



City of Santa Fe, New Mexico

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended June 30, 2013



City of Santa Fe, New Mexico

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2013

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

**Mayor
David Coss**

**CITY OF SANTA FE, NEW MEXICO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2013**

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City of Santa Fe

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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

www.santafenm.gov

David Coss, *Mayor*

Councilors:

Rebecca Wurzbarger, Mayor Pro Tem, Dist. 2

Patti J. Bushee, Dist. 1

Chris Calvert, Dist. 1

Peter N. Ives, Dist. 2

Carmichael A. Dominguez, Dist. 3

Christopher M. Rivera, Dist. 3

Bill Dimas, Dist. 4

Ronald S. Trujillo, Dist. 4

November 15, 2013

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, 2013.

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 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 is to provide reasonable assurance that the financial statements of the City of Santa Fe for the fiscal year ended June 30, 2013 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, 2013, are fairly presented in conformity with GAAP. The independent auditor's report is presented in the first section of the financial 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 69,204 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 24 through 26 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 16,300 people which are about 22% 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's economy has been based largely on tourism and state government. As capitol of New Mexico, the government is the largest employer in the area. Santa Fe receives an average of 1.6 million visitors annually. 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

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

festivals, museums and more - draw visitors and second home owners from all over the world. These assets create a robust business environment.

Like other communities, Santa Fe suffered through the most severe recession in decades. For the first time, however, since 2008-2009, the gross receipt tax (GRT) reflected a strong increase of about 4.64% for fiscal years 12 and 13 combined. In addition, through the diligent and collective efforts of our elected officials and our staff, measures continue to be taken to reduce expenditures, prioritize services, projects and to budget conservatively without reducing community services. The City's reliance on (GRT) as a funding source for many decades has made it vulnerable to reductions in consumer spending. The City maintains the financial soundness of its reserves as a buffer against economic slowdowns and funds almost two-thirds of its total expenditures from utility rates, fees, grants and activities.

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 continues to recover slowly. By investing in the community the City made significant investments in the long-term health of the City. These investments include completion of a beautiful Convention Center and the successful completion of the Railyard Re-development Project area. Additionally, The City has made a strong investment in the Buckman Direct Diversion Water Treatment Facility as well as the Santa Fe University of Art and Design. The Railyard, the Convention Center and Buckman Direct Diversion Project are supported by dedicated gross receipts tax increments in addition to program revenues.

The Rail Runner's Santa Fe northern terminus is marked by bustling activity – an active farmers market, restaurants and cafés, and a range of retail offerings. The 50-acre mixed-use redevelopment of former industrial buildings and land is owned by the city. 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 6.8% and the national rate of 7.6% at June 2013. Toward the end of Fiscal Year 2013, unemployment in Santa Fe was 5.4%.

The median sales price of homes sold in the city of Santa Fe during the first quarter of 2013 fell nearly 17 percent from the same period last year, according to figures released by the Santa Fe Association of Realtors. But the number of homes sold was up by more than 10 percent, to 147 from 133.

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

LONG-TERM FINANCIAL PLANNING:

During the last few years, 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 Facility, in partnership with Santa Fe County and a private development, Las Campanas and is at full operation of the facility. 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 and ending in January 2013. In the fall of 2013 Fitch Credit Rating Agency again reaffirmed the City's Water bond rating at "AAA", which is a remarkable testament to sound financial management in the current economic climate.

The City is engaged in the second year of a ten-year plan for its Wastewater Division and a five-year plan for the Solid Waste Division. These planning efforts have assured that the City maintains the financial soundness of its enterprise operations and increases the resilience and flexibility of its governmental activities.

By continuing its practices of investing in the community, the City will have a presence at the Railyard through the purchase of a business condominium in the Market Station. This purchase is designed to increase the City's assets and reduce the amount of rent paid to house various departments.

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 call/maturity of 197 days. The average yield on investments was .56% at June 30, 2013.

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 all procurements for compliance. The procurement manual is updated regularly as needed to adopt changes in City policies, address changes in New Mexico State procurement rules 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 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

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

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. In June 2012 GASB approved a pair of related Statements that reflect substantial improvements to the accounting and financial reporting of pensions by state and local governments and pension plans. Statement No. 67 *Financial Reporting for Pension Plans* addresses financial reporting for state pension plans. Statement No. 68, *Accounting and Financial Reporting for Pensions*, establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The City will continue to work with PERA and with external Auditors to determine affects, reporting requirements and fundamental changes in Statement presentation, estimated affective date; Fiscal Year ending June 30, 2014.

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 71-74.

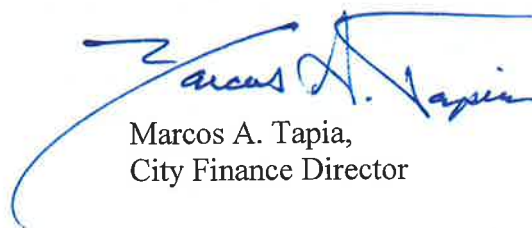
ACKNOWLEDGEMENTS:

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 the City Comptroller and 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,

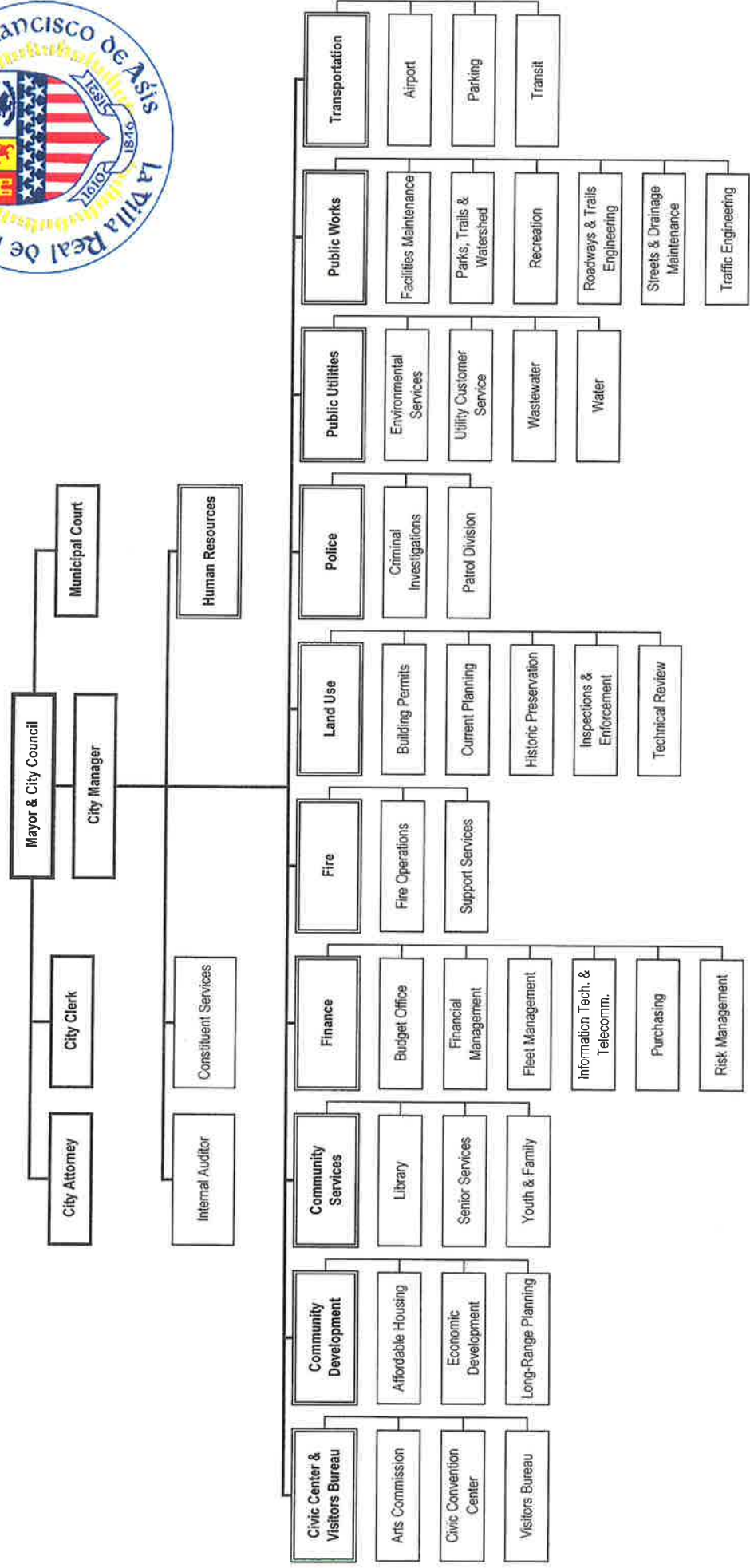


Brian K. Snyder,
City Manager



Marcos A. Tapia,
City Finance Director

Council-Approved FY 2012/13 City of Santa Fe Organizational Chart



**CITY OF SANTA FE, NEW MEXICO
PRINCIPAL OFFICIALS
JUNE 30, 2013**

MAYOR

David Coss

CITY COUNCIL

Rebecca Wurzburger, Mayor Pro Tem.....	District 2
Patti J. Bushee.....	District 1
Chris Calvert.....	District 1
Peter N. Ives.....	District 2
Carmichael A. Dominguez.....	District 3
Christopher M. Rivera.....	District 3
Bill Dimas.....	District 4
Ronald S. Trujillo.....	District 4

CITY MANAGER

Brian K. Snyder

FINANCE DEPARTMENT

Marcos A. Tapia
City Finance Director

Teresita Garcia
Assistant Finance Director

Helene Hausman
Cash/Investment Officer

Erica J. Martinez
Senior Financial Analyst

Cal Probasco
Budget Officer

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

FINANCE DEPARTMENT

Marcos A. Tapia, Finance Department Director
Teresita Garcia, Assistant Finance Director
Helene Hausman, Cash/Investment Officer
Erica J. Martinez, Senior Financial Analyst
Melissa D. Ortiz, Accounting Supervisor
Vincent S. Montoya, Business Analyst
Shirley Coca-Barela, Financial Analyst
Tony S. Martinez, Financial Analyst
Michelle Montoya, Financial Analyst
Stephen Morales, Financial Analyst
Jennifer Peabody, Financial Analyst

WEB PUBLICATION

David C. Tapia, Project Analyst

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COVER PHOTO

Chuck Bear

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Financial Section

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ALBUQUERQUE, NM 87110

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ALBUQUERQUE, NM 87125

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of City of Santa Fe, New Mexico, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the City's non-major governmental, non-major enterprise, internal service funds, and the budgetary comparisons for the major capital projects fund, major debt service fund, and all non-major funds presented as supplementary information in the accompanying combining and individual fund financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Santa Fe, New Mexico as of June 30, 2013 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with the 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 fund of The City of Santa Fe, New Mexico as of June 30, 2013 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project fund, major debt service fund and all non major funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4–18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Santa Fe, New Mexico's basic financial statements, the combining and individual non-major fund financial statements, and budgetary comparison information. The schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, introductory and statistical sections, and the other schedules required by 2.2.2 NMAC are presented for purposes of additional analysis and are also not a required part of the basic financial statements.

The schedule of expenditures of federal awards and other schedules required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected

to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and other schedules required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2013, on our consideration of the City of Santa Fe, New Mexico's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Santa Fe, New Mexico's internal control over financial reporting and compliance.

Atkinson & Co., Ltd.

Albuquerque, New Mexico
December 2, 2013

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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, 2013. 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 \$624,256,068 (*net position*). Of this amount, \$168,058,731 (*unrestricted net position*) may be used to meet the City's obligations to citizens and creditors.
- The City's total assets decreased by \$3,604,219 primarily because of purchase of the Railyard Market Station Condominium 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 \$67,282,035 a decrease of \$16,926,597 in comparison with the prior year. This primarily reflected the expenditures of capital funds for parks and other projects financed through bonds and use of beginning year fund balances.
- Of the total governmental fund balances of \$67,282,035 approximately 9% (\$6,440,366) is consider non-spendable and approximately 79% (\$53,256,120) is spendable but reserved or designated for specific purposes. At the end of the current fiscal year, the unassigned fund balance is \$7,585,549 and is available for spending at the City's discretion.
- The City's total long-term liabilities decreased by \$12,588,374 during the fiscal year. In conjunction with the annual debt service payment, this reflects the issuance of two refunding bond issues.
 - The 2013A Gross Receipts Tax Refunding Revenue Bonds issued in the par amount of \$10,880,000 to be used to partially advance refund the 2006 Gross Receipts Tax Improvement Revenue Bonds.
 - The 2013B Subordinate Lien Gross Receipts Refunding Revenue Bonds issued in the par amount of \$13,780,000 to refund the New Mexico Finance Authority Parking garage Loan.

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of 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 19 and 20 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 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 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 21 through 26 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 27 through 32 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 33 through 76 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$624,256,068 at the close of the most recent fiscal year.

A portion of the City's net position (65%) 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 POSITION
June 30, 2013 and 2012

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 94,386,396	\$ 108,629,641	\$ 159,507,652	\$ 141,485,973	\$ 253,894,048	\$ 250,115,614
Capital assets	316,157,853	314,890,006	463,757,854	472,408,354	779,915,707	787,298,360
Total assets	410,544,249	423,519,647	623,265,506	613,894,327	1,033,809,755	1,037,413,974
Long-term liability	134,156,197	142,426,970	248,730,378	253,047,979	382,886,575	395,474,949
Other liabilities	18,501,913	16,872,943	8,165,199	6,493,958	26,667,112	23,366,901
Total liabilities	152,658,110	159,299,913	256,895,577	259,541,937	409,553,687	418,841,850
Net position:						
Net investment in capital assets,						
net of related debt	187,585,177	186,752,403	218,430,014	231,134,448	406,015,191	417,886,851
Restricted	42,214,935	52,596,695	7,967,211	6,483,099	50,182,146	59,079,794
Unrestricted	28,086,027	24,870,636	139,972,704	116,734,843	168,058,731	141,605,479
Total net position	\$ 257,886,139	\$ 264,219,734	\$ 366,369,929	\$ 354,352,390	\$ 624,256,068	\$ 618,572,124

An additional portion of the City's net position (8.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$168,058,731) 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 position, 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 position in the City's Municipal Recreation Complex (MRC) Fund show negative net position balances of \$4,791,446.

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.

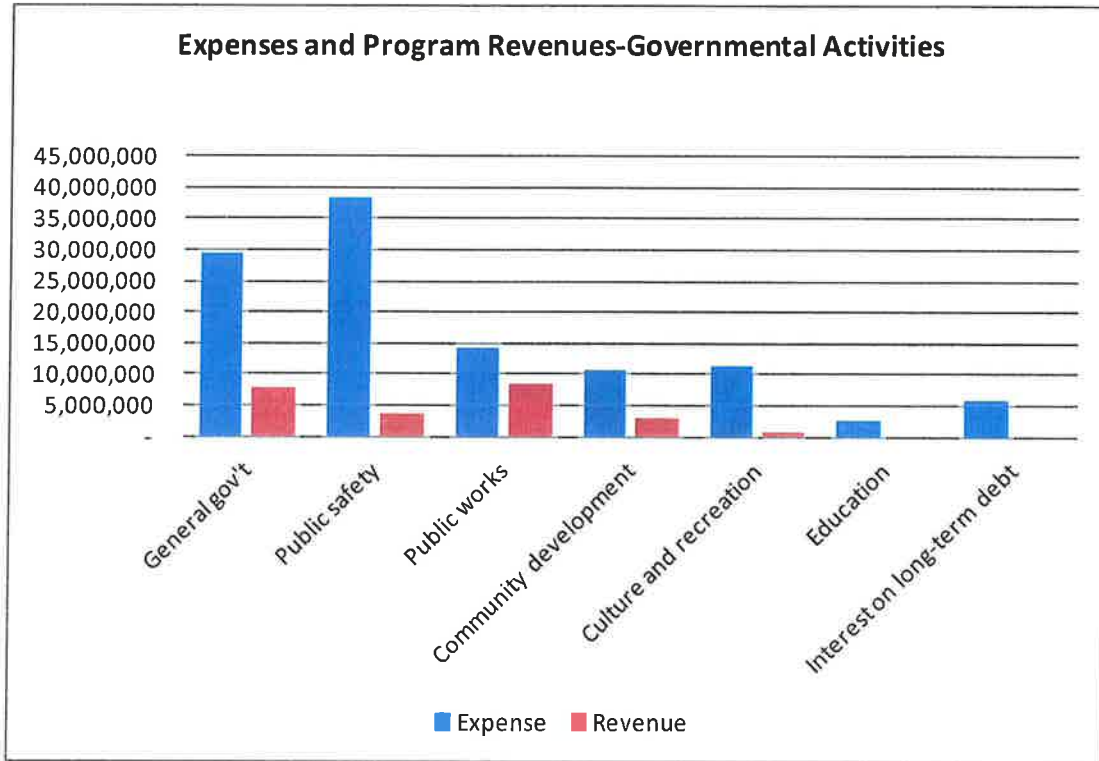
The City's net position increased by \$5,683,944 during the current fiscal year. This growth largely reflects increases in operating revenue and grants.

