.S. Department of Housing and Urban Development</b>		
Special Revenue Funds		
Community Development Grants		
Community Development Block Grants	14.218	\$ 730,242
Shelter Plus	14.238	45,727
Shelter Plus	14.238	132,724
Shelter Plus	14.238	224,856
Shelter Plus	14.238	223,080
Shelter Plus	14.238	110,835
Shelter Plus	14.238	3,522
Shelter Plus	14.238	1,374
 <b>U.S. Department of Interior</b>		
Special Revenue Funds		
National Park Grants		
Historic Preservation	15.904	1,672
 <b>U.S. Department of Justice</b>		
Special Revenue Grants		
Law Enforcement Grants		
Juvenile Justice - Continuum	16.523	182,473
Recovery act STOP Violence Against Women Grant	16.806	197
Edward Byrne Memorial	16.580	217,944
Domestic Violence and Sexual Assault Probation	16.580	218,343
 <b>U.S. Department of Transportation</b>		
Enterprise Fund - Airport		
Airport Improvement Grants		
Airport Improvement	20.106	448,751
 Enterprise Fund - Transit Bus System		
Welfare to Work (JARC)	20.516	269,457

CITY OF SANTA FE, NEW MEXICO  
 NOTES TO SUPPLEMENTAL SCHEDULE OF  
 EXPENDITURES OF FEDERAL AWARDS  
 JUNE 30, 2011

Special Revenue Fund		
Transportation Grants		
Section 112	20.205	194,265
Section 5303	20.505	27,619
Ridefinders	20.507	66,195
Section 5309	20.500	1,461,745
Section 5307 - Operating	20.507	1,473,466
<b>U.S. Department of Army Corps of Engineers</b>		
Enterprise Fund - Water Division		
Water Division Grants		
US Dept. of Army Corps of Engineers	81.108	841,215
<b>U.S. Department of Health and Human Services</b>		
Special Revenue Funds		
Senior Citizens Grants		
Title III B	93.044	109,857
Title III C-1	93.045	125,338
Title III C-2	93.045	57,163
NSIP	93.053	147,115
Title III E	93.052	76,340
<b>Corporation for National and Community Service</b>		
Special Revenue Funds		
Senior Citizens Grants		
Foster Grandparent Program	94.002	25,868
Retired Senior Volunteer Program	94.002	37,854
<b>U.S. Department of Homeland Security</b>		
Special Revenue Funds		
Emergency Management Grants		
Emergency Management Performance	97.042	31,903
Emergency Management Performance	97.067	115,225
<b>AMERICAN RECOVERY AND REINVESTMENT ACT GRANTS (ARRA)</b>		
Special Revenue Funds		
ARRA - Airport Improvement Grant #30	20.106	-
ARRA - Community Development Block Grant	14.253	11,741
ARRA - Energy Efficiency Buildings - Administered by	81.128	455,363
ARRA - Energy Efficiency & Conservation Block Grant	81.128	468,854
ARRA - Pavement Resurfacing	20.208	1,356,951
ARRA - Section 5309	20.500	572,500
ARRA - Cops Hiring Recovery Program	16.710	376,302
		<u>10,844,076</u>
	TOTAL	<u>\$ 10,844,076</u>

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

City of Santa Fe  
Santa Fe, New Mexico  
Honorable Mayor and City Council  
and  
Hector H. Balderas  
New Mexico State Auditor

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the respective budgetary comparison for the general fund of City of Santa Fe (the City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents, and have issued our report dated February 13, 2012. We have also audited the financial statements of each of the City of Santa Fe's nonmajor governmental, nonmajor enterprise, and internal service funds and respective budgetary comparisons for the major capital projects and debt service funds and the nonmajor governmental and enterprise funds presented as supplementary information in the accompanying combining and individual fund financial statements as listed in the table of contents. 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**

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

*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 the 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. However, as discussed below, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. These items can be referenced as findings 06-05 and 11-01. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### **Compliance and Other Matters**

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

We noted certain matters that are required to be reported under *Government Auditing Standards*, paragraph 5.14 and 5.16 and Section 12-6-5 NMSA 1978 which are described in the accompanying schedule of findings and questioned costs as findings 06-06, 08-04, and 11-02.

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

This report is intended solely for the information and use of management, City Council, the Audit Committee, the Office of the State Auditor, the New Mexico Legislature, Department of Finance and Administration and applicable 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.

**Atkinson & Co., Ltd.**

Albuquerque, New Mexico  
February 13, 2012



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

City of Santa Fe  
Santa Fe, New Mexico  
Honorable Mayor and City Council  
and  
Hector H. Balderas  
New Mexico State Auditor

**Compliance**

We have audited the City of Santa Fe, New Mexico's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2011. The City'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's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 11-03 and 11-04.

## **Internal Control Over Compliance**

Management of the City of Santa Fe 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's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*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. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 11-05 and 11-06. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

This report is intended solely for the information and use of management, City Council, the Audit Committee, the Office of the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration and 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.

**Atkinson & Co., Ltd.**

Albuquerque, New Mexico  
February 13, 2012

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the year ended June 30, 2011

**I. Summary of Audit Results**

*Financial Statements*

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? Yes

Noncompliance material to financial statements noted? No

*Federal Awards*

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? Yes

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? Yes

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.218	CDBG – Entitlement and Grants Cluster
14.238	CDBG – Entitlement and Small Cities Cluster
14.253	CDBG – Entitlement and Grants Cluster
14.218	Neighborhood Stabilization Program
16.710	Cops Hiring Recovery Program
20.208	Pavement Resurfacing
20.500	Department of Transportation Direct Program: Sec 5309
20.507	Department of Transportation Direct Program: Sec 5307
81.128	Energy Efficiency

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



**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**I. Summary of Audit Results – Continued**

Auditee qualified as low-risk auditee? No

**II. Findings – Findings and Questioned Costs – Major Federal Award Programs Audit**

	<b><u>Questioned Costs</u></b>
CDBG – Entitlement and Small Cities Cluster	None
CDBG – Entitlement and Grants Cluster	None
Neighborhood Stabilization Program	None
Cops Hiring Recovery Program	None
Shelter Plus Care Program	None
Energy Efficiency	None
Federal Transit Cluster	None

**III. Status of Prior Audit Findings**

06-05 Due Date of Audit Report	Repeated and Modified
06-06 Budget Overages	Repeated and Modified
08-02 Data Collection Form-Late Filing	Cleared
08-04 IT Policies and Procedures	Repeated and Modified
09-03 Parking Permit Receivables	Cleared

**IV. Current Audit Findings**

**Financial Statement Findings Required by *Government Auditing Standards***

- 06-05 Due Date of Audit Report (Repeated and Modified) (Significant Deficiency)
- 11-01 Improper Cutoff (Significant Deficiency)

**Findings in Accordance with 2.2.2 NMAC**

- 06-06 Budget Overages (Repeated and Modified)
- 08-04 IT Policies and Procedures (Repeated and Modified)
- 11-02 Capital Asset Inventory Observation

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**Findings in Accordance with OMB Circular A-133**

- 11-03 Federal Grant Reporting – Neighborhood Stabilization Program 14.218 and CDBG 14.218  
(Non-Compliance)
- 11-04 Federal Grant Cost Principles – COPS Hiring Recovery Program 16.710 (Non-Compliance)
- 11-05 Federal Grant Monitoring – Shelter Care Program 14.238 (Significant Deficiency)
- 11-06 Federal Grant Procurement – Energy Efficiency Program 81.128 and Federal Transit Cluster  
20.500 & 20.507 (Significant Deficiency)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**PRIOR YEAR FINDINGS-REPEATED AND MODIFIED**

**FINANCIAL STATEMENT FINDING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

**06-05 DUE DATE OF AUDIT REPORT (SIGNIFICANT DEFICIENCY)**

*Condition:*

The June 30, 2011 audit report was not filed with the State Auditor by the applicable date noted in the contract. The report was not submitted until February 20, 2012.

*Criteria:*

According to State Auditor Rule NMAC 2.2.2.9A, the audited financial statements are due by December 1 following the fiscal year-end, which would be December 1, 2011 for the year under audit.