Governmental activities. Governmental activities decreased the City's net position by \$6,333,595. This was primarily due to a reduction in due from other funds and an increase in debt payments. 79% of the taxes are provided by a gross receipts tax (GRT) levied on goods and services in the amount of \$81,173,711. This was a slight increase from the gross receipts tax revenues received in 2012 in the amount of \$80,000,069.

**CITY OF SANTA FE's Changes in Net Position
For Fiscal Years Ended June 30, 2012 and 2013**

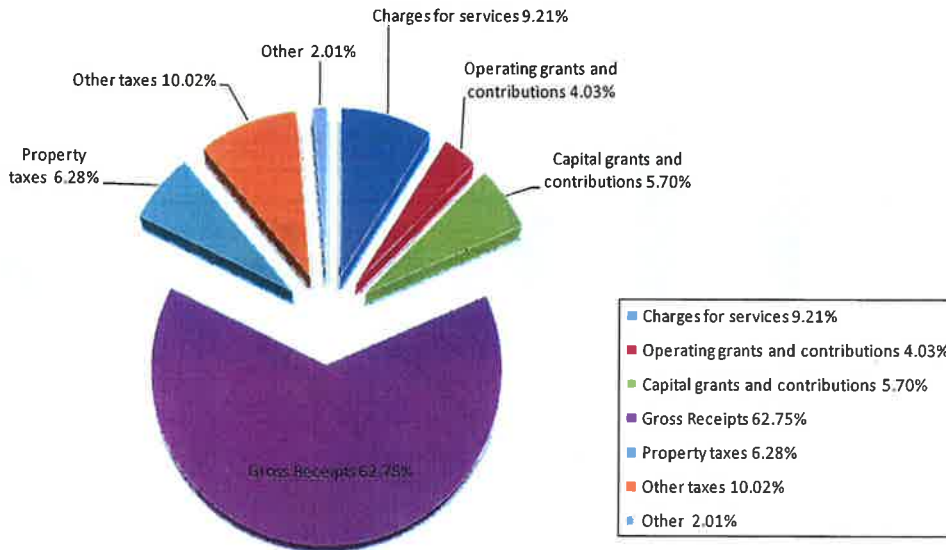
	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 12,532,517	\$ 11,096,129	\$ 77,982,486	\$ 74,220,487	\$ 90,515,003	\$ 85,316,616
Operating grants and contributions	6,044,573	4,375,224	2,510,011	1,334,570	8,554,584	5,709,794
Capital grants and contributions	1,778,392	7,707,437	4,616,377	4,400,904	6,394,769	12,108,341
General revenues:						
Sales taxes	81,173,711	80,000,069	11,138,547	10,955,392	92,312,258	90,955,461
Other taxes	20,788,174	20,506,434	-	-	20,788,174	20,506,434
Other	1,895,727	1,765,708	488,156	824,103	2,383,883	2,589,811
Total revenues	124,213,094	125,451,001	96,735,577	91,735,456	220,948,671	217,186,457
Expenses:						
General Government	24,755,660	29,053,951	-	-	24,755,660	29,053,951
Public Safety	42,282,709	38,164,145	-	-	42,282,709	38,164,145
Public Works	16,759,696	13,982,704	-	-	16,759,696	13,982,704
Community Development	11,352,721	10,636,985	-	-	11,352,721	10,636,985
Culture and Recreation	13,767,279	11,365,828	-	-	13,767,279	11,365,828
Education	2,711,183	2,673,364	-	-	2,711,183	2,673,364
Interest on long-term debt	5,768,231	5,847,128	-	-	5,768,231	5,847,128
Wastewater Management	-	-	13,100,203	14,878,988	13,100,203	14,878,988
Water Management	-	-	39,530,468	37,026,382	39,530,468	37,026,382
Solid Waste Management	-	-	11,147,965	11,189,579	11,147,965	11,189,579
College of Santa Fe	-	-	922,854	4,993,798	922,854	-
Railyard Center	-	-	4,134,223	3,065,480	4,134,223	3,065,480
Santa Fe Convention Center	-	-	5,193,941	1,062,183	5,193,941	1,062,183
All other proprietary funds	-	-	23,837,594	22,942,425	23,837,594	22,942,425
Total expenses	117,397,479	111,724,105	97,867,248	95,158,835	215,264,727	206,882,940
Increase in net position before transfers:	6,815,615	13,726,896	(1,131,671)	(3,423,379)	5,683,944	10,303,517
Transfers net	(13,149,210)	(16,463,102)	13,149,210	16,463,102	-	-
Increase (decrease) in net position	(6,333,595)	(2,736,206)	12,017,539	13,039,723	5,683,944	10,303,517
Beginning balance	264,219,734	266,955,940	354,352,390	341,312,667	618,572,124	608,268,607
Ending balance	\$ 257,886,139	\$ 264,219,734	\$ 366,369,929	\$ 354,352,390	\$ 624,256,068	\$ 618,572,124

**CITY OF SANTA FE
Fiscal Year 12/13**



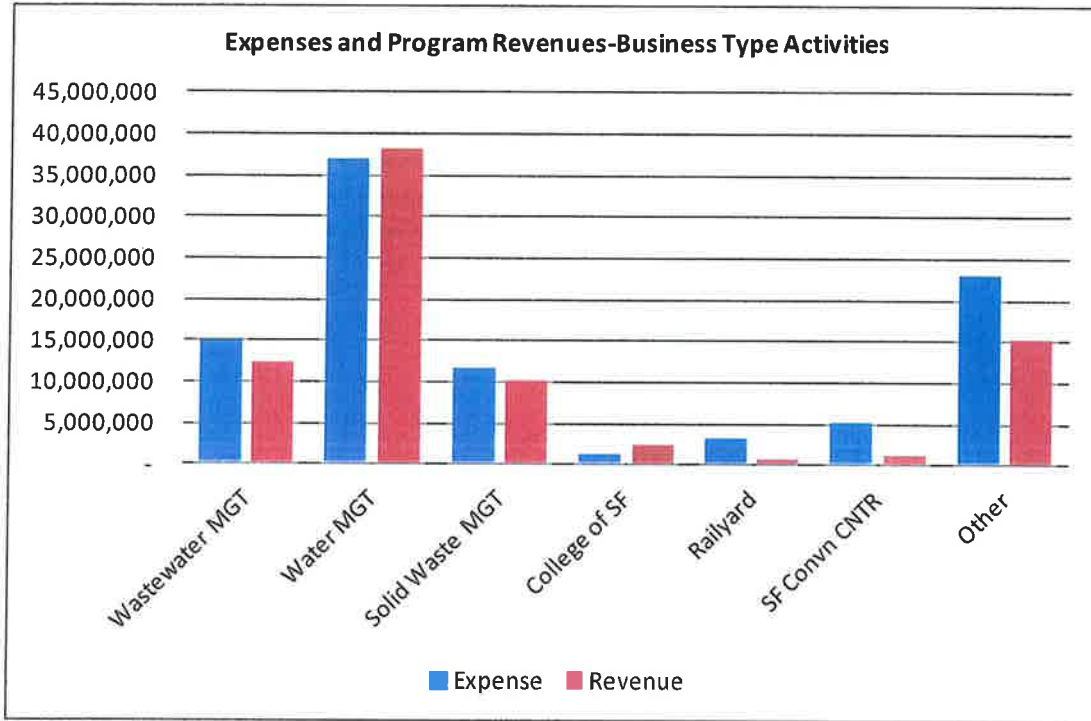
CITY OF SANTA FE
Fiscal Year 12/13

Revenue by Source - Governmental Activity



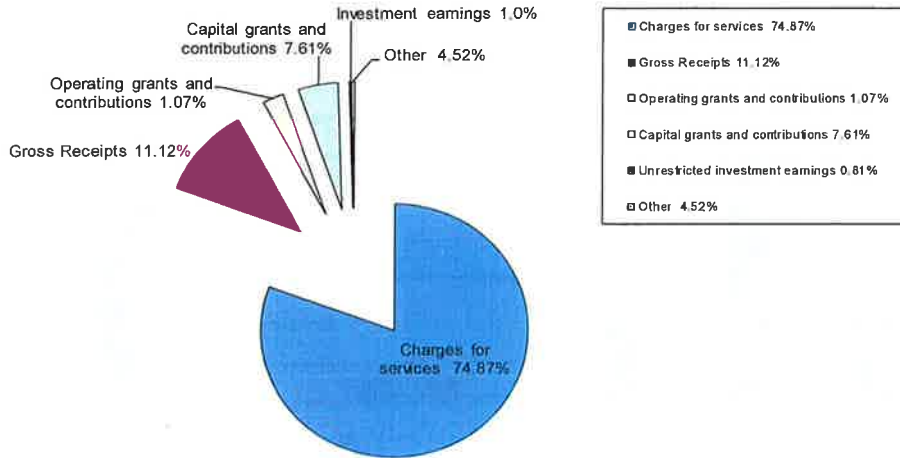
Business-type activities. Business-type activities increased net position by \$12,017,539. The decrease, net of transfers from Governmental activities, was (\$1,131,671). Transfers from Governmental activities total \$13,149,210. In 2012 the Water rate increase was the fourth of a 5 year financial plan to increase water rates. Solid Waste has not had a rate increase since 2003. Waste Water has not had a rate increase since 2010. In funds where revenues exceed operating expenses, rate revenues are set at a level that in combination with net position 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 12/13**



CITY OF SANTA FE Fiscal Year 12/13

Revenue by Source- Business-Type Activities



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, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$67,282,035 a decrease of \$16,926,597 in comparison with the prior year. Most of the ending fund balance total amount (\$53,256,120) 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 spendable 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 \$7,634,215 while total fund balance was \$14,595,527. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned 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 decreased by \$3,164,886 during the current fiscal year. A key factor was because of an increase in capital expenditures and operating expenditures.

The Debt Service fund has a total fund balance of \$4,748,930 all of which is spendable for projects and the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was \$763,170 due primarily to the final transfer out to projects of general obligation bond proceeds available for park improvements and capital projects from debt issued in 2010.

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 position at the end of the year amounted to \$139,972,704 of which 67% is for water management. In total, net position for enterprise funds increased by \$12,017,539.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor (\$1,148,971 increase in appropriations) and can be briefly summarized as follows:

- \$1,041,091 increase in general government
- \$1,177,261 increase in public safety
- \$ 44,427 increase in public works
- \$ 186,530 increase in community development
- \$ 286,668 increase in culture & recreation
- \$1,483,463 decrease in education
- \$ 103,543 decrease in transfers out to other programs

The decrease in transfers out 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 1.06% below the final budget in the amount of \$4,291,655. The actual revenues for the General Fund were \$2,293,281 below budget.

Capital Asset and Debt Administration

Capital assets. The City's net investment in capital assets for its governmental and business-type activities as of June 30, 2013 amounts to \$779,915,707 (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 decrease in the City's investment in capital assets for the current fiscal year was 1% (a 1% increase for governmental activities and 2% decrease for business-type activities).

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

- Construction in progress in various City facilities totaled \$58,504,534 in both governmental-type and business-type funds. This is a decrease from the previous year.
- 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.

**CITY OF SANTA FE's Capital Assets
(Net of Depreciation)
For Fiscal Years Ending June 30, 2013 and 2012**

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land and Water Rights	\$ 169,939,946	\$ 169,939,946	\$ 39,193,216	\$ 39,193,216	\$ 209,133,162	\$ 209,133,162
Construction in Progress	20,354,725	25,876,710	38,149,809	54,757,998	58,504,534	80,634,708
Art	922,920	922,920	185,971	185,971	1,108,891	1,108,891
Buildings and Systems	42,541,616	44,025,298	260,342,999	267,159,211	302,884,615	311,184,509
Improvements	23,568,634	22,142,631	63,953,744	52,338,878	87,522,378	74,481,509
Sewerlines	-	-	48,480,342	43,859,632	48,480,342	43,859,632
Equipment and Machinery	2,892,658	2,070,957	3,891,930	4,808,395	6,784,588	6,879,352
Furniture and Fixtures	211,652	253,407	8,571	19,086	220,223	272,493
Vehicles	6,115,206	5,929,520	8,581,678	9,098,524	14,696,884	15,028,044
Data Processing and Software	2,711,933	2,711,932	969,594	987,443	3,681,527	3,699,375
Traffic Signals	1,174,410	1,583,253	-	-	1,174,410	1,583,253
Streets and Bridges	45,724,153	39,433,432	-	-	45,724,153	39,433,432
Total	\$ 316,157,853	\$ 314,890,006	\$ 463,757,854	\$ 472,408,354	\$ 779,915,707	\$ 787,298,360

Additional information on the City's capital assets can be found in note IV-D on pages 52-53 of this report.

Long-term debt at the end of the current fiscal year, the City had total outstanding debt of \$358,376,271. Of this amount, governmental activity related debt consisted of \$89,625,000 in debt backed by gross receipts tax revenues and lodgers tax, \$3,172,784 in outstanding revenue-backed loans, and \$26,750,000 in outstanding property tax supported general obligation debt. In addition, business type debt backed by specified operational revenue sources consisted of \$194,225,000 in bonds and \$44,603,487 in loans.

**Revenue Bonds, General Obligation Bonds & Loans
For Fiscal Years Ending June 30, 2013 and 2012**

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenue Bonds	\$ 89,625,000	\$ 82,630,000	\$ 194,225,000	\$ 197,125,000	\$ 283,850,000	\$ 279,755,000
General Obligation	26,510,000	27,710,000	-	-	26,750,000	27,710,000
Loans	3,172,784	17,797,603	44,603,487	46,515,123	47,776,271	64,312,726
TOTAL	\$ 119,307,784	\$ 128,137,603	\$ 238,828,487	\$ 243,640,123	\$ 358,376,271	\$ 371,777,726

As of June 30, 2013, the City had eleven outstanding issues that were not insured. Underlying ratings for the different types of debt issues by the City are:

Bond Type	S&P/Moody's/Fitch 06/30/2013	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/AA	AA/A1/AA

Source: First Southwest Company

Six 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 6/30/02013	S&P/Moody's Current
AMBAC	Withdrawn/Withdraw	Withdrawn/Withdrawn
MBIA	B/B3	B/B3
FSA/Assured Guaranty Municipal	AA-/Aa2	AA-/Aa2
XL Capital Assurance/ Syncora Guarantee	Withdrawn/Ca	Withdrawn/Ca

Source: First Southwest Company

The significant drops in the ratings of the insurance firms have made the City's underlying ratings equal to or 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 \$148 million, which is significantly in excess of the City's total outstanding general obligation bond capital improvement project debt of \$26,750,000 at June 30, 2013.

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 2013 unemployment rate for Santa Fe averaged 5.0% and compares favorably with other Cities in New Mexico. The State's 2013 unemployment rate for the same period was 6.8% with the national average rate of 7.6%.
- During the latter part of 2009 and into 2010, significant declines in fair value occurred in worldwide securities and various real estate markets. The City witnessed a significant impact of these declines on gross receipts tax, lodgers' tax and certain other revenue categories through 2011. City management responded with multiple actions including budget realignment and evaluation, project and policy adjustments, and review of future plans and budgets. In 2013 economic conditions have improved slightly and reflected marked, slow and steady

improvement. The median sales price of homes sold in the city of Santa Fe during the first quarter of 2013 fell nearly 17 percent from the same period last year, according to figures released by the Santa Fe Association of Realtors. But the number of homes sold was up by more than 10 percent, to 147 from 133. The City's financial condition however shows economic stability is provided by the large state government presence, and unemployment rates in Santa Fe continue to remain below state and national averages. All of these factors were considered in preparing the City's budget and revenue projections for fiscal year 12/13.