*Effect:*

The City is not in compliance with State Auditor Rule NMAC 2.2.2.9A for the fiscal year ended June 30, 2011. The users of the financial statements such as legislators, creditors, bondholders, state and federal grantors, oversight agencies, etc., do not have timely audit reports and financial statements for their review. Late audit reports could have an effect on state and federal funding and the City's internal budgeting.

*Cause:*

Reconciliations related to accounts receivable and capital assets required additional time to complete and additional time to make correcting entries. Turnover in key areas related to CAFR preparation contributed to the late filing.

*Recommendation:*

We recommend the City evaluate whether there is adequate personnel resources to produce a timely CAFR and identify areas where additional training and procedures could be established.

*Management Response:*

This year the 2011 Audit was completed and submitted to the State Auditor by February 13, 2012. The City of Santa Fe has every intention of meeting the December 1 deadline for the 2012 audit. We will accomplish this by working on policies and procedures as well setting internal deadlines. It should be noted that again this year, the finance staff did all the financials and supplied them to the external auditor who verified them. Also, we will work closely with the external auditor to arrange some pre-work that can begin as early as May so that the compilation and testing can take place in a relatively short amount of time.

City of Santa Fe

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**PRIOR YEAR FINDINGS-REPEATED AND MODIFIED – CONTINUED**

**FINDINGS IN ACCORDANCE WITH 2.2.2. NMAC**

**06-06 BUDGETARY COMPLIANCE**

*Condition:*

During our testwork over budgetary compliance for the year ended June 30, 2011, we noted the following budget overages for the City.

Reporting Unit	Budgetary Level	Final Budget	Actual Amount	Overage Amount
General Fund-Public Safety-Expenditures	Function Level	30,262,514	31,184,558	922,044
General Fund-Culture/Recreation-Expenditure	Function Level	7,021,755	7,588,337	566,562
Museums fund – expenditures	Fund Level	108,964	110,190	1,226
½% Gross Receipts Tax fund - expenditures	Fund Level	3,311,593	3,424,682	113,089
Debt Service fund - expenditures	Fund Level	14,168,344	30,491,847	16,323,503
Waste Water Management–operating expenses	Division Level	11,310,007	14,328,883	3,018,876
Parking Enterprise – operating expenses	Division Level	5,086,892	5,147,411	60,519
SF Convention Center – operating expenses	Division Level	2,245,958	2,997,372	751,414
College of Santa Fe – operating expenses	Division Level	1,496,591	1,884,620	388,029
Risk Management - operating expenses	Division Level	5,086,788	5,144,033	57,243
Worker’s Compensation – operating expenses	Division Level	1,085,300	1,297,324	212,024
Union Sick Leave Bank – operating expenses	Division Level	--	156,432	156,432

In addition, there were funds that had budgeted expenditures exceed budgeted revenues, transfers and beginning fund balance. The following special revenue funds were non-compliant: Franchise Fee Fund budgeted shortfall was \$17,893, Law Enforcement Grants Fund budgeted shortfall was \$605,234, Resource Conservation Fund budgeted shortfall was \$60,967. The capital projects funds that were non-compliant: – Special Projects budgeted shortfall was \$478,603, City Parks Improvements budgeted shortfall was \$1,043,944. The enterprise funds that were non-compliant: Municipal Recreation Complex budgeted shortfall was \$7,416,587 and Solid Waste Management had a budgeted shortfall of \$1,288,953.

*Criteria:*

New Mexico State Statute 6-6-6 NMSA 1978 requires that local government spending does not exceed budgeted amounts, unless approved budget adjustments are made. State law mandates that municipalities develop and operate within the confines of a balanced budget. Proprietary fund budgets prepared in accordance with generally accepted accounting principles (GAAP) should consist of all items of expense, including depreciation.

*Effect:*

The possibility existed for the City to incur a significant budget overage that would have had financial impact. The city is not in compliance with state statutes.

City of Santa Fe

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**PRIOR YEAR FINDINGS-REPEATED AND MODIFIED – CONTINUED**

**FINDINGS IN ACCORDANCE WITH 2.2.2. NMAC - CONTINUED**

**06-06 BUDGETARY COMPLIANCE - CONTINUED**

*Cause:*

Adjustments of budgeted and actual expenditures were not completed during the year for certain funds. Depreciation was not budgeted in proprietary funds, causing some to exceed budgeted operating expenses.

*Recommendation:*

Management should update policies and procedures that specifically include reviews that compare actual to budget expenditures, including a review of budgeted revenues, expenditures and fund balance. Depreciation should be budgeted for in proprietary funds in accordance with the City policy of preparing GAAP-based budgets.

*Management Response:*

Budget overages were reduced from 12 for the 2010 audit to 11 for the 2011 audit. The City will develop controls to ensure that this does not occur in the future.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**PRIOR YEAR FINDINGS-REPEATED AND MODIFIED - CONTINUED**

**FINDINGS IN ACCORDANCE WITH 2.2.2. NMAC - CONTINUED**

**08-04 IT POLICIES AND PROCEDURES**

*Condition:*

During our review of information technology policies and procedures, we noted the following conditions related to change controls and backup recovery testing procedures:

- 1) Application data users do not perform periodic reviews of user access rights for all in-scope applications (and network access when required). Additionally when user access rights are modified (due to job transfers or other reasons), the access rights of these users are not reviewed in order to remove access rights that are no longer needed.
- 2) During FY11, application and data backup and recovery testing on the iSeries server was not performed at least once to ensure data integrity and recovery.

*Criteria:*

State audit rule 2.2.2.8 L (7) states “Any violation of law or good accounting practice including instances of noncompliance or internal control weakness must be reported as an audit finding per section 12-6-5 NMSA 1978.”

Policies and procedures should provide the basis for internal control activities that ensure backup recovery testing is performed and change controls are implemented. All internal control criteria and requirements apply to the IT function as well that protect the integrity of information.

*Effect:*

Lack of backup recovery testing could result in unexpected backup failure in the event of a catastrophe. This could impair the City’s ability to prepare reliable financial statements if relevant information is lost. Lack of change control could result in unauthorized changes to application, database, and operating systems.

*Cause:*

Lack of backup recovery testing procedures and change procedures combined with inadequate staffing levels contribute to the internal control weakness, which can affect operations of the City.

*Recommendation:*

We recommend updating policy controls surrounding Information technology processes, responsibilities for recovery testing, change controls related to application, databases, and user rights should be present to ensure only valid changes are made.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**PRIOR YEAR FINDINGS-REPEATED AND MODIFIED - CONTINUED**

**FINDINGS IN ACCORDANCE WITH 2.2.2. NMAC - CONTINUED**

**08-04 IT POLICIES AND PROCEDURES - CONTINUED**

*Management Response:*

While this is a continued finding for several years, safeguards and backups must be in place to protect the financial integrity of the City. To those ends, during the first months of 2012, IT will work with Human Resources and others to establish a periodic review chart with due dates and deadlines for review of access to user rights for all in-scope applications. This will include notification when user access rights are modified due to changes in position or separation. In addition, the plan will include the exact date, time and location (with supporting documentation of occurrence) when data backup and recovery testing is to occur.

**CURRENT YEAR FINDINGS**

**FINANCIAL STATEMENT FINDING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

**11-01 IMPROPER CUTOFF (SIGNIFICANT DEFICIENCY)**

*Condition:*

During our audit we noted multiple instances in which transactions related to periods other than fiscal year 2011 were recorded. The purchase of a capital asset in the amount of \$82,798 was recorded during fiscal year 2011; however, the asset had not yet been received. Lodger's Taxes receivable in the amount of \$757,364 were not recorded as of year-end.

*Criteria:*

Accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities specify that expenses should be recognized when obligations are incurred, usually when goods are transferred or services are rendered. Additionally, revenues should be recorded when they are both measurable and available.

*Cause:*

The capital asset was recorded in the incorrect time period due to oversight. Management did not deem the Lodger's Tax to be measurable as of year-end.