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 City 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 Position

June 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash, investments and cash equivalents	\$ 55,134,964	\$ 125,142,541	\$ 180,277,505
Receivables (net of allowance for uncollectables)	4,631,681	11,261,648	15,893,329
Internal balances	7,995,325	(7,995,325)	-
Inventories	105,822	307,455	413,277
Prepaid expenses	60,000	12,515,367	12,575,367
Deferred charges	1,589,048	3,871,462	5,460,510
Restricted assets:			
Temporarily restricted:			
Cash, investments and cash equivalents	8,380,095	7,967,211	16,347,306
Interest receivable	88,890	159,195	248,085
Intergovernmental receivable	16,400,571	5,717,270	22,117,841
Notes receivable	-	560,828	560,828
Capital assets (net of accumulated depreciation):			
Land, land rights, and water rights	169,939,946	39,193,216	209,133,162
Buildings and structures	57,906,587	307,920,796	365,827,383
Improvements	51,802,658	128,623,223	180,425,881
Sewerlines and Utility Systems	-	111,437,885	111,437,885
Equipment and machinery	16,096,062	20,671,702	36,767,764
Furniture and fixtures	814,327	678,466	1,492,793
Vehicles	21,846,856	25,631,039	47,477,895
Intangible plant	-	57,625	57,625
Art	922,920	185,971	1,108,891
Data processing equipment/software	10,911,903	3,263,535	14,175,438
Traffic signals	23,222,048	-	23,222,048
Streets and bridges	202,505,593	-	202,505,593
Construction in progress	20,354,724	38,149,809	58,504,533
Accumulated depreciation	(260,165,771)	(212,055,413)	(472,221,184)
Total assets	\$ 410,544,249	\$ 623,265,506	\$ 1,033,809,755
LIABILITIES			
Accounts payable and other current liabilities	\$ 14,961,356	\$ 6,940,679	\$ 21,902,035
Accrued interest payable	815,139	906,240	1,721,379
Deferred revenue			
Unearned revenue	2,725,418	318,280	3,043,698
Longterm liabilities:			
Due within one year	10,445,285	10,721,935	21,167,220
Due in more than one year	123,710,912	238,008,443	361,719,355
Total liabilities	152,658,110	256,895,577	409,553,687
NET POSITION			
Net investment in capital assets	187,585,177	218,430,014	406,015,191
Restricted for:			
Debt service	2,831,020	7,616,594	10,447,614
Compliance	-	350,617	350,617
State mandated cash balance	5,549,075	-	5,549,075
Special Revenue	15,887,357	-	15,887,357
Capital Project	17,947,483	-	17,947,483
Unrestricted	28,086,027	139,972,704	168,058,731
Total net position	\$ 257,886,139	\$ 366,369,929	\$ 624,256,068

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, 2013

Net (Expense) Revenue and Changes in Net Position

Program Revenues

Functions/Programs	Program Revenues				Governmental Activities	Business-type Activities	Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions			
Primary government:							
Governmental activities:							
General government	\$ 24,755,660	\$ 5,135,122	\$ 175,302	\$ 267,360	\$ (19,177,876)	\$ -	\$ (19,177,876)
Public safety	42,282,709	5,264,844	1,358,585	-	(35,659,280)	-	(35,659,280)
Public works	16,759,696	1,927,320	1,982,166	1,035,823	(11,814,387)	-	(11,814,387)
Community development	11,352,721	59,194	309,510	184,162	(10,799,855)	-	(10,799,855)
Culture and recreation	13,767,279	146,037	2,219,010	291,047	(11,111,185)	-	(11,111,185)
Education	2,711,183	-	-	-	(2,711,183)	-	(2,711,183)
Interest on long-term debt	5,768,231	-	-	-	(5,768,231)	-	(5,768,231)
Total governmental activities	117,397,479	12,532,517	6,044,573	1,778,392	(97,041,997)	-	(97,041,997)
Business-type activities:							
Wastewater Management	13,100,203	12,335,788	-	-	(764,415)	(764,415)	(764,415)
Water Management	39,530,468	41,424,382	-	1,542,771	-	3,436,685	3,436,685
Rallyard Center	4,134,223	432,332	-	-	(3,701,891)	(3,701,891)	(3,701,891)
Santa Fe Convention Center	5,193,941	294,257	-	6,167	(4,893,517)	(4,893,517)	(4,893,517)
Solid Waste Management	11,147,965	10,572,918	-	68,274	(506,773)	(506,773)	(506,773)
College of Santa Fe	922,854	2,350,086	-	-	1,427,232	1,427,232	1,427,232
Municipal Recreation Complex	1,825,927	1,078,252	-	-	(747,675)	(747,675)	(747,675)
Parking Fund	5,308,766	5,075,348	-	-	(233,418)	(233,418)	(233,418)
Transit and Airport Systems	11,668,835	2,519,902	2,510,011	2,858,565	(3,780,357)	(3,780,357)	(3,780,357)
Genoveva Chavez Community Center	5,034,066	1,899,221	-	140,600	(2,994,245)	(2,994,245)	(2,994,245)
Total business-type activities	97,867,248	77,982,486	2,510,011	4,616,377	(12,758,374)	(12,758,374)	(12,758,374)
Total primary government	\$ 215,264,727	\$ 90,515,003	\$ 8,554,584	\$ 6,394,769	(97,041,997)	(12,758,374)	(109,800,371)

General Revenues:

Property taxes	8,082,970	-	-	-	8,082,970
Sales taxes	81,173,711	11,138,547	-	-	92,312,258
Lodger taxes	8,009,032	-	-	-	8,009,032
Franchise taxes	2,992,353	-	-	-	2,992,353
Motor fuel taxes	1,703,819	-	-	-	1,703,819
Investment earnings	235,245	177,928	-	-	413,173
Miscellaneous revenues	1,660,482	276,287	-	-	1,936,769
Gain (Loss) on sale of capital assets	-	33,941	-	-	33,941
Internal Transfers	(13,149,210)	13,149,210	-	-	-
Total general revenues and transfers	90,708,402	24,775,913	-	-	115,484,315
Change in net position	(6,333,595)	12,017,539	-	-	5,683,944
Net position, beginning	264,219,734	354,352,390	-	-	618,572,124
Net position, ending	\$ 257,886,139	\$ 366,369,929	\$ -	\$ -	\$ 624,256,068

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, 2013

	Major funds			Other Non Major Funds	Total Governmental Funds
	General Fund	Debt Service	1/2 % Gross Receipts Tax		
Assets					
Cash and investments	\$ -	\$ 1,908,970	\$ 411,196	\$ 37,791,982	\$ 40,112,148
Restricted for debt service payments	-	2,831,020	-	-	2,831,020
Restricted for state mandated cash balance	5,549,075	-	-	-	5,549,075
Restricted for endowment	-	-	-	250,000	250,000
Receivables:					
State-shared taxes	6,317,811	-	2,656,189	2,817,333	11,791,333
Local taxes	3,268,253	-	-	-	3,268,253
Property taxes	29,814	41,383	-	-	71,197
Interest	16,265	7,572	-	47,861	71,698
Ambulance (net of allowances)	940,462	-	-	-	940,462
Grants-restricted	56,341	-	-	1,213,447	1,269,788
Other receivables (net of allowance)	109,045	-	-	3,582,172	3,691,217
Due from other funds	2,853,650	-	6,084,545	613,804	9,551,999
Supplies inventory	105,822	-	-	-	105,822
Total Assets	\$ 19,246,538	\$ 4,788,945	\$ 9,151,930	\$ 46,316,599	\$ 79,504,012
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 1,001,577	\$ 15	\$ 7,434	\$ 2,112,111	\$ 3,121,137
Compensated absences payable	350,082	-	31,508	92,429	474,019
Accrued wages payable	984,207	-	36,354	282,540	1,303,101
Due to other funds	-	-	-	1,556,674	1,556,674
Deferred revenue:					
Unearned revenue	122,829	-	-	2,602,589	2,725,418
Other current liabilities	2,192,316	40,000	-	809,312	3,041,628
Total liabilities	4,651,011	40,015	75,296	7,455,655	12,221,977
Fund balances:					
Fund balance:					
Non-Spendable	105,821	-	6,084,545	250,000	6,440,366
Spendable					
Restricted	5,549,075	2,789,052	2,992,089	33,584,840	44,915,056
Committed	1,306,416	1,959,878	-	926,857	4,193,151
Assigned	-	-	-	4,147,913	4,147,913
Unassigned	7,634,215	-	-	(48,666)	7,585,549
Total Fund Balances	14,595,527	4,748,930	9,076,634	38,860,944	67,282,035
Total liabilities and fund balances	\$ 19,246,538	\$ 4,788,945	\$ 9,151,930	\$ 46,316,599	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	316,153,878
Other long-term assets are not available to pay for current-period expenditures and, therefore are not reported in the funds.	1,589,047
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 position	7,283,008
Accrued interest payable	(815,139)
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.	(128,572,676)
Other long-term liabilities-compensated balances	(5,034,014)
Net position of governmental activities	\$ 257,886,139

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, 2013

	Major Funds			Other Non Major Funds	Total Governmental Funds
	General Fund	Debt Service	1/2 % Gross Receipts Tax		
Revenues:					
Taxes					
Gross receipts	\$ 50,462,086	\$ -	\$ 15,042,494	\$ 15,669,131	\$ 81,173,711
Motor	375,028	-	-	1,328,791	1,703,819
Lodgers	-	-	-	8,009,032	8,009,032
Property	3,198,658	2,115,324	-	2,768,988	8,082,970
Franchise	2,973,299	-	-	19,054	2,992,353
Licenses and permits	2,856,179	-	-	-	2,856,179
Intergovernmental revenues	158,144	-	-	7,658,405	7,816,549
Fees and charges for services	5,933,589	-	-	3,742,749	9,676,338
Fines and forfeitures	412,236	-	-	-	412,236
Rents, royalties and concessions	32,238	-	-	124,503	156,741
Investment income (loss)	5,302	(3,049)	-	211,541	213,794
Land sales	-	-	-	260,328	260,328
Other revenues	71,575	151,557	-	608,044	831,176
Total revenues	66,478,334	2,263,832	15,042,494	40,400,566	124,185,226
Expenditures:					
Current:					
General government	15,715,418	-	2,909,996	5,446,925	24,072,339
Public safety	32,563,303	-	-	7,497,192	40,060,495
Public works	3,043,098	-	-	3,240,429	6,283,527
Community development	4,740,127	-	-	6,358,236	11,098,363
Culture and recreation	8,213,771	-	-	4,260,175	12,473,946
Education	2,710,895	-	-	-	2,710,895
Total current expenditures	66,986,612	-	2,909,996	26,802,957	96,699,565
Capital outlay:					
General government	297,044	-	248,757	2,028,903	2,574,704
Public safety	130,429	-	-	2,761,852	2,892,281
Public works	191,036	-	-	4,790,538	4,981,574
Community development	64,976	-	-	590,204	655,180
Culture and recreation	152,080	-	-	5,972,360	6,124,440
Education	288	-	-	-	288
Total capital outlay expenditures	835,853	-	248,757	16,143,857	17,228,467
Debt service:					
Principal payments	-	8,655,127	-	-	8,655,127
Interest and fiscal agent fees	-	6,727,493	-	-	6,727,493
Bond issuance costs	-	399,940	-	-	399,940
Total expenditures	67,822,465	15,782,560	3,158,753	42,946,814	129,710,592
Excess (deficiency) of revenues over expenditures	1,344,131	(13,518,728)	11,883,741	(2,546,248)	(5,525,366)
Other financing sources (uses):					
Transfers in	2,917,118	40,325,452	-	11,918,241	55,160,811
Transfers out	(4,737,873)	(29,309,145)	(14,000,824)	(20,253,451)	(68,301,293)
HUD loan payments (flow through)	-	30,095	-	-	30,095
Issuance of bonds					
Principal payments (refunding)	-	(24,834,692)	-	-	(24,834,692)
Face value of bonds issued	-	24,900,000	-	-	24,900,000
Premium on issuance of bond	-	1,643,848	-	-	1,643,848
Total other financing sources (uses)	(1,820,755)	12,755,558	(14,000,824)	(8,335,210)	(11,401,231)
Net change in fund balances	(3,164,886)	(763,170)	(2,117,083)	(10,881,458)	(16,926,597)
Fund balances, beginning of year	17,760,413	5,512,100	11,193,717	49,742,402	84,208,632
Fund balances, end of year	\$ 14,595,527	\$ 4,748,930	\$ 9,076,634	\$ 38,860,944	\$ 67,282,035

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, 2013

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

Net change in fund balances--total governmental funds	\$ (16,926,597)
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.	1,430,875
The net effect of various miscellaneous transactions involving loss on sale of capital assets decrease in net position:	(3,831)
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 position. 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.	7,070,283
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.	927,845
Internal service funds are used by management to charge the costs of insurance to individual funds.	1,139,963
The net revenue of certain activities of internal service funds is reported with governmental activities.	27,867
Change in net position of governmental activities	<u>\$ (6,333,595)</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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
State-shared taxes:				
Gross receipts	\$ 36,695,618	\$ 36,217,536	\$ 35,419,592	\$ (797,944)
Automobile	400,000	400,000	375,028	(24,972)
Total state-shared taxes	37,095,618	36,617,536	35,794,620	(822,916)
Local taxes:				
Gross receipts	14,538,103	14,538,103	15,042,494	504,391
Property	3,073,180	3,073,180	3,198,658	125,478
Total local taxes	17,611,283	17,611,283	18,241,152	629,869
Regulatory fees:				
Franchise	2,520,000	2,770,000	2,973,299	203,299
Total fees	2,520,000	2,770,000	2,973,299	203,299
Other Revenues:				
Licenses and permits	2,282,750	2,839,750	2,856,179	16,429
Intergovernmental revenue	113,140	269,455	158,144	(111,311)
Fees and charges for services	8,355,371	7,957,519	5,933,589	(2,023,930)
Fines and forfeitures	388,473	423,473	412,236	(11,237)
Royalties, rents and concessions	39,000	39,000	32,238	(6,762)
Investment income	43,224	43,224	5,302	(37,922)
Other revenues	200,375	200,375	71,575	(128,800)
Total Other Revenue	11,422,333	11,772,796	9,469,263	(2,303,533)
Total revenues	68,649,234	68,771,615	66,478,334	(2,293,281)
Expenditures:				
General government:				
Current:				
General government	2,742,164	2,908,563	1,899,309	1,009,254
Municipal court	1,391,589	1,402,521	1,390,377	12,144
City clerk	1,258,593	1,275,778	809,738	466,040
Information technology and telecommunication	3,017,264	3,343,382	2,544,743	798,639
Personnel	993,844	1,043,750	772,311	271,439
Finance	3,524,906	3,644,178	4,130,598	(486,420)
Planning	1,848,667	1,924,893	1,927,715	(2,822)
Facilities maintenance	2,760,731	2,687,596	1,953,814	733,782
Fleet maintenance	579,309	585,449	286,813	298,636
Total current	18,117,067	18,816,110	15,715,418	3,100,692
Capital outlay:				
General government	17,873	225,294	166,787	58,507
Municipal Court	1,560	78,515	63,876	14,639
City clerk	175,140	182,844	11,118	171,726
Information technology and telecommunication	-	4,933	7,076	(2,143)
Finance	1,700	1,825	3,131	(1,306)
Planning	11,015	16,115	3,318	12,797
Facilities maintenance	5,028	44,838	41,738	3,100
Total capital outlay	212,316	554,364	297,044	257,320
Total general government	18,329,383	19,370,474	16,012,462	3,358,012

(continued)

CITY OF SANTA FE, NEW MEXICO
General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public safety:				
Current:				
Police	19,275,001	20,067,148	18,938,925	1,128,223
Fire	12,953,242	13,195,217	13,624,378	(429,161)
Total current	32,228,243	33,262,365	32,563,303	699,062
Capital outlay:				
Police	-	132,838	129,229	3,609
Fire	-	10,301	1,200	9,101
Total capital outlay	-	143,139	130,429	12,710
Total public safety	32,228,243	33,405,504	32,693,732	711,772
Public works:				
Current:				
Administration	125,249	125,690	(59,583)	185,273
Highways, streets and roads	324,555	329,744	333,003	(3,259)
Traffic engineering	2,625,907	2,653,248	2,769,678	(116,430)
Total current	3,075,711	3,108,682	3,043,098	65,584
Capital outlay:				
Administration	-	980	560	420
Total capital outlay	180,000	191,456	191,036	420
Total public works	3,255,711	3,300,138	3,234,134	66,004
Community development:				
Current:				
Human needs	1,213,043	1,226,909	827,023	399,886
Community services	1,182,593	1,247,771	1,291,330	(43,559)
Inspection	1,444,024	1,489,689	1,500,782	(11,093)
Zoning	1,281,840	1,348,752	924,570	424,182
Total current	5,283,050	5,474,671	4,740,127	734,544
Capital outlay:				
Human needs	2,800	2,211	1,099	1,112
Zoning	7,105	1,205	1,113	92
Total capital outlay	71,755	66,664	64,976	1,688
Total community development	5,354,805	5,541,335	4,805,103	736,232
Culture and recreation:				
Current:				
Parks/grounds maintenance	5,129,611	5,235,212	5,880,174	(644,962)
Recreation	2,173,935	2,326,589	2,333,597	(7,008)
Total current	7,303,546	7,561,801	8,213,771	(651,970)
Capital outlay:				
Parks/grounds maintenance	120,960	148,976	148,589	387
Recreation	6,199	6,596	3,491	3,105
Total capital outlay	127,159	155,572	152,080	3,492
Total culture and recreation	7,430,705	7,717,373	8,365,851	(648,478)

(continued)