*Effect:*

Capital assets and accounts payable were overstated. Accounts receivable were understated.

*Recommendation:*

We recommend that management re-evaluate the processes of transaction recording and review to ensure that transactions are being recorded in the proper period in accordance with GAAP.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**CURRENT YEAR FINDINGS - CONTINUED**

**FINANCIAL STATEMENT FINDING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

**11-01 IMPROPER CUTOFF (SIGNIFICANT DEFICIENCY) - CONTINUED**

*Management Response:*

The City will develop controls to ensure that this does not occur in the future.

**FINDING IN ACCORDANCE WITH 2.2.2. NMAC**

**11-02 CAPITAL ASSET INVENTORY OBSERVATION**

*Condition:*

During our audit, it came to our attention that some department managers did not conduct an annual physical inventory count of capital assets. In addition, we noted that for those department managers who did perform the capital asset inventory count, not all of the results were certified.

*Criteria:*

Section 12-6-10(A) NMSA 1978 requires each agency to conduct an annual physical inventory of movable chattels and equipment on the inventory list and the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory.

*Cause:*

Capital asset inventory counts were not performed due to lack of enforcement of the requirement by upper management. Inventory results were not certified due to lack of communication to the department managers regarding the requirement.

*Effect:*

Not performing an annual inventory count can result in a misstated capital asset balance on the financial statement as assets additions and disposals may not be accurately reflected in the accounting records. In addition, the amount of depreciation expense may also be misstated as it may not reflect necessary depreciation for assets that are not included on the capital asset listing, and may include depreciation for assets which are no longer in use or have been disposed.

*Recommendation:*

We recommend that department managers be required to perform an annual inventory count of capital assets and to certify the results that are provided to the accounting department.

*Management Response:*

The City will implement policies and procedures to ensure all departments conduct and certify asset inventory.



**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**CURRENT YEAR FINDINGS - CONTINUED**

**FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133**

**11-03 FEDERAL GRANT REPORTING (NON-COMPLIANCE)**

*Funding Agency:* U.S. Department of Housing and Urban Development

*Title:* Neighborhood Stabilization Program

*CFDA Number:* 14.218

*Funding Agency:* U.S. Department of Housing and Urban Development

*Title:* Community Development Block Grant Program

*CFDA Number:* 14.218

*Condition:*

During our testing of all reporting requirements with respect to the US Department of Housing and Urban Development grant used to fund the Neighborhood Stabilization Program we identified two instances in which the bi-monthly reporting package was submitted to the Department of Finance and Administration (DFA) after the required deadline of the first day of the month following the end of the reporting period.

The reporting package for the period of May through June 2011 was due by July 1, 2011 but was not submitted until July 22, 2011.

The reporting package for January through February 2011 was due by March 1, 2011, but was not submitted until April 26, 2011.

During our testing of all reporting requirements with respect to the Community Development Block Grant used to fund the Community Development Block Grant Program (CDBG) we identified two instances in which the quarterly reporting package was submitted after the required deadline of thirty days after the end of the quarterly reporting period.

The reporting package for the period of October 1, 2010 through December 31, 2010 was due by January 30, 2011 but was not submitted until February 14, 2011.

The reporting package for the period of April 1, 2011 through June 30, 2011 was due by July 30, 2011, but was not submitted until September 7, 2011. Additionally, during our testing of all reporting requirements with respect to the Federal American Recovery and Reinvestment Act grant used to fund CDBG we identified one instance in which the quarterly reporting package was submitted after the required deadline of ten days after the end of the quarterly reporting period.

The reporting package for the period of January 1, 2011 through March 31, 2011 was due April 10, 2011 but was not submitted until April 13, 2011.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**CURRENT YEAR FINDINGS - CONTINUED**

**FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED**

**11-03 FEDERAL GRANT REPORTING (NON-COMPLIANCE) - CONTINUED**

*Criteria:*

According to the US Housing and Urban Development Code of Federal Regulations, 24 CFR 570 § 570.490, the state disbursing the CDBG funds to local entities should establish recording keeping requirements for those entities to ensure sufficient documentation to facility reviews and audits of the local entities. The deadline established by the New Mexico Department of Finance and Administration requires the bi-monthly reporting package to be submitted by the first day following the end of the reporting period. The deadline established by the State of New Mexico is thirty days after the end of the quarterly reporting period.

*Effect:*

There is an increased possibility the program will not be able to continue to receive funding if compliance requirements are not met.

*Cause:*

The City was not able to file some of the reports timely due to staff turnover in the housing department.

*Questioned Costs:* None

*Recommendation:*

Program management and those charged with the responsibility of preparing and submitting the reporting package should establish a reminder system notifying all parties of the due date of the reports therefore holding more than one person accountable for submitting the reports in a timely fashion.

*Management's Response:*

While we have been completing our reports on time, the reports in question were returned to us for various issues within the report. We; however, did not keep documentation. Therefore, we will commit to producing and filing reports on time and keeping all documentation pertaining to any and all communication regarding such reports. We will produce a calendar with due dates of reports for our Operating Procedures Manual and require everyone concerned to follow this document.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**CURRENT YEAR FINDINGS - CONTINUED**

**FINDING IN ACCORDANCE WITH OMB CIRCULAR A-133- CONTINUED**

**11-04 FEDERAL GRANT COST PRINCIPLES (NON-COMPLIANCE)**

*Funding Agency:* U.S. Department of Justice

*Title:* Cops Hiring Recovery Program

*CFDA Number:* 16.710

*Condition:*

During our testing of cost principle requirements with respect to the Federal American Recovery and Reinvestment Act grant used to fund the Cops Hiring Recovery we identified a lack of time certification. The program did not require certifications signed by the employee or their respective supervisors certifying that each employee worked solely on this program.

*Criteria:*

According to OMB Circular A-87, where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications are to be prepared at least semi-annually and signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

*Effect:*

Without approved certifications, the City could not substantiate whether the employee was charged appropriately to the correct grant.

*Cause:*

The City was not aware of this requirement.

*Questioned Costs:* None

*Recommendation:*

Program management should establish a policy that requires all employees working under the Cops Hiring Recovery Program and other federal programs to certify their time worked related to the applicable program on a semi-annual basis.

*Management's Response:*

The City of Santa Fe does require time and attendance logs for employees. To ensure compliance with all grants the finance department will work with departments to have employees certify by signature that their time was attributable to a specific grant.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**CURRENT YEAR FINDINGS - CONTINUED**

**FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED**

**11-05 FEDERAL GRANT MONITORING (SIGNIFICANT DEFICIENCY)**

*Funding Agency:* U.S. Department of Housing and Urban Development

*Title:* Shelter Plus Care Program

*CFDA Number:* 14.238

*Condition:*

During our testing of sub-recipient monitoring requirements with respect to the US Department of Housing and Urban Development (HUD) Grant passed through the Shelter Plus Care Program to sub-recipient Santa Fe Community Housing Trust, we identified a lack of documentation to show adequate sub-recipient monitoring. The program did not have documentation on file to support that the sub-recipients were complying with matching requirements. Further examination and testing showed that the matching requirements were in fact being met; however the program lacked adequate procedures to assess and monitor the level of supportive services provided by sub-recipients throughout the year.

*Criteria:*

According to 58 FR 13892 Section 582.1, rental assistance grants must be matched in the aggregated by supportive services that are equal in value to the amount of rental assistance. Additionally, the grant agreement between HUD and Shelter Plus Care states that the recipient is required to conduct an ongoing assessment of the supportive services required by the participants in the program to assure the adequate provisions of supportive services to the participants in the program.

*Effect:*

If a process to monitor sub-recipients throughout the year is not established, there is a risk that the required match for supportive services will not be met by the sub-recipients which could result in the loss of funding.

*Cause:*

The program has relied on the year end Annual Performance Reports (APR) to monitor the level of supportive services provided by each sub-recipient. Based on their understanding of their responsibilities as a pass-through entity and lack of prior comments regarding this issue, the program was under the impression that this level of monitoring was adequate. However in instances such as the current year when issues arose with the system used by the sub-recipients to complete their APR's, the program did not possess documentation on file to show that matching requirements were being met.