CITY OF SANTA FE, NEW MEXICO
General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Education:				
Current:				
Libraries	4,262,337	2,779,296	2,710,895	68,401
Total current	4,262,337	2,779,296	2,710,895	68,401
Capital outlay:				
Libraries	422	-	288	(288)
Total capital outlay	422	-	288	(288)
Total education	4,262,759	2,779,296	2,711,183	68,113
 Total expenditures	70,861,606	72,114,120	67,822,465	4,291,655
 Excess (deficiency) of revenues over expenditures	(2,212,372)	(3,342,505)	(1,344,131)	(1,998,374)
Other financing sources (uses):				
Transfers in	4,767,118	4,767,118	2,917,118	1,850,000
Transfers out	(4,837,319)	(4,733,776)	(4,737,873)	(4,097)
 Total other financing sources (uses)	(70,201)	33,342	(1,820,755)	(1,854,097)
 Net change in fund balance	(2,282,573)	(3,309,163)	(3,164,886)	144,277
Fund balance, beginning of year	25,085,383	7,258,483	17,760,413	10,501,930
Fund balance, end of year	\$ 22,802,810	\$ 3,949,320	\$ 14,595,527	\$ 10,646,207

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 Position
Enterprise Funds
June 30, 2013

Business-type Activities - Enterprise Funds

	Waste Water Management	Water Management	Solid Waste Management	Railyard Property
Assets				
Current assets:				
Cash, investments and cash equivalents	\$ 21,537,901	\$ 80,674,213	\$ 8,486,667	\$ 1,585,631
Restricted cash, cash equivalents and investments:				
Restricted for debt service payments	192,483	6,017,319	109,071	177,885
Restricted for compliance	179,670	-	170,947	-
Notes Receivable	239,342	-	-	-
Grants receivable	-	548,670	-	-
Receivable (net of allowances)				
State-shared taxes	328,059	1,311,090	328,077	-
Accounts	1,782,557	7,686,858	1,558,280	-
Interest receivable	25,137	107,391	9,615	1,036
Prepaid expenses	239,342	11,947,759	-	-
Inventory	-	307,455	-	-
Total current assets	24,524,491	108,600,755	10,662,657	1,764,552
Noncurrent assets:				
Deferred charges (net of amortization)	489,947	2,204,033	209,863	302,335
Capital assets:				
Land and land rights	25,498	2,472,660	-	20,145,837
Water rights	-	932,658	-	-
Buildings and structures	28,817,899	126,512,488	361,316	8,351,011
Sewerlines and utility systems	25,852,209	85,555,856	-	-
Improvements	31,190,863	34,011,976	1,111,291	29,665,274
Furniture and fixtures	13,344	585,001	4,926	-
Equipment and machinery	2,524,969	12,740,417	650,972	-
Vehicles	2,736,478	1,808,657	8,817,588	-
Intangible plant	-	57,625	-	-
Data processing equipment /software	225,841	1,708,110	51,269	-
Art	-	-	-	-
Construction in progress	172,289	9,500,072	-	381,795
Less accumulated depreciation	(61,289,673)	(76,592,889)	(6,959,018)	(8,586,780)
Total capital assets (net of accumulated depreciation)	30,269,717	199,292,631	4,038,344	49,957,137
Total noncurrent assets	30,759,664	201,496,664	4,248,207	50,259,472
Total assets	\$ 55,284,155	\$ 310,097,419	\$ 14,910,864	\$ 52,024,024
Liabilities				
Current liabilities:				
Accounts payable	\$ 139,638	\$ 717,704	\$ 203,418	\$ 82,872
Miscellaneous payable	49,062	187,630	45,886	-
Compensated absences payable	34,858	96,773	28,906	-
Accrued wages payable	76,186	120,895	68,337	-
Claims and judgement payable	-	-	-	-
Bonds payable (net of unamortized discounts)	1,730,949	3,357,975	848,110	789,659
Notes payable	-	867,726	-	70,210
Accrued interest payable	66,229	451,111	39,902	74,283
Unearned revenue	-	-	-	-
Customer deposits payable	25,983	1,541,544	-	-
Other payable	239,342	-	-	-
Intangible deferred credit	-	823,697	-	-
Due to other funds	-	-	-	-
Total current liabilities	2,362,247	8,165,055	1,234,559	1,017,024
Noncurrent liabilities:				
Bonds and Notes payable (net of unamortized discounts)	18,752,735	95,169,578	9,521,475	15,067,127
Notes Payable	-	14,826,344	-	1,114,207
Compensated absences payable	322,866	448,391	230,547	-
Due to other funds	-	5,524,545	-	-
Total noncurrent liabilities	19,075,601	115,968,858	9,752,022	16,181,334
Total liabilities	21,437,848	124,133,913	10,986,581	17,198,358
Net Position				
Net investments in capital assets	9,786,033	85,071,008	(6,331,241)	34,100,351
Restricted for debt service	192,483	6,017,319	109,071	177,885
Restricted for compliance	179,670	-	170,947	-
Unrestricted	23,688,121	94,875,179	9,975,506	547,430
Total net position	\$ 33,846,307	\$ 185,963,506	\$ 3,924,283	\$ 34,825,666

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	
\$ 4,236,319	\$ 2,506,379	\$ 6,115,431	\$ 125,142,541	\$ 14,772,816	Assets
49,360	1,070,476	-	7,616,594	-	Current assets:
321,486	-	-	350,617	-	Cash, investments and cash equivalents
577,726	-	2,428,647	560,828	-	Restricted cash, cash equivalents and investments:
-	-	-	3,555,043	-	Restricted for debt service payments
-	-	-	1,967,226	-	Restricted for compliance
6,113	195,000	233,954	11,456,649	-	Notes receivable
328,266	4,302	5,601	159,195	-	Grants receivable
-	-	-	12,515,367	-	Receivable (net of allowances)
-	-	-	307,455	-	State-shared taxes
5,519,270	3,776,157	8,783,633	163,631,515	-	Accounts
-	-	-	-	17,192	Interest receivable
-	-	-	-	60,000	Prepaid expenses
-	-	-	-	-	Inventory
-	-	-	-	14,850,008	Total current assets
439,166	-	226,118	3,871,462	-	Noncurrent assets:
-	11,164,785	4,451,778	38,260,558	-	Deferred charges (net of amortization)
-	-	-	932,658	-	Capital assets:
65,071,660	21,924,038	56,882,384	307,920,796	-	Land and land rights
-	-	29,820	111,437,885	-	Water rights
-	-	32,643,819	128,623,223	-	Buildings and structures
8,943	-	66,252	678,466	29,298	Sewerlines and utility systems
266,835	-	4,488,509	20,671,702	6,812	Improvements
16,965	-	12,251,351	25,631,039	35,829	Furniture and fixtures
-	-	-	57,625	-	Equipment and machinery
83,509	-	1,194,806	3,263,535	1,648	Vehicles
5,000	-	180,971	185,971	-	Intangible plant
336,738	19,945,949	7,812,966	38,149,809	-	Data processing equipment /software
(6,343,113)	(3,358,883)	(48,925,057)	(212,055,413)	(69,612)	Art
59,446,537	49,675,889	71,077,599	463,757,854	3,975	Construction in progress
-	-	-	-	-	Less accumulated depreciation
59,885,703	49,675,889	71,303,717	467,629,316	3,975	Total capital assets (net of accumulated depreciation)
\$ 65,404,973	\$ 53,452,046	\$ 80,087,350	\$ 631,260,831	\$ 14,853,983	Total noncurrent assets
\$ 59,599	\$ 1,487,828	\$ 383,656	\$ 3,074,715	\$ 610,475	Liabilities
-	-	28,883	311,461	-	Current liabilities:
17,324	1,795	220,483	160,537	-	Accounts payable
-	-	-	505,020	-	Miscellaneous payable
1,264,365	-	917,286	8,908,344	14,359	Compensated absences payable
-	665,000	-	1,602,936	6,870,434	Accrued wages payable
111,078	129,933	33,704	906,240	-	Claims and judgement payable
318,280	-	-	318,280	-	Bonds payable (net of unamortized discounts)
380,594	-	38,323	1,986,444	-	Notes payable
-	-	-	239,342	-	Accrued interest payable
-	-	-	823,697	-	Unearned revenue
-	-	2,470,780	2,470,780	221	Customer deposits payable
2,151,240	2,284,556	4,093,115	21,307,796	-	Other payable
-	-	-	-	-	Intangible deferred credit
-	-	-	-	-	Due to other funds
46,051,658	-	8,437,853	193,000,426	-	Total current liabilities
-	27,060,000	-	43,000,551	-	Noncurrent liabilities:
36,114	75	1,019,591	2,057,584	75,486	Bonds and Notes payable (net of unamortized disco
-	-	-	5,524,545	-	Notes Payable
46,087,772	27,060,075	9,457,444	243,583,106	75,486	Compensated absences payable
48,239,012	29,344,631	13,550,559	264,890,902	7,570,975	Due to other funds
-	-	-	-	-	Total noncurrent liabilities
12,130,514	21,950,889	61,722,460	218,430,014	3,975	Total liabilities
49,360	1,070,476	-	7,616,594	-	Net Position
-	-	-	350,617	-	Net investments in capital assets
4,986,087	1,086,050	4,814,331	139,972,704	7,279,033	Restricted for debt service
\$ 17,165,961	\$ 24,107,415	\$ 66,536,791	\$ 366,369,929	\$ 7,283,008	Restricted for compliance
-	-	-	-	-	Unrestricted
-	-	-	-	-	Total net position

CITY OF SANTA FE, NEW MEXICO
Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
For the Year Ended June 30, 2013

	Business-type Activities-Enterprise Funds			
	Waste Water Management	Water Management	Solid Waste Management	Railyard Property
Operating revenues:				
User fees	\$ 12,140,274	\$ 41,373,692	\$ 10,492,086	\$ -
Facilities rentals	-	-	-	-
Other revenue	195,514	50,690	80,832	432,332
Total operating revenues	12,335,788	41,424,382	10,572,918	432,332
Operating expenses:				
Salaries, wages and benefits	4,658,618	8,038,806	4,095,617	-
Contractual services and utilities	2,241,997	7,289,761	2,975,399	224,891
Repairs and maintenance	530,680	520,248	505,692	-
Supplies	607,971	697,881	766,946	-
Capital outlay-inventory exempt items	51,588	131,343	496,331	-
Depreciation	2,976,918	10,192,839	856,993	3,139,454
Amortization expense	66,268	99,007	21,163	16,283
Insurance	401,324	495,355	222,719	-
Claims and judgements	-	-	-	-
Other	721,987	6,667,876	710,413	279,042
Total operating expenses	12,257,351	34,133,116	10,651,273	3,659,670
Operating income (loss)	78,437	7,291,266	(78,355)	(3,227,338)
Non-operating revenues (expenses):				
Investment income	35,666	92,048	12,431	5,415
Intergovernmental				
State-shared taxes	1,858,137	7,422,184	1,858,226	-
Grants	-	1,542,771	68,274	-
Gain (loss) on sale of capital assets	5,110	-	33,415	-
Interest expense	(842,852)	(5,545,327)	(514,802)	(558,839)
Prem(Discount) debt service expense	-	147,975	18,110	84,286
Other non-operating expenses	276,287	-	-	-
Total non-operating revenues (expenses)	1,332,348	3,659,651	1,475,654	(469,138)
Income(loss) before transfers	1,410,785	10,950,917	1,397,299	(3,696,476)
Transfers in	-	-	14,000	644,638
Transfers out	-	-	-	-
Change in net position	1,410,785	10,950,917	1,411,299	(3,051,838)
Total net position, beginning of year	32,435,522	175,012,589	2,512,984	37,877,504
Total net position, end of year	\$ 33,846,307	\$ 185,963,506	\$ 3,924,283	\$ 34,825,666

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	
\$ 265,737	\$ -	\$ 9,282,022	\$ 73,553,811	\$ -	Operating revenues:
-	2,350,086	-	2,350,086	-	User fees
28,520	-	1,290,701	2,078,589	25,104,430	Facilities rentals
294,257	2,350,086	10,572,723	77,982,486	25,104,430	Other revenue
					Total operating revenues
					Operating expenses:
620,620	15,072	12,881,703	30,310,436	976,692	Salaries, wages and benefits
411,303	3,737	2,016,900	15,163,988	1,598,675	Contractual services and utilities
75,665	-	639,332	2,271,617	1,218	Repairs and maintenance
54,206	42	1,046,889	3,173,935	42,673	Supplies
4,757	-	482,380	1,166,399	942	Capital outlay-inventory exempt items
1,337,324	876,962	3,706,512	23,087,002	8,145	Depreciation expense
19,961	-	19,670	242,352	-	Amortization expense
210,836	-	862,622	2,192,856	3,181,537	Insurance
-	-	-	-	18,152,867	Claims and judgements
316,464	-	1,765,659	10,461,441	1,718	Other
3,051,136	895,813	23,421,667	88,070,026	23,964,467	Total operating expenses
(2,756,879)	1,454,273	(12,848,944)	(10,087,540)	1,139,963	Operating income (loss)
					Non-operating revenues (expenses):
13,526	7,873	10,969	177,928	21,451	Investment income
-	-	-	11,138,547	-	Intergovernmental
6,167	-	5,509,176	7,126,388	6,416	State-shared taxes
1,575	-	(6,159)	33,941	-	Grants
(2,232,170)	(27,041)	(433,213)	(10,154,244)	-	Gain (loss) on sale of capital assets
89,365	-	17,286	357,022	-	Interest expense
-	-	-	276,287	-	Prem(Discount) debt service expense
					Other non-operating expenses
(2,121,537)	(19,168)	5,098,059	8,955,869	27,867	Total non-operating revenues (expenses)
(4,878,416)	1,435,105	(7,750,885)	(1,131,671)	1,167,830	Income(loss) before transfers
4,537,867	-	10,939,153	16,135,658	-	Transfers in
(151,960)	(38,000)	(2,796,488)	(2,986,448)	(8,728)	Transfers out
(492,509)	1,397,105	391,780	12,017,539	1,159,102	Change in net position
17,658,470	22,710,310	66,145,011	354,352,390	6,123,906	Total net position, beginning of year
\$ 17,165,961	\$ 24,107,415	\$ 66,536,791	\$ 366,369,929	\$ 7,283,008	Total net position, end of year

CITY OF SANTA FE, NEW MEXICO
Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2013

	Business-type Activities-Enterprise Funds			
	Waste Water Management	Water Management	Solid Waste Management	Railyard Property
Cash flows from operating activities:				
Cash received from customers	\$ 12,157,094	\$ 40,475,796	\$ 10,248,104	\$ 432,332
Cash payments to suppliers for goods and services	(4,306,490)	(13,792,551)	(5,191,150)	(227,720)
Cash paid for interfund services provided and used	(805,556)	(1,586,003)	(762,306)	(257,063)
Cash payments to employees for services	(4,631,940)	(7,993,579)	(4,124,010)	-
Net cash provided (used) by operating activities:	2,413,108	17,103,663	170,638	(52,451)
Cash flows from noncapital financing activities:				
Intergovernmental	1,855,897	9,229,212	1,913,789	(3,603,862)
Due from other funds	-	-	-	-
Transfers-in from other funds	-	-	14,000	644,638
Transfers-out to other funds	-	-	-	-
Net cash provided (used) by noncapital financing activities	1,855,897	9,229,212	1,927,789	(2,959,224)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(1,048,317)	(2,379,000)	(1,256,093)	(980,986)
Proceeds (Loss) from sale of capital assets	5,110	-	33,415	-
Proceeds from sale of bonds net of issuance costs	-	292,061	-	5,000,437
Principal paid on revenue bond maturities and notes payable	(1,495,000)	(3,922,294)	(785,000)	(301,959)
Interest paid on revenue bonds and notes payable	(847,225)	(5,557,008)	(518,074)	(531,344)
Intergovernmental payments	-	(2,000,000)	-	-
Net cash used for capital and related financing activities	(3,385,432)	(13,566,241)	(2,525,752)	3,186,148
Cash flows from investing activities:				
Interest and dividends on investments	37,177	104,742	13,561	5,906
Net cash provided by investing activities	37,177	104,742	13,561	5,906
Net increase (decrease) in cash and cash equivalents	920,750	12,871,376	(413,764)	180,379
Cash, investments and cash equivalents at beginning of year	20,989,304	73,820,156	9,180,449	1,583,137
Cash, investments and cash equivalents at end of year	\$ 21,910,054	\$ 86,691,532	\$ 8,766,685	\$ 1,763,516
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 78,437	\$ 7,291,266	\$ (78,355)	\$ (3,227,338)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization/bad debt expense	3,043,186	10,291,846	878,156	3,155,737
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(178,694)	(1,422,957)	(574,890)	-
(Increase) decrease in prepaid expenses	(239,342)	235,521	-	-
Increase (decrease) in accounts payable	(48,468)	90,162	(54,064)	19,150
Increase (decrease) in miscellaneous payable	30,927	572,598	28,184	-
Increase (decrease) in compensated absences payable	24,269	46,785	(27,393)	-
Increase (decrease) in accrued wages payable	2,408	(1,558)	(1,000)	-
Increase (decrease) in escrow	(299,615)	-	-	-
(Increase) decrease in claims payable	-	-	-	-
Total adjustments	2,334,671	9,812,397	248,993	3,174,887
Net cash provided (used) by operating activities	\$ 2,413,108	\$ 17,103,663	\$ 170,638	\$ (52,451)

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	
\$ 291,051	\$ 2,350,086	\$ 10,593,135	\$ 76,547,598	\$ 25,104,430	Cash flows from operating activities:
(653,477)	(3,779)	(6,241,841)	(30,417,008)	(22,722,448)	Cash received from customers
(297,094)	-	(787,057)	(4,495,079)	-	Cash payments to suppliers for goods and services
(604,721)	(14,469)	(12,750,714)	(30,119,433)	(972,581)	Cash paid for interfund services provided and used
(1,264,241)	2,331,838	(9,186,477)	11,516,078	1,409,401	Cash payments to employees for services
					Net cash provided (used) by operating activities:
					Cash flows from noncapital financing activities:
12,961	-	5,752,351	15,160,348	6,416	Intergovernmental
-	-	1,735,733	1,735,733	-	Due from other funds
4,537,867	-	10,939,153	16,135,658	-	Transfers-in from other funds
(151,960)	(38,000)	(2,796,488)	(2,986,448)	(8,728)	Transfers-out to other funds
4,398,868	(38,000)	15,630,749	30,045,291	(2,312)	Net cash provided (used) by noncapital financing activities
					Cash flows from capital and related financing activities:
(5,797)	(3,867,188)	(3,581,007)	(13,118,388)	-	Acquisition and construction of capital assets
1,575	-	(6,159)	33,941	10,468	Proceeds (Loss) from sale of capital assets
-	-	-	5,292,498	-	Proceeds from sale of bonds net of issuance costs
(1,130,000)	(645,000)	(865,000)	(9,144,253)	-	Principal paid on revenue bond maturities and notes payable
(2,230,675)	(28,793)	(435,828)	(10,148,947)	-	Interest paid on revenue bonds and notes payable
-	-	-	(2,000,000)	-	Intergovernmental payments
(3,364,897)	(4,540,981)	(4,887,994)	(29,085,149)	10,468	Net cash used for capital and related financing activities
					Cash flows from investing activities:
11,345	12,694	9,174	194,599	12,593	Interest and dividends on investments
11,345	12,694	9,174	194,599	12,593	Net cash provided by investing activities
(218,925)	(2,234,449)	1,565,452	12,670,819	1,430,150	Net increase (decrease) in cash and cash equivalents
4,504,604	5,811,304	4,549,979	120,438,933	13,342,666	Cash, investments and cash equivalents at beginning of year
\$ 4,285,679	\$ 3,576,855	\$ 6,115,431	\$ 133,109,752	\$ 14,772,816	Cash, investments and cash equivalents at end of year
					Reconciliation of operating income (loss) to net cash provided (used) by operating activities:
\$ (2,756,879)	\$ 1,454,273	\$ (12,848,944)	\$ (10,087,540)	\$ 1,139,963	Operating income (loss)
					Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:
1,357,285	876,962	3,729,182	23,332,354	8,145	Depreciation/amortization/bad debt expense
(3,206)	-	20,412	(2,159,335)	-	Change in assets and liabilities:
(12,966)	-	-	(16,787)	-	(Increase) decrease in accounts receivable
22,947	-	(216,404)	(186,677)	459,514	(Increase) decrease in prepaid expenses
-	-	117,424	749,133	-	Increase (decrease) in accounts payable
7,900	75	14,020	65,656	2,205	Increase (decrease) in miscellaneous payable
7,999	528	(2,126)	6,251	1,907	Increase (decrease) in compensated absences payable
112,679	-	(41)	(186,977)	-	Increase (decrease) in accrued wages payable
-	-	-	-	(202,333)	Increase (decrease) in escrow
					(Increase) decrease in claims payable
1,492,638	877,565	3,662,467	21,603,618	269,438	Total adjustments
\$ (1,264,241)	\$ 2,331,838	\$ (9,186,477)	\$ 11,516,078	\$ 1,409,401	Net cash provided (used) by operating activities

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City of Santa Fe, New Mexico
Notes to the Financial Statements
June 30, 2013

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 was no longer responsible for the authority’s debt as a result of a HUD release. 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 position and the statement of activities) report information on the government. For the most part, the effect of inter-fund 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

City of Santa Fe, New Mexico
Notes to the Financial Statements
June 30, 2013

is incurred, regardless of the timing of related cash flows. Property taxes are recognized as 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 10th and April 10th. 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.

City of Santa Fe, New Mexico
Notes to the Financial Statements
June 30, 2013

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.

As a general rule the effect of inter-fund 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 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

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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 position 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:

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

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Home Loan Bank, or the Federal Farm Credit Bank, 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 AA 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 AAA 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 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.

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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 inter-fund loans) or “advances to/from other funds” (i.e., the non-current portion of inter-fund 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 uncollectible 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 12 and becomes delinquent on December 10. The second half is due on April 10 and becomes delinquent on May 12, 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.

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

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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 position. The amount recorded at June 30, 2013 was \$885,580.

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.

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 Railyard and the College of Santa Fe during the current fiscal year was \$7,239 and \$1,551,432 respectively.

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

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

8. Fund Balance

Fund balances of the governmental funds are classified as follows:

Non-spendable - amounts that cannot be spent either because they are in non-spendable 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

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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 position restricted by enabling legislation is \$44,915,056 which represents all restricted net position reported on page 21.

Committed - amounts that can be used only for specific purposes determined by a formal action of City Council. The City Council 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 nor 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 non-spendable, restricted, or committed in governmental funds outside of the general fund.

Unassigned - all other spendable amounts.

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Fund Balance Purpose	General	Debt Service	1/2% Gross Receipts Tax	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable					
Inventory	\$ 105,821	\$ -	\$ -	\$ -	\$ 105,821
Endowment				250,000	250,000
Due from other Funds	-	-	6,084,545	-	6,084,545
Spendable					
Restricted					
General Government	5,549,075	-	2,992,089	8,124,738	16,665,902
Open Space projects	-	2,789,052	-	-	2,789,052
Public Safety	-	-	-	4,504,941	4,504,941
Public Works	-	-	-	11,310,793	11,310,793
Community Development	-	-	-	3,063,523	3,063,523
Culture & Recreation	-	-	-	6,580,845	6,580,845
Committed					
General Government	1,306,416	1,959,878	-	651,940	3,918,234
Culture & Recreation	-	-	-	274,917	274,917
Assigned					
General Government	-	-	-	408,080	408,080
Public Works	-	-	-	2,068,092	2,068,092
Community Development	-	-	-	1,000	1,000
Culture & Recreation	-	-	-	1,670,741	1,670,741
Unassigned					
General Government	7,634,215	-	-	(377,214)	7,257,001
Public Safety	-	-	-	326,462	326,462
Public Works	-	-	-	1	1
Culture & Recreation	-	-	-	2,085	2,085
	\$ 14,595,527	\$ 4,748,930	\$ 9,076,634	\$ 38,860,944	\$ 67,282,035

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9. Net Position

The government-wide and business types fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

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

Restricted position 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 maintains fund balance compliance for post closure and 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 Position consist of net position that does not meet the definition of "restricted" or "net investment in capital assets."

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 position is 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 position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental* activities as reported in the government-wide statement of net position. 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 (\$133,606,690) difference are as follows:

Bonds Payable	\$	(116,375,000)
Plus: Bond premium/discount (to be amortized as interest expense)		(8,449,195)
Intergovernmental Notes Payable		(3,172,781)
Capital Leases Payable		(575,700)
Sub - Total		(128,572,676)
Compensated Absences		(5,034,014)
Net Adjustment to reduce <i>fund balance - total governmental funds</i>	\$	(133,606,690)

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 position 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 \$1,430,875 are as follows:

Capital Outlay		\$ 17,228,467
Less: Capital Outlay-Inventory Exempt		(5,068,748)
Depreciation Expense		(10,728,844)
Net Adjustment to Increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	1,430,875

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Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.” Neither transaction however has any effect on net position. Also, governmental funds report the deferred and amortized amounts in the statement of activities. The details of this (\$7,070,283) difference are as follows:

Debt Issued or Incurred:	
Issuance of revenue bonds plus premium/discount	\$ (26,303,848)
Issuance of general obligation bonds (good faith deposit)	(240,000)
Deferred bond costs	124,312
Principal Repayments:	
Revenue bond debt	6,775,000
General obligation bond debt	1,200,000
Revenue bond refunding	10,890,000
NMFA loan refunding	13,944,692
NMFA and HUD Loan agreement payments	<u>680,127</u>
Net Adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ 7,070,283</u></u>

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 \$(927,845) difference are as follows:

Compensated Absences	\$ 21,265
Interest Payable	18,441
Amortization of bond premiums/discounts	1,218,174
Amortization of deferred charges/cost of issuance	<u>(330,035)</u>
Net Adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ 927,845</u></u>

III. Stewardship, compliance and accountability

A. Budgetary information

Annual budgets are adopted on a basis other than generally accepted accounting principles (Non-GAAP basis) for all funds. Depreciation is not budgeted for enterprise funds. All annual appropriations lapse at the 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

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approval of the final budget. Prior to the first Monday in September, the Local Governmental Division must certify a final budget for the municipality.

Because the Non-GAAP basis of accounting is not generally accepted accounting method for governmental and propriety funds, differences result from budgeting for various items. Reconciliations between the budget basis (Non-GAAP) and GAAP basis are provided in the budgetary schedules.

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
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 \$50,000. Transfers of appropriations in excess of \$50,000 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 budgeted appropriations

For the year ended June 30, 2013, expenditures/expenses exceeded budgeted appropriations in the following funds:

The CIP Special Projects Fund is reporting excess expenses over appropriations of \$10,726. The deficit was caused by unexpected cost incurred at year end.

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The Special Revenue Fund Franchise Fee is reporting excess expenses over appropriations of \$6,908. This deficit was caused by unexpected commitment at year end.

The Worker's Compensation Fund, reported as Internal Service Fund, is reporting excess of expenses over appropriation of \$150,958. The deficit was caused by an increase in claims.

C. Deficit fund equity

The Municipal Recreation Complex, reported as an Enterprise Fund, has deficit fund equity of \$4,791,446. 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 a Capital Improvement Fund, has deficit fund balance of \$377,214. 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 Franchise Fee Fund, reported as a Special Revenue Fund, has a deficit fund balance of \$229. The deficit is a result of unexpected commitments this deficit is expected to be recovered as a result of on-going operations.

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 \$96,280,052 and the year-end bank balance was \$99,193,148. 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 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 repurchase sweep account, the underlying investments of which are U.S. Government securities, is also 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, 2013 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.

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B. Investments

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

	Fair Value	Maturities		
		Less than 1 year	1 - 3 years	3 - 5 years
U. S. Government Agency bonds	\$ 91,561,607	\$ 7,223,015	\$ 52,875,909	\$ 31,462,683
NM Municipal bonds	7,859,629	3,115,985	4,743,644	-
		<u>\$ 10,339,000</u>	<u>\$ 57,619,553</u>	<u>\$ 31,462,683</u>
Money Market Funds	167,964			
NM LGIP	702,858			
Total Investments	<u>\$ 100,292,058</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 (NM LGIP) at June 30, 2013 had a WAM (R) of 59 days and a WAM (F) of 90 days. The NMLGIP reports two values for weighted average maturity at the request of Standard and Poor's, which rates the pool. WAM (R) is the weighted average maturity for reset bonds, i.e. longer term bonds that react as shorter term bonds due to a 60-day variable rate structure for resetting rates. S&P allows the NMLGIP to purchase such bonds as long as they are clearly identified and this separate maturity calculation is provided. The WAM (F) is the traditional weighted average final maturity value for the pool.

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. State statute does not permit municipalities to invest in commercial paper and corporate notes, so 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 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

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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 3.5% of the portfolio at the end of FY 12-13.

	<u>Fair Value</u>	<u>S&P</u>	<u>Moody's</u>
Albuquerque NM Gross Receipts Tax Refunding Bond	1,510,529	AAA	AA2
San Juan County NM Central Consolidated School Ref.	1,309,400	N/R	AA1
Santa Fe NM Community College District	1,605,456	N/R	AA1
Santa Fe NM Community College District	3,434,244	N/R	AA1
	<u>\$ 7,859,629</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, 2013 with their respective percentage distribution, weighted average maturity and ratings. In addition to municipals, 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 or transferred to the City's operating accounts to meet cash needs.

<u>Investment</u>	<u>Agencies</u> <u>Fair Value</u>	<u>%</u>	<u>WAM</u> <u>(Days)</u>	<u>S&P</u> <u>Rating</u>	<u>Moody's</u> <u>Rating</u>
NM LGIP	\$ 702,854	0.57%	1	AAAm	-
WFB Adv. Govt. Money Market	167,964	0.14%	1	AAAm	Aaa-mf
US Agencies					
FFCB	15,835,115	12.79%	438	AA+	AAA
FHLB	14,799,178	11.96%	223	AA+	AAA
FNMA	42,164,579	34.07%	215	AA+	AAA
FHLMC	42,119,891	34.03%	196	AA+	AAA
GNMAs	118,906	0.10%	1379	NA	NA
NM Municipals - Taxable	1,510,529	1.22%	1	AAA	AA2
NM Municipals - Tax Exempt	6,349,100	5.13%	379	N/R	AA1
TOTAL	<u>\$ 123,768,116</u>	100.00%	224		

The weighted average maturity (WAM) remains the standard for reporting the average hold time for securities in a portfolio, even though this fiscal year saw a major shift in the securities market to callable securities, and for these securities to actually be called far in advance of their stated maturity date. As such, the WAM above overstates the length of time the City will hold securities in its portfolio as of June 30, 2013. The weighted average based on the first call date for the City's entire portfolio (including cash accounts) at June 30, 2013 was 197 days. Calls for such bonds are generally only announced five to ten days in advance of the call date, making a more realistic value for the portfolio term difficult to achieve. The continued downward trend in yields enabled the City to purchase longer term callable

City of Santa Fe, New Mexico
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securities at higher yields than non-callable securities. During the fiscal year, over 95% of the securities were called at the first call date, shortening the actual term by two to four years. Purchases are made with the knowledge that a security may be called early, but that the yield and term are acceptable should the security actually be held to maturity. Due to changes in the financial markets, the City holds more cash to compensate for the decreased clarity in laddering the City's securities purchases. This flexibility has helped the City earn higher interest earnings in this economy than it would with U.S. Treasuries or non-callable securities, without increasing risk exposure.

In response to comments by the Federal Reserve Bank, abrupt financial market changes occurred on May 22, 2013, that affected the market value of the securities held by the City. At June 30, 2013, the City held Federal agency securities with a par value of \$110,462,684 and municipal agency securities with a par value of \$7,660,000. Had the City chosen to liquidate the Federal agency securities at fiscal year end, the market value was \$109,815,833, for a possible loss of \$646,851. Had the City liquidated the municipal securities, the market value was \$7,859,629, for a possible gain of \$199,629. While these unrealized market value changes have been accounted for using standard accounting methods, the City incurred no actual loss since the City holds securities until they mature or are called and so receives the full par value. The City has not recorded an unrealized loss on securities since August, 2007.

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 AA+ by Standard and Poor's at June 30, 2013. 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, 2013, the NMLGIP was invested in US agencies, treasuries, and bank deposits. In addition to the standard US agencies, investments included FDIC guaranteed notes, and securities of three supranational agencies consisting of the International Finance Corporation, the Inter-American Development Bank and the International Bank for Reconstruction which are backed by the US government. The NMLGIP portfolio contained no private sector corporate paper at fiscal year end.

The City held uninsured deposits of \$88,908,529 at June 30, 2013, 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. Bank balances represented 44.3% of the total portfolio at June 30, 2013.

City of Santa Fe, New Mexico
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June 30, 2013

	<u>Cash Balance</u>	<u>%</u>
Wells Fargo Bank	\$ 54,880,989	61.73%
First National Bank of Santa Fe	21,277,540	23.93%
Los Alamos National Bank	10,000,000	11.25%
Community Bank	2,750,000	3.09%
Total Collateralized	<u>\$ 88,908,529</u>	100.00%

C. Receivables

Receivables at June 30, 2013 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 Convention Center	College of Santa Fe	Nonmajor and Other Funds	Total
Receivables:											
Taxes	\$ 9,615,878	\$ 41,383	\$ 2,656,189	\$ 328,059	\$ 1,311,091	\$ 328,077	\$ -	\$ -	\$ -	2,817,333	\$ 17,098,010
Grants	56,341	-	-	-	548,670	-	-	577,726	-	3,642,096	4,824,833
Accounts	-	-	-	2,962,472	11,405,905	2,405,354	-	-	195,000	361,625	17,330,356
Notes	-	-	-	239,342	-	-	-	321,486	-	-	560,828
Interest	16,265	7,572	-	25,137	107,391	9,615	1,036	6,113	4,302	70,654	248,085
Ambulance	4,117,951	-	-	-	-	-	-	-	-	-	4,117,951
Other	109,045	-	-	-	-	-	-	-	-	3,582,172	3,691,217
Gross Receivables	13,915,480	48,955	2,656,189	3,555,010	13,373,057	2,743,046	1,036	905,325	199,302	10,473,880	47,871,280
Less: Allowance											
Uncollectible:	(3,177,489)	-	-	(1,179,915)	(3,719,047)	(847,074)	-	-	-	(127,672)	(9,051,197)
Total Primary											
Government	\$ 10,737,991	\$ 48,955	\$ 2,656,189	\$ 2,375,095	\$ 9,654,010	\$ 1,895,972	\$ 1,036	\$ 905,325	\$ 199,302	\$ 10,346,208	\$ 38,820,083

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:

	<u>Deferred</u>
Land Sale Contract-(Special Revenue)	\$ 2,512,827
Special Assessments-(Special Revenue)	84,762
Advance for construction-(CIP fund)	5,000
Reimbursement of Gas line extension-(General Fund)	43,779
Liquor Licenses-(General Fund)	79,050
Total Unearned Revenue for Governmental Funds	<u>\$ 2,725,418</u>

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D. Capital assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$ 169,939,946	\$ -	\$ -	\$ 169,939,946
Construction in Progress	25,876,710	8,528,281	(14,050,266)	20,354,725
Art	922,920	-	-	922,920
Total Capital Assets not being Depreciated	<u>196,739,576</u>	<u>8,528,281</u>	<u>(14,050,266)</u>	<u>191,217,591</u>
Capital Assets being Depreciated:				
Buildings and Systems	57,906,587	-	-	57,906,587
Improvements	46,697,665	5,104,993	-	51,802,658
Equipment and Machinery	16,554,479	1,703,248	(2,161,665)	16,096,062
Furniture and Fixtures	857,975	-	(43,648)	814,327
Vehicles	21,045,582	1,928,190	(1,126,916)	21,846,856
Data Processing and Software	11,746,526	-	(834,623)	10,911,903
Traffic Signals	23,222,048	-	-	23,222,048
Streets	191,454,881	8,941,443	-	200,396,324
Bridges	2,109,269	-	-	2,109,269
Total Capital Assets being Depreciated	<u>371,595,012</u>	<u>17,677,874</u>	<u>(4,166,852)</u>	<u>385,106,034</u>
Less: Accumulated Depreciation for:				
Buildings	(13,881,288)	(1,483,682)	-	(15,364,970)
Improvements	(24,555,034)	(3,678,990)	-	(28,234,024)
Equipment and Machinery	(14,483,521)	(874,166)	2,154,285	(13,203,402)
Furniture and Fixtures	(604,568)	(39,655)	41,548	(602,675)
Vehicles	(15,116,062)	(1,600,931)	985,343	(15,731,650)
Data Processing and Software	(9,034,594)	-	834,623	(8,199,971)
Traffic Signals	(21,638,797)	(408,843)	-	(22,047,640)
Streets	(153,605,675)	(2,560,164)	-	(156,165,839)
Bridges	(525,043)	(90,558)	-	(615,601)
Total Accumulated Depreciation	<u>(253,444,582)</u>	<u>(10,736,989)</u>	<u>4,015,799</u>	<u>(260,165,772)</u>
Total Capital Assets being Depreciated	<u>118,150,430</u>	<u>6,940,885</u>	<u>(151,053)</u>	<u>124,940,262</u>
Governmental Activities Capital Assets	<u>\$ 314,890,006</u>	<u>\$ 15,469,166</u>	<u>\$ (14,201,319)</u>	<u>\$ 316,157,853</u>

City of Santa Fe, New Mexico
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	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital Assets not being Depreciated:				
Land	\$ 38,260,558	\$ -	\$ -	\$ 38,260,558
Water Rights	932,658	-	-	932,658
Construction in Progress	54,757,998	12,661,589	(29,269,778)	38,149,809
Art	185,971	-	-	185,971
Total Assets not being Depreciated	94,137,185	12,661,589	(29,269,778)	77,528,996
Capital Assets being Depreciated:				
Buildings and Structures	307,927,671	-	(6,875)	307,920,796
Improvements	108,231,951	20,441,272	(50,000)	128,623,223
Sewerlines and Utility Systems	103,021,987	8,495,418	(79,520)	111,437,885
Equipment and Machinery	20,491,866	457,610	(277,774)	20,671,702
Furniture and Fixtures	684,536	-	(6,070)	678,466.00
Vehicles	25,166,842	1,424,062	(959,865)	25,631,039
Intangible Plant	57,625	-	-	57,625
Data Processing and Software	3,273,551	251,372	(261,388)	3,263,535
Total Assets being Depreciated	568,856,029	31,069,734	(1,641,492)	598,284,271
Less Accumulated Depreciation for:				
Buildings and Structures	(40,768,458)	(6,813,336)	3,997	(47,577,797)
Improvements	(55,893,074)	(8,826,406)	50,000	(64,669,480)
Sewerlines and Utility Systems	(59,143,302)	(3,874,711)	79,520	(62,938,493)
Equipment and Machinery	(15,702,522)	(1,372,740)	276,445	(16,798,817)
Furniture and Fixtures	(665,450)	(10,516)	6,070	(669,896)
Vehicles	(16,068,320)	(1,932,351)	951,308	(17,049,363)
Intangible Plant	(57,625)	-	-	(57,625)
Data Processing and Software	(2,286,109)	(256,942)	249,109	(2,293,942)
Total Accumulated Depreciation	(190,584,860)	(23,087,002)	1,616,449	(212,055,413)
Total Capital Assets being Depreciated	378,271,169	7,982,732	(25,043)	386,228,858
Business-type Activities Capital Assets	\$ 472,408,354	\$ 20,644,321	\$ (29,294,821)	\$ 463,757,854

City of Santa Fe, New Mexico
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Depreciation expense was charged to function/programs of the government as follows:

Governmental Activities:	
General Government	\$ 1,725,627
Public Safety	953,556
Highways and Streets, excluding depreciation of general infrastructure assets	6,990,950
Community Welfare	204,827
Culture and Recreation	853,884
Subtotal	10,728,844
Capital Assets held by the City's Internal Service Funds are charged to the various functions based on their usage of the Assets	8,145
Total Depreciation Expense - Governmental Activities	\$ 10,736,989
 Business - Type Activities:	
Santa Fe Convention Center	\$ 1,337,324
Parking Operations	496,600
Solid Waste Management	856,993
Waste Water Management	2,976,918
Water Management	10,192,839
Municipal Recreation Center	218,021
Genoveva Chavez Community Center	490,891
Airport	1,376,825
Transit Operations	1,124,175
Railyard	3,139,454
College of Santa Fe	876,962
Total Depreciation Expense - Business-Type Activities	\$ 23,087,002

Construction commitments:

The City has active construction projects as of June 30, 2013. 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:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitments</u>
Street and Highway Construction	\$ 36,350,326	\$ 414,986
Parks and Recreation	16,548,830	1,213,988
Municipal Facilities Improvements	1,547,203	41,630
Railyard Infrastructure	28,253,338	148,505
Airport Improvements	15,532,948	327,996
Community Welfare	2,279,719	292,891
Community Development	3,652,938	3,027,478
Water Division Improvements	41,920,845	2,386,400
Convention Center	62,445,030	8,844
General Government	220,903	6,633
Wastewater management	2,285,343	151,155
Total	\$ 211,037,423	\$ 8,020,506

City of Santa Fe, New Mexico
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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.

City of Santa Fe, New Mexico
Notes to the Financial Statements
June 30, 2013

F. Inter-fund receivables, payables, and transfers

The composition of inter-fund balances as of June 30, 2013 is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Primary Government:		
General Fund		
Special Revenue Funds:		
NEA Grant	\$ 11,815	-
Capital Projects Funds		
Special Projects	371,055	-
Enterprise Funds:		
MRC	820,390	-
Airport	1,650,390	-
Special Revenue Funds:		
General Fund	-	625,619
Capital Improvement Funds		
1/2% Gross Receipts Tax	-	560,000
Capital Projects Funds		
General Fund	-	371,055
Special Revenue Funds:	613,804	-
Capital Improvement Funds		
1/2%Gross Receipts Tax	560,000	-
Enterprise:		
Water Management	5,524,545	-
Enterprise Funds		
General Fund:	-	2,470,780
Capital Project Funds:		
1/2% Gross Receipts Tax	-	5,524,545
Total All Funds	\$ 9,551,999	\$ 9,551,999

City of Santa Fe, New Mexico
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Inter-fund transfers:

Transfer In From							
Fund Disbursing	General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise Funds	Internal Service	Total
General Fund	\$ -	\$ 2,467,514	\$ -	\$ 48,384	\$ 401,220	\$ -	\$ 2,917,118
Special Revenue	4,648,623	1,370,037	1,028,900	-	14,438	7,893	7,069,891
Capital Projects	-	1,730,000	385,235	2,710,000	23,115	-	4,848,350
Debt Service	-	974,495	10,840,196	26,010,761	2,500,000	-	40,325,452
Enterprise Funds	89,250	13,130,242	2,327,656	540,000	47,675	835	16,135,658
Total	\$ 4,737,873	\$ 19,672,288	\$ 14,581,987	\$ 29,309,145	\$ 2,986,448	\$ 8,728	\$ 71,296,469

Transfer Out To							
Fund Disbursing	General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise Funds	Internal Service	Total
General Fund	\$ -	\$ 4,648,623	\$ -	\$ -	\$ 89,250	\$ -	\$ 4,737,873
Special Revenue	2,467,514	1,370,037	1,730,000	974,495	13,130,242	-	19,672,288
Capital Projects	-	1,028,900	385,235	10,840,196	2,327,656	-	14,581,987
Debt Service	48,384	-	2,710,000	26,010,761	540,000	-	29,309,145
Enterprise Funds	401,220	14,438	23,115	2,500,000	47,675	-	2,986,448
Internal Service	-	7,893	-	-	835	-	8,728
Total	\$ 2,917,118	\$ 7,069,891	\$ 4,848,350	\$ 40,325,452	\$ 16,135,658	\$ -	\$ 71,296,469

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.

City of Santa Fe, New Mexico
Notes to the Financial Statements
June 30, 2013

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, 2013.

Capital Leases

On September 20, 2011, the City entered into a lease agreement as lessee for financing the acquisition of new phone equipment for its facilities. This lease qualified as a capital lease for accounting purposes and has been recorded as governmental 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	\$ 959,500
Total	<u>\$ 959,500</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2013, were as follows:

<u>Year Ending June 30, 2013</u>	<u>Intergovernmental</u>
2014	\$ 200,132
2015	200,132
2016	200,132
Total Minimum Lease Payment	<u>600,396</u>
Less: Amount Representing Interest	<u>(24,696)</u>
Present Value of Minimum Lease Payments	<u>\$ 575,700</u>

H. Long-Term Debt

Long-term debt of the City at June 30, 2013 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.

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During FY 2012-13 the City issued one new enterprise revenue bond. On December 19, 2012, the City issued the Subordinate Lien Gross Receipts Tax Improvement Revenue Bonds, Series 2012C, in the par amount of \$4,685,000, maturing June 2033, and carrying interest rates from 2.00% to 5.00%. These bonds were used to purchase and build-out the Market Station Condominium in the Railyard project for use as City offices.

During FY 2012-13 the City issued two new governmental revenue bonds. On June 18, 2013, the City issued the Gross Receipts Tax Refunding Revenue Bonds, Series 2013A, in the par amount of \$10,880,000, maturing June 2036, and carrying interest rates from 2.00% to 4.00%. These bonds plus premium were used to partially advance refund the outstanding Gross Receipts Tax Improvement Revenue Bonds, Series 2006.

Also on June 18, 2013, the City issued the Gross Receipts Tax Refunding Revenue Bonds, Series 2013B, in the par amount of \$13,780,000, maturing June 2036, and carrying interest rates from 2.00% to 5.00%. These bonds plus premium were used to refund the outstanding New Mexico Finance Authority Parking Garage Loan.

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

Purpose	Interest Rates	Amount
Governmental Activities	2.00 - 5.50%	\$ 89,625,000
Business - Type Activities	3.25 - 6.00%	194,225,000
		<u>\$ 283,850,000</u>

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

Years Ended	Governmental Activities		Business - Type Activities	
	Principal	Interest	Principal	Interest
June 30				
2014	\$ 7,270,000	\$4,402,454	\$ 8,325,000	\$ 9,767,777
2015	7,575,000	4,098,487	8,905,000	9,339,186
2016	7,920,000	3,205,037	9,350,000	8,970,549
2017	8,175,000	2,950,938	9,840,000	8,551,796
2018	8,505,000	2,620,388	10,325,000	8,130,374
2019-2023	33,370,000	7,605,675	54,555,000	32,819,381
2024-2028	10,110,000	2,136,425	31,960,000	21,541,450
2029-2033	3,975,000	883,125	28,810,000	14,337,185
2034-2038	2,725,000	193,025	23,125,000	6,453,288
2039-2043	-	-	9,030,000	559,860
Total	\$ 89,625,000	\$ 28,095,554	\$ 194,225,000	\$ 120,470,846

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

Purpose	Interest Rates	Amount
Governmental Activities	2.50 - 5.00%	\$ 26,510,000
		<u>\$ 26,510,000</u>

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

Years Ended June 30	Governmental Activities	
	Principal	Interest
2014	1,245,000	1,025,001
2015	1,295,000	980,501
2016	1,345,000	934,264
2017	1,395,000	886,251
2018	1,450,000	835,201
2019-2023	8,225,000	3,256,291
2024-2028	10,150,000	1,360,443
2029-2033	1,405,000	50,953
Total	\$ 26,510,000	\$ 9,328,905

Notes payable – Primary Government

The City serves as fiscal agent for the Buckman Direct Diversion Project, a regional water project. Of the loans the City has secured for construction of this project, there are four New Mexico Finance Authority loans for which the County of Santa Fe has committed to reimbursing the City for 50% of the loan cost and has received credit for half of the associated grant funds.

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

Note payable to NMFA (SANTAFE16) 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 County receives credit for 50% of the grant proceeds and will reimburse the City for 50% of the loan cost.

During fiscal year 2008-2009 the City secured an additional NMFA loan to partially fund construction of the Buckman Direct Diversion Water Project.

Note payable to NMFA (SANTAFE19) 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 County receives credit for 50% of the grant proceeds and will reimburse the City for 50% of the loan cost.

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June 30, 2013

During fiscal year 2009-2010 the City secured an additional NMFA loan to partially fund construction of the Buckman Direct Diversion Water Project.

Note payable to NMFA (SANTAFE WPF4) 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 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 County receives credit for 50% of the grant proceeds and will reimburse the City for 50% of the loan cost.

During fiscal year 2010-2011 the City received an additional loan from NMFA to partially fund construction of the Buckman Direct Diversion Water Project.

Note payable to NMFA (SANTAFE WPF6) 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 County receives credit for 50% of the grant proceeds and will reimburse the City for 50% of the loan cost.

The following represents the status as of June 30, 2013, of the four water loans that the County of Santa Fe has agreed to reimburse the City for 50% of the loan costs.

Buckman (#SANTAFE16)	\$ 144,576
Buckman (#SANTAFE19)	652,748
Buckman (#SANTAFE WPF 4)	682,532
Buckman (#SANTAFE WPF 6)	360,893
	<u>\$ 1,840,749</u>
Less: Current Portion	<u>(109,174)</u>
Total Long Term Notes Payable	\$ 1,731,575
Less: Cash in Trust	-
Total LT Notes Payable Less Cash in Trust	<u><u>\$ 1,731,575</u></u>

The City of Santa Fe has secured other loans from NMFA to fund a variety of water projects including a portion of the construction of the Buckman Direct Diversion Project.

During fiscal year 2007-2008 the City secured a loan from NMFA to partially fund construction of the regional Buckman Direct Diversion Project.

Note payable to NMFA (SANTAFE DW-2) 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.

City of Santa Fe, New Mexico
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During fiscal year 2008-2009 the City secured an additional NMFA loan to partially fund construction of water system upgrades.

Note payable to the NMFA (SANTAFE WPF3) 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 Water Treatment Plant.

During fiscal year 2010-2011 the City recorded 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 (SANTAFE 22) 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 for the Buckman Direct Diversion Project.

Note payable to NMFA (SANTAFEWPF5) 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.

Note payable to NMFA (SANTAFE DW-3) through the Drinking Water State Revolving Loan Fund 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.

During fiscal year 2011-2012 the City recorded an additional loan and amended an existing loan from NMFA for water-related purposes.

On August 5, 2011, the City closed on a New Mexico Finance Authority Water Trust Board (SANTAFE #WPF7) grant/loan 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 November 4, 2011, the City amended the New Mexico Finance Authority loan (SANTAFE DW-3) originally closed August 13, 2010 in the amount of \$250,000 and maturing June 2032. This loan was increased to \$320,138 to partially fund various upgrades to the City's water utility system.

City of Santa Fe, New Mexico
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The following represents the status of the water loans as of June 30, 2013.

Buckman (#SANTAFEDW2)	\$ 12,581,167
Canyon Rd Treatment Plant (#SANTAFE WPF3)	321,594
Water Upgrade (#SANTAFE22)	191,536
Watershed Management (#SANTAFE WPF5)	186,117
Green Energy Efficiency (#SANTA FE DW3)	302,237
Canyon Rd Treatment Plant (#SANTAFE WPF7)	270,670
	<u>\$ 13,853,321</u>
Less: Current Portion	<u>(758,552)</u>
Total Long Term Notes Payable	\$ 13,094,769
Less: Cash in Trust	(45)
Total LT Notes Payable Less Cash in Trust	<u>\$ 13,094,724</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.

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.

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The following represents the status of the railyard loans as of June 30, 2013.

Railyard Infrastructure #8	\$ 431,973
Railyard Infrastructure #15B	752,444
Total Notes Payable	<u>\$ 1,184,417</u>
Less: Current Portion	<u>(70,210)</u>
Total Long Term Notes Payable	<u>\$ 1,114,207</u>
Less: Cash in Trust	<u>-</u>
Total LT Notes Payable Less Cash In Trust	<u><u>\$ 1,114,207</u></u>

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.

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, 2013.

Santa Fe University of Art & Design	<u>\$ 27,725,000</u>
Total Notes Payable	<u>\$ 27,725,000</u>
Less: Current Portion	<u>(665,000)</u>
Total Long Term Notes Payable	<u>\$ 27,060,000</u>
Less: Cash in Trust	<u>(6)</u>
Total LT Notes Payable Less Cash In Trust	<u><u>\$ 27,059,994</u></u>

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 ½% gross receipts tax.

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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 project 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.

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.

The following represents the status of the NMFA Land Acquisition loan and the HUD loan as of June 30, 2013.

Land Acquisition	2,965,784
HUD Section 108	207,000
Total Notes Payable	<u>\$ 3,172,784</u>
Less: Current Portion	<u>(166,450)</u>
Total Long Term Notes Payable	<u>\$ 3,006,334</u>
Less: Cash in Trust	<u>(40,058)</u>
Total LT Notes Payable Less Cash In Trust	<u><u>\$ 2,966,276</u></u>

The debt service requirements to maturity for long term notes payable at June 30, 2013 are as follows:

Years Ended June 30	Governmental Activities		Business - Type Activities	
	Principal	Interest	Principal	Interest
2014	166,450	138,610	1,602,936	1,850,901
2015	171,468	132,668	1,641,047	1,811,834
2016	176,885	126,301	1,689,712	1,768,275
2017	182,716	119,494	1,738,921	1,721,588
2018	188,975	112,238	1,788,692	1,671,048
2019-2023	1,055,952	434,640	9,805,868	7,462,840
2024-2028	1,230,338	177,350	11,303,709	5,593,656
2029-2033	-	-	9,097,602	3,300,234
2034-2038	-	-	5,935,000	734,470
Total	<u>\$ 3,172,784</u>	<u>\$ 1,241,301</u>	<u>\$ 44,603,487</u>	<u>\$ 25,914,846</u>

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Advance and current refunding

During fiscal year 2012-2013 the City issued both an advance refunding bond issue and a refunding bond issue.

On June 18, 2013, the City issued the \$10,880,000 Gross Receipts Tax Refunding Revenue Bonds, Series 2013A, for the purpose of partially advance refunding the City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2006, with the exception of a principal payment of \$1,000,000 due June 1, 2014, and a principal payment of \$2,045,000 due June 1, 2015. Proceeds from the 2013A 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 portion of the Series 2006 bonds advance refunded 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 payment over seven years of \$771,583 and resulted in an economic gain of \$734,083.

On June 18, 2013, the City issued the \$13,780,000 Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2013B, for the purpose of fully refunding the New Mexico Finance Authority Parking Garage Loan. This advance refunding was undertaken to allow the City to achieve a reduction in total debt service payment over twenty-three years of \$1,565,789 and resulted in an economic gain of \$1,417,315.

City of Santa Fe, New Mexico
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Changes in long-term liabilities

The changes in long-term debt during the year ended June 30, 2013, are as follows:

	Oustanding June 30, 2012	Additions	Reductions	Oustanding June 30, 2013	Due Within One Year
Governmental Activities:					
Revenue Bonds Payable	\$ 82,630,000	\$ 24,660,000	\$ (17,665,000)	\$ 89,625,000	\$ 7,270,000
General Obligation Bonds Payable	27,710,000	240,000	(1,200,000)	26,750,000	1,245,000
New Mexico Finance Authority Loans	17,572,603	-	(14,606,819)	2,965,784	148,450
HUD Section 108	225,000	-	(18,000)	207,000	18,000
Add. Deferred Amount (prem./disc.)	8,111,205	1,643,848	(1,305,860)	8,449,193	1,097,916
Compensated Absences	5,410,562	2,507,819	(2,334,861)	5,583,520	474,019
Capital Leases	767,600	-	(191,900)	575,700	191,900
Governmental Activity	\$ 142,426,970	\$ 29,051,667	\$ (37,322,440)	\$ 134,156,197	\$ 10,445,285
Business - Type Activities:					
Convention Center Bonds	\$ 46,480,000	\$ -	\$ (1,130,000)	\$ 45,350,000	\$ 1,175,000
Water Revenue Bonds	99,515,000	-	(3,075,000)	96,440,000	3,210,000
Wastewater Revenue Bonds	20,105,000	-	(1,495,000)	18,610,000	1,515,000
Solid Waste Revenue Bonds	10,535,339	439,661	(785,000)	10,190,000	830,000
Municipal Recreation Complex Revenue	10,030,000	-	(865,000)	9,165,000	900,000
Railyard Refunding Bonds	10,020,000	-	(235,000)	9,785,000	610,000
Market Station Bonds	-	4,685,000	-	4,685,000	85,000
New Mexico Finance Authority Loans	46,515,123	308,824	(2,220,460)	44,603,487	1,602,936
Add. Deferred Amount (prem./disc.)	7,798,457	458,284	(572,971)	7,683,770	583,344
Compensated Absences	2,049,060	327,702	(158,641)	2,218,121	210,655
Business - Type Activity	\$ 253,047,979	\$ 6,219,471	\$ (10,537,072)	\$ 248,730,378	\$ 10,721,935

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, \$75,486 of internal service funds compensated absences is included in the above amounts. The amount \$474,019 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 position.

Defeased Debt

In prior years, the City defeased certain revenue and other bonds by placing the proceeds of the new bonds in an 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, 2013, \$10,890,000 of outstanding bonds was considered defeased.

City of Santa Fe, New Mexico
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June 30, 2013

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, 2013 is as follows:

Condensed Statement of Net Position June 30, 2013

	<u>MRC</u>
Assets:	
Current Assets	\$ 218,721
Capital Assets	5,071,305
Total Assets	<u>5,290,026</u>
Liabilities:	
Current Liabilities	1,829,960
Noncurrent Liabilities	8,477,630
Total Liabilities	<u>10,307,590</u>
Net Position:	
Net Investment in Capital Assets	(5,342,471)
Unrestricted	551,025
Total Net Position	<u>\$ (4,791,446)</u>

Condensed Statement of Revenues, Expenses, and changes in Net Position June 30, 2013

	<u>MRC</u>
User Fees	\$ 1,078,252
Depreciation	(218,021)
Other Operating Expense	(1,191,979)
Operating Income	<u>(331,748)</u>
Nonoperating Revenues (expenses):	
Investment Earnings	610
Gain (Loss) on sale of capital asset	1,350
Interest Expense	(433,213)
Prem(Discount) debt service interest	17,286
Operating Transfers In/Out	1,296,740
Total Nonoperating Revenues (expenses)	<u>882,773</u>
Change in Net Position	551,025
Beginning Net Position	(5,342,471)
Ending Net Position	<u>\$ (4,791,446)</u>

City of Santa Fe, New Mexico
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Condensed Statement of Cash Flows June 30, 2013

	MRC
Net Cash Provided (used) by:	
Operating Activities	\$ 25,235
Noncapital Financing Activities	1,296,740
Capital and Related Financing Activities	(1,322,489)
Investing Activities	514
Net Increase (decrease)	-
Beginning Cash and Cash Equivalents	-
Ending Cash and Cash Equivalents	\$ -

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, 2013; 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.

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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 individual claims in various levels. Settlements have not exceeded coverage 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:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payment	Balance at Fiscal Year End
2011-2012				
Risk Management Fund	\$ 2,566,747	\$ 1,579,406	\$ 1,579,406	\$ 2,566,747
Santa Fe Health/Dental Fund	959,781	14,168,004	14,678,524	449,261
Workers' Compensation Fund	3,546,240	1,129,659	1,129,659	3,546,240
	\$ 7,072,768	\$ 16,877,069	\$ 17,387,589	\$ 6,562,248
2012-2013				
Risk Management Fund	\$ 2,566,747	\$ (278,737)	\$ 414,752	\$ 1,873,258
Santa Fe Health/Dental Fund	449,261	16,656,712	16,146,193	959,780
Workers' Compensation Fund	3,546,240	2,083,078	1,591,922	4,037,396
	\$ 6,562,248	\$ 18,461,053	\$ 18,152,867	\$ 6,870,434

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

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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, 2013.

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 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. 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.

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The City of Santa Fe appoints open board positions for the Santa Fe Housing Authority, a related organization. The Housing Authority is not financially accountable to the City. The City leases certain land to the Housing Authority for \$1 per year providing significant in kind support to the Housing Authority for its operations. No other transactions between the organizations occurred.

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 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.

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions

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can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

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, 2013, the statute required each participating employer to contribute 2% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary.

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, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annually salary, and each participating employee was required to contribute 1.25% of their salary.

In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The City's contributions to RHCA for the years ending June 30, 2013, 2012, and 2011 were \$1,317,290, \$1,201,165, \$1,118,457, 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' 4.05% contribution.

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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, 2013, 2012, 2011, were \$13,560,471, \$13,419,699 and \$13,677,127, 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.

No conduit bonds were issued by the City during Fiscal Year 2012-13. As of June 30, 2013, there were four series of Industrial Revenue Bonds authorized and outstanding of which one was issued prior to July 1, 1995.

G. Subsequent Events

Management has evaluated subsequent events through December 2, 2013 which is the date the financial statements were available to be issued. The following matters were deemed significant for disclosure.

Ongoing economic problems in the global, national and local economies continue to impact a number of the City's revenue categories subsequent to June 30, 2013. While gross receipts tax and lodger's tax showed improvement during FY 12-13, interest earnings and other revenue categories continued to decline. City management and the governing body budget conservatively and are closely monitoring and adjusting the City's budget and revenue projections with project and policy adjustments. Management regularly reviews plans and required budgets for future projects and programs. The budget for FY 13-14 to include a variety of revenue and expenditure budget controls and decision points that have so far allowed the City to continue to avoid operational disruptions or changes to City services. Economic conditions remain unsettled, difficult to predict and subject to ongoing changes

City of Santa Fe, New Mexico
Notes to the Financial Statements
June 30, 2013

which may affect the City's financial condition, however economic stability is provided by the large state government presence, and unemployment rates in Santa Fe continue to remain below state and national averages.

On March 6, 2012, voters approved new General Obligation (GO) bonds to be issued in FY 12-13 in the amount of \$17,800,000 to fund improvements to parks and trails as well as sustainable environment projects. The General Obligation Bonds, Series 2013, were issued July 23, 2013, in the par amount of \$12,000,000 with the remaining \$5,800,000 to be issued at a later time. Parks and trails will receive \$9,200,000 and sustainable environment \$2,800,000 from the 2013 bond issue.

As of July 1, 2013, the First Interstate Plaza Associates Industrial Revenue Bonds matured and ceased to be outstanding.

On May 3, 2013 the City closed on a New Mexico Finance Authority Drinking Water Loan (SANTAFE#DW-4) with a loan amount of \$2,025,000 and a forgiveness amount of \$2,025,000. This loan and grant (the forgiveness amount) will be used for the construction needs of the Buckman Direct Diversion Project and will be split with the County of Santa Fe. The debt schedule will not be finalized until all funds have been drawn down. No funds were drawn at June 30, 2013. As such, this loan does not appear as long term debt at June 30, 2013.

H. New Accounting Standards

The City implemented Government Accounting Standards Board Opinion (GASB) No. 62 during the year ended June 30, 2013. "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements" which codifies preexisting authoritative guidance from all sources into GASB standards and edits such standard for the government environment as appropriate. It further eliminates the election available to proprietary fund and business type reporting entities to apply certain Financial Accounting Standards guidance after November 30, 1989 contained in GASB 20 as all such guidance is now codified.

The City implemented Governmental Accounting Standards Board Statement No. 63 "Financial Reporting of Deferred Outflows or Resources, Deferred Inflows of Resources, and Net Position" (GASB No. 63) for the year ending June 30, 2013. GASB 63 introduces a fundamental change to the reporting of elements that make up a statement of financial position.

Deferred outflows of resources and deferred inflows of resources are now included in the elements that make up a statement of financial position and GASB 63 introduces the term net position for reporting the residual of all elements in a statement of financial position of the Authority at June 30, 2013 conforms to the presentation requirements of GASB 63. There were no deferred outflows or inflows to separately report at June 30, 2013.

City of Santa Fe, New Mexico
Notes to the Financial Statements
June 30, 2013

Governmental Accounting Standards Board Statement No. 65 “Items Previously Reported as Assets and Liabilities” (GASB No. 65) changes the classification of various financial statement balances including several more common type transactions from presentation as assets and liabilities to deferred outflows and inflows of resources. GASB 65 is applicable for years beginning after December 15, 2012. The authority will implement this standard next year. Bond issuance costs for all future bond authorizations will be treated differently next year under this standard.

Governmental Accounting Standards Board Statement No. 68 “Accounting and Financial Reporting for Pensions” (GASB No. 68) revises existing guidance for governments that provide their employees with pension benefits. A principal change is the requirement to record a government’s pro rata share of unfunded actuarial accrued liability (UAAL) on its financial statements for multiemployer cost sharing plan. The City is a participating member of the Public Employees Retirement Association (PERA), a multiemployer cost sharing plan. Information to implement this standard will be developed by PERA and the State of New Mexico. The implementation date for GASB 68 is for FY 15. The current status of the unfunded liability for PERA is 6.18 Billion based on the most recently issued audited financial statement at June 30, 2012, Legislation was passed in the last year changing PERA’s plan benefits design and contribution requirements to fully fund UAAL within 30 years.

Supplementary Information

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Nonmajor Governmental Funds Special Revenue Funds

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

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

400th Anniversary - to account for activities associated with the commemoration of the City's 400th 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 City and 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 city and 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 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 City, 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

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, 2013

	Special Revenue	Capital Projects	Totals
Assets			
Cash, investments and cash equivalents	\$ 16,128,132	\$ 21,663,850	\$ 37,791,982
Restricted cash, cash equivalents and investments:			
Restricted for endowment	250,000	-	250,000
Receivables:			
State-shared taxes	2,817,333	-	2,817,333
Grants	1,037,310	176,137	1,213,447
Interest	18,593	29,268	47,861
Other receivables (net of allowances)	3,582,172	-	3,582,172
Due from other funds	613,804	-	613,804
Total assets	\$ 24,447,344	\$ 21,869,255	\$ 46,316,599
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 1,085,404	\$ 1,026,707	\$ 2,112,111
Compensated absences payable	92,429	-	92,429
Accrued wages payable	237,782	44,758	282,540
Due to other funds	1,185,619	371,055	1,556,674
Deferred unearned revenue	2,597,589	5,000	2,602,589
Deposits and escrows	709,312	100,000	809,312
Total current liabilities	5,908,135	1,547,520	7,455,655
Fund balance Non-spendable	250,000	-	250,000
Fund balance Spendable:			
Restricted	15,637,357	17,947,483	33,584,840
Committed	926,857	-	926,857
Assigned	1,396,448	2,751,465	4,147,913
Unassigned	328,547	(377,213)	(48,666)
Total fund balances	18,539,209	20,321,735	38,860,944
Total liabilities and fund balances	\$ 24,447,344	\$ 21,869,255	\$ 46,316,599

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, 2013

	Special Revenue	Capital Projects	Totals
Revenues:			
Taxes:			
Gross receipts	\$ 15,669,131	\$ -	\$ 15,669,131
Motor	-	1,328,791	1,328,791
Lodgers	8,009,032	-	8,009,032
Property	2,768,988	-	2,768,988
Franchise	19,054	-	19,054
Intergovernmental revenues	5,879,913	1,778,492	7,658,405
Fees and charges for services	3,742,749	-	3,742,749
Rents, royalties and concessions	124,503	-	124,503
Investment income	138,856	72,685	211,541
Land sales	260,328	-	260,328
Other revenues	546,527	61,517	608,044
Total revenues	37,159,081	3,241,485	40,400,566
Expenditures:			
Current:			
General government	4,471,316	975,609	5,446,925
Public safety	7,497,192	-	7,497,192
Public works	2,101,138	1,139,291	3,240,429
Community development	5,559,236	799,000	6,358,236
Culture and recreation	3,018,978	1,241,197	4,260,175
Total current expenditures	22,647,860	4,155,097	26,802,957
Capital outlay:			
General government	9,112	2,019,791	2,028,903
Public safety	2,761,852	-	2,761,852
Public works	57,360	4,733,178	4,790,538
Community development	222,207	367,997	590,204
Culture and recreation	71,222	5,901,138	5,972,360
Total capital outlay expenditures	3,121,753	13,022,104	16,143,857
Excess (deficiency) of revenues over expenditures	11,389,468	(13,935,716)	(2,546,248)
Other financing sources (uses):			
Transfers in	7,069,891	4,848,350	11,918,241
Transfers out	(19,672,288)	(581,163)	(20,253,451)
Total other financing sources (uses)	(12,602,397)	4,267,187	(8,335,210)
Net change in fund balances	(1,212,929)	(9,668,529)	(10,881,458)
Fund balances, beginning of year	19,752,138	29,990,264	49,742,402
Fund balances, end of year	\$ 18,539,209	\$ 20,321,735	\$ 38,860,944

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CITY OF SANTA FE, NEW MEXICO
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2013

	Assets							Accounts Payable	Compensated Absences Payable
	Cash, Investments and Cash Equivalents	Taxes Receivable	Grants Receivable	Interest Receivable	Other Receivables	Due from Other Funds	Total Assets		
Primary Government:									
General Government:									
Capital Equipment Reserve	\$ 106,673	\$ -	\$ -	\$ 115	\$ -	\$ -	\$ 106,788	\$ 2,432	\$ -
Mortgage Refund Residual	8,086	-	-	65	-	-	8,151	-	-
Franchise Fee	607	4,712	-	-	-	-	5,319	5,548	-
Economic Development	360,349	65,836	-	465	113,203	-	539,853	50,396	-
Lodgers' Tax Fund	2,299,051	-	-	3,063	820,655	-	3,122,769	351,445	17,386
400th Anniversary	154	-	-	-	-	-	154	-	-
Public Campaign	547,171	-	-	642	-	-	547,813	-	-
Santa Fe Business Incubator	32,662	-	-	39	-	-	32,701	-	-
1/2 % Gross Receipts Tax	1,768,131	1,984,248	-	2,194	-	-	3,774,573	-	-
Total General Government	5,142,884	2,054,796	-	6,583	933,858	-	8,138,121	409,821	17,386
Public Safety:									
Animal Services	146,830	-	-	191	-	-	147,021	394	-
Emergency Service Grants	377,713	29,814	170,400	814	-	-	578,741	10,706	-
Environmental Services	145,060	-	194,383	21	-	-	339,464	-	-
Law Enforcement Grants	3,572,587	396,958	252,566	2,785	-	-	4,224,896	295,561	59,244
Total Public Safety	4,242,190	426,772	617,349	3,811	-	-	5,290,122	306,661	59,244
Public Works:									
Resource Conservation	3,810	-	-	-	-	-	3,810	-	-
City Drainage Projects	153,089	-	-	166	131,452	-	284,707	5,590	-
Impact Fee Projects	2,452,132	-	-	3,075	-	-	2,455,207	-	-
Transportation Grants	140,398	-	137,267	205	-	-	277,870	70	-
Total Public Works	2,749,429	-	137,267	3,446	131,452	-	3,021,594	5,660	-
Community Development:									
Community Development Grants	828,452	146,975	124,277	914	-	-	1,100,618	148,340	-
Senior Citizen Grants	193,685	-	82,518	-	4,035	-	280,238	3,506	15,799
Total Community Development	1,022,137	146,975	206,795	914	4,035	-	1,380,856	151,846	15,799
Culture and Recreation:									
Historic Preservation Grant	140,261	-	558	152	-	-	140,971	-	-
Library	338,394	-	20,133	267	-	-	358,794	31,730	-
NEA Grants	-	-	14,000	-	-	-	14,000	100	-
Plaza Use	82,733	-	-	101	-	-	82,834	-	-
Public Facilities Purchase	55,791	-	-	68	-	-	55,859	-	-
Quality of Life Project	160,283	-	-	223	-	-	160,506	24,282	-
Recreation Grants	757,517	188,790	41,208	984	-	-	988,499	154,693	-
Land Development	1,560,125	-	-	1,895	2,512,827	613,804	4,688,651	-	-
Special Recreation Leagues	126,388	-	-	149	-	-	126,537	611	-
Total Culture and Recreation	3,221,492	188,790	75,899	3,839	2,512,827	613,804	6,616,651	211,416	-
Totals - June 30, 2013	\$ 16,378,132	\$ 2,817,333	\$ 1,037,310	\$ 18,593	\$ 3,582,172	\$ 613,804	\$ 24,447,344	\$ 1,085,404	\$ 92,429

Liabilities					Fund Balance Spendable					Total	Total
Accrued Wages Payable	Due to Other Funds	Deferred Unearned Revenue	Deposits/ Escrows	Total Liabilities	Non-Spendable	Restricted	Committed	Assigned	Unassigned	Fund Balances	Liabilities and Fund Balances
\$ -	\$ -	\$ -	\$ -	\$ 2,432	\$ -	\$ -	\$ 104,356	\$ -	\$ -	\$ 104,356	\$ 106,788
-	-	-	-	5,548	-	-	(229)	8,151	-	8,151	8,151
-	-	84,762	398,468	533,626	-	6,227	-	-	-	(229)	5,319
19,493	-	-	47,336	435,660	-	2,687,109	-	-	-	6,227	539,853
-	-	-	-	-	-	-	-	-	-	2,687,109	3,122,769
-	-	-	-	-	-	-	-	154	-	154	154
-	-	-	-	-	-	-	547,813	-	-	547,813	547,813
-	-	-	-	-	-	32,701	-	-	-	32,701	32,701
-	-	-	-	-	-	3,774,573	-	-	-	3,774,573	3,774,573
19,493	-	84,762	445,804	977,266	-	6,500,610	651,940	8,305	-	7,160,855	8,138,121
-	-	-	-	394	-	146,627	-	-	-	146,627	147,021
41,468	-	-	-	52,174	-	526,567	-	-	-	526,567	578,741
13,002	-	-	-	13,002	-	-	-	-	326,462	326,462	339,464
38,344	-	-	-	393,149	-	3,831,747	-	-	-	3,831,747	4,224,896
92,814	-	-	-	458,719	-	4,504,941	-	-	326,462	4,831,403	5,290,122
-	-	-	-	-	-	-	-	3,810	-	3,810	3,810
22,730	-	-	-	28,320	-	-	-	256,387	-	256,387	284,707
-	-	-	12,000	12,000	-	2,443,207	-	-	-	2,443,207	2,455,207
4,279	-	-	-	4,349	-	273,521	-	-	-	273,521	277,870
27,009	-	-	12,000	44,869	-	2,716,728	-	260,197	-	2,976,925	3,021,594
2,045	-	-	251,508	401,893	-	698,725	-	-	-	698,725	1,100,618
40,017	-	-	-	59,322	-	220,916	-	-	-	220,916	280,238
42,062	-	-	251,508	461,215	-	919,641	-	-	-	919,641	1,380,856
-	-	-	-	-	-	140,971	-	-	-	140,971	140,971
10,975	-	-	-	42,705	250,000	66,089	-	-	-	316,089	358,794
-	11,815	-	-	11,915	-	-	-	-	2,085	2,085	14,000
-	-	-	-	-	-	-	82,834	-	-	82,834	82,834
-	-	-	-	-	-	-	55,859	-	-	55,859	55,859
-	-	-	-	24,282	-	-	136,224	-	-	136,224	160,506
45,429	-	-	-	200,122	-	788,377	-	-	-	788,377	988,499
-	1,173,804	2,512,827	-	3,686,631	-	-	-	1,002,020	-	1,002,020	4,688,651
-	-	-	-	611	-	-	-	125,926	-	125,926	126,537
56,404	1,185,619	2,512,827	-	3,966,266	250,000	995,437	274,917	1,127,946	2,085	2,650,385	6,616,651
\$ 237,782	\$ 1,185,619	\$ 2,597,589	\$ 709,312	\$ 5,908,135	\$ 250,000	\$ 15,637,357	\$ 926,857	\$ 1,396,448	\$ 328,547	\$ 18,539,209	\$ 24,447,344

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, 2013

Revenues

	Taxes	Inter-Governmental Revenue	Fees and Charges for Services	Rents, Royalties and Concessions	Investment Income	Sale of Capital Assets/Land	Other	Total Revenue
Primary Government:								
General Government:								
Capital Equipment Reserve	\$ -	\$ -	\$ -	\$ -	43	\$ 110,328	\$ 1,741	\$ 112,112
Mortgage Refund Residual	-	-	-	-	509	-	-	509
Franchise Fee	19,054	-	-	-	-	-	-	19,054
Economic Development	474,553	5,000	-	67,406	6,725	-	4,098	557,782
Lodger's Tax Fund	8,009,032	5,742	2,025	-	5,299	-	38,425	8,060,523
400th Anniversary	-	-	-	-	-	-	-	-
Public Campaign	-	-	-	-	681	-	-	681
Santa Fe Business Incubator	-	-	-	-	50	-	-	50
1/2% Gross Receipts Tax	11,237,699	-	-	-	3,270	-	-	11,240,969
Total General Government	19,740,338	10,742	2,025	67,406	16,577	110,328	44,264	19,991,680
Public Safety:								
Animal Services	-	-	28,430	-	249	-	-	28,679
Emergency Service Grants	1,384,494	1,089,034	-	-	105,188	-	3,541	2,582,257
Environmental Services	-	333,023	22,700	-	4	-	194,383	550,110
Law Enforcement Grants	3,242,720	1,088,000	1,544,693	-	4,471	-	189,424	6,069,308
Total Public Safety	4,627,214	2,510,057	1,595,823	-	109,912	-	387,348	9,230,354
Public Works:								
Resource Conservation	-	6,199	-	-	-	-	5,000	11,199
City Drainage Projects	-	-	1,518,832	-	183	-	-	1,519,015
Impact Fee Projects	-	-	408,488	-	4,646	-	-	413,134
Transportation Grants	-	316,463	-	-	260	-	-	316,723
Total Public Works	-	322,662	1,927,320	-	5,089	-	5,000	2,260,071
Community Development:								
Community Development Grants	852,136	1,405,666	-	-	914	150,000	82,511	2,491,227
Senior Citizen Grants	-	1,428,161	71,544	-	-	-	21,878	1,521,583
Total Community Development	852,136	2,833,827	71,544	-	914	150,000	104,389	4,012,810
Culture and Recreation:								
Historic Preservation Grant	-	13,058	13,039	-	181	-	-	26,278
Library	-	118,937	3,201	-	2,029	-	-	124,167
NEA Grants	-	14,000	-	-	-	-	-	14,000
Plaza Use	-	-	39,305	-	138	-	2,726	42,169
Public Facilities Purchase	-	-	-	-	87	-	-	87
Quality of Life Project	-	-	-	-	312	-	200	512
Recreation Grants	1,246,517	56,630	90,492	-	1,187	-	2,600	1,397,426
Land Development	-	-	-	-	2,303	-	-	2,303
Special Recreation Leagues	-	-	-	57,097	127	-	-	57,224
Total Culture and Recreation	1,246,517	202,625	146,037	57,097	6,364	-	5,526	1,664,166
Totals - June 30, 2013	\$ 26,466,205	\$ 5,879,913	\$ 3,742,749	\$ 124,503	\$ 138,856	\$ 260,328	\$ 546,527	\$ 37,159,081

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
\$ 31,365	\$ 4,053	\$ 35,418	\$ 76,694	\$ -	\$ -	\$ 76,694	\$ 27,662	\$ 104,356
-	-	-	509	-	(360,000)	(359,491)	367,642	8,151
20,241	-	20,241	(1,187)	-	(6,667)	(7,854)	7,625	(229)
709,599	514	710,113	(152,331)	-	(40,200)	(192,531)	198,758	6,227
3,710,111	4,545	3,714,656	4,345,867	75,391	(5,228,867)	(807,609)	3,494,718	2,687,109
-	-	-	-	-	-	-	154	154
-	-	-	681	150,000	-	150,681	397,132	547,813
-	-	-	50	-	-	50	32,651	32,701
-	-	-	11,240,989	-	(10,946,709)	294,260	3,480,313	3,774,573
4,471,316	9,112	4,480,428	15,511,252	225,391	(16,582,443)	(845,800)	8,006,655	7,160,855
2,908	28,893	31,801	(3,122)	-	-	(3,122)	149,749	146,627
2,886,000	603,697	3,489,697	(907,440)	1,148,698	(1,258,905)	(1,017,647)	1,544,214	526,567
207,739	-	207,739	342,371	-	-	342,371	(15,909)	326,462
4,400,545	2,129,262	6,529,807	(460,499)	1,229,910	(850,523)	(81,112)	3,912,859	3,831,747
7,497,192	2,761,852	10,259,044	(1,028,690)	2,378,608	(2,109,428)	(759,510)	5,590,913	4,831,403
10,106	21,567	31,673	(20,474)	-	-	(20,474)	24,284	3,810
1,538,076	995	1,539,071	(20,056)	-	-	(20,056)	276,443	256,387
215,206	-	215,206	197,928	5,000	(480,000)	(277,072)	2,720,279	2,443,207
337,750	34,798	372,548	(55,825)	102,927	-	47,102	226,419	273,521
2,101,138	57,360	2,158,498	101,573	107,927	(480,000)	(270,500)	3,247,425	2,976,925
2,185,953	-	2,185,953	305,274	-	-	305,274	393,451	698,725
3,373,283	222,207	3,595,490	(2,073,907)	2,248,965	-	175,058	45,858	220,916
5,559,236	222,207	5,781,443	(1,768,633)	2,248,965	-	480,332	439,309	919,641
13,408	-	13,408	12,870	-	-	12,870	128,101	140,971
1,042,452	31,036	1,073,488	(949,321)	932,395	-	(16,926)	333,015	316,089
56,353	-	56,353	(42,353)	44,438	-	2,085	-	2,085
25,047	-	25,047	17,122	-	-	17,122	65,712	82,834
-	-	-	87	-	-	87	55,772	55,859
233,700	18,004	251,704	(251,192)	702,000	(500,417)	(49,609)	185,833	136,224
1,590,520	22,182	1,612,702	(215,276)	430,167	-	214,891	573,466	788,377
-	-	-	2,303	-	-	2,303	999,717	1,002,020
57,498	-	57,498	(274)	-	-	(274)	126,200	125,926
3,018,978	71,222	3,090,200	(1,426,034)	2,109,000	(500,417)	182,549	2,467,836	2,650,385
\$ 22,647,860	\$ 3,121,753	\$ 25,769,613	\$ 11,389,468	\$ 7,069,891	\$ (19,672,288)	\$ (1,212,929)	\$ 19,752,138	\$ 18,539,209

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Capital Equipment Reserve
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 43	\$ 43
Other	-	-	1,741	1,741
Total revenues	-	-	1,784	1,784
Expenditures:				
General government:				
Current	33,880	33,880	31,365	2,515
Capital outlay	4,200	4,200	4,053	147
Total expenditures	38,080	38,080	35,418	2,662
Excess (deficiency) of revenues over expenditures	(38,080)	(38,080)	(33,634)	4,446
Other financing sources (uses):				
Sale of capital assets	30,000	30,000	110,328	80,328
Total other financing sources (uses)	30,000	30,000	110,328	80,328
Net change in fund balance	(8,080)	(8,080)	76,694	84,774
Fund balance, beginning of year	27,662	27,662	27,662	-
Fund balance, end of year	\$ 19,582	\$ 19,582	\$ 104,356	\$ 84,774

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Mortgage Refund Residual
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Investment income	\$ 1,707	\$ 1,707	\$ 509	\$ (1,198)
Other	-	-	-	-
Total revenues	1,707	1,707	509	(1,198)
Expenditures:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	1,707	1,707	509	(1,198)
Transfers in				
Transfers out	(360,000)	(360,000)	(360,000)	-
Total other financing sources (uses)	(360,000)	(360,000)	(360,000)	-
Net change in fund balance	(358,293)	(358,293)	(359,491)	(1,198)
Fund balance, beginning of year	367,642	367,642	367,642	-
Fund balance, end of year	9,349	9,349	\$ 8,151	\$ (1,198)

* 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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 20,000	\$ 20,000	\$ 19,054	\$ (946)
Total revenues	20,000	20,000	19,054	(946)
Expenditures:				
Public safety:				
Current	13,333	13,333	20,241	(6,908)
Total