*Questioned Costs:* None

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**CURRENT YEAR FINDINGS - CONTINUED**

**FINDING IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED**

**11-05 FEDERAL GRANT MONITORING (SIGNIFICANT DEFICIENCY) - CONTINUED**

*Recommendation:*

Program management should establish a policy that requires the sub-recipients to report the dollar amount of mental health services provided at the expense of the sub-recipient on a regular basis. Additionally, program management should develop a system to track these services to ensure they meet the matching requirements of the grant agreement.

*Management's Response:*

The City will develop a system to track these services to ensure they meet the matching requirements of the grant agreement.

**11-06 FEDERAL GRANT PROCUREMENT (SIGNIFICANT DEFICIENCY)**

*Funding Agency:* U.S. Department of Energy

*Title:* Energy Efficiency Program

*CFDA Number:* 81.128

*Funding Agency:* U.S. Department of Transportation

*Title:* Federal Transit Cluster

*CFDA Number:* 20.500 and 20.507

*Condition:*

During our testing of procurement requirements with respect to the Energy Efficiency & Conservation Block grants used to fund the Energy Efficiency Program we identified a lack of verification that contracted parties are not excluded, suspended or debarred in accordance with the Excluded Parties List System. We tested two vendors that were contracted with by the program to provide materials and services in excess of \$25,000 (covered transactions) and identified that no documentation was retained to show that verification to ensure the vendors were not included excluded, suspended, or debarred was not completed. During our testing of procurement requirements with respect to the U.S. Department of Transportation grants used to fund the programs under the federal transit cluster we identified a lack of verification that contracted parties are not excluded, suspended or debarred in accordance with the Excluded Parties List System. We tested two vendors that were contracted with by the program to provide materials and services in excess of \$25,000 (covered transactions) and identified that verification to ensure the vendors were not included excluded, suspended, or debarred was not completed.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

For the year ended June 30, 2011

**CURRENT YEAR FINDINGS - CONTINUED**

**FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED**

**11-06 FEDERAL GRANT PROCUREMENT (SIGNIFICANT DEFICIENCY) - CONTINUED**

*Criteria:*

According to OMB Circular A-133 Compliance Supplement, when a non-federal enters into a covered transaction with another entity, the first entity must verify the second entity is not excluded, suspended or debarred. This verification can be completed through one of three methods, including such documentation in the agreement or contract entered into with the entity, by checking the Excluded Parties List System (EPLS) at <https://www.epls.gov/>, or by receiving a certification from the entity.

*Effect:*

If verification is not completed or documented there is an increased possibility that the program is entering into transactions with an excluded, suspended, or debarred entity which could lead to loss of funding.

*Cause:*

The City was not aware of this requirement.

*Questioned Costs:* None

*Recommendation:*

Program management should establish a step in the procurement process that requires verification of the entity they intend to contract with against the Excluded Parties List System and include such documentation in the procurement file.

*Management's Response:*

The City will establish procedures for grant approval/verification/procurement processes that ensures verification of the entity intended to contract with is or is not listed in the Excluded Parties List System maintained by the Federal Government and that information will be included as documentation in the procurement file.

City of Santa Fe

**EXIT CONFERENCE**

For the year ended June 30, 2011

\* \* \* \* \*

An exit conference was held on February 1, 2012, to discuss the audit. The following individuals were in attendance:

**City of Santa Fe**

Dr. Melville L. Morgan  
Teresita Garcia  
Robert Romero  
Erica Martinez

Finance Director  
Assistant Finance Director  
City Manager  
Senior Financial Analyst

**Independent Auditor**

Martin Mathisen, CPA, CGFM  
James Hartogenesis, CPA, CGFM

Audit Director  
Audit Senior Manager

City of Santa Fe

**EXIT CONFERENCE**

For the year ended June 30, 2011

\* \* \* \* \*

An exit conference was held on February 1, 2012, to discuss the audit. The following individuals were in attendance:

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Audit Director  
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***Finance and Budget Department  
Financial Management Division***

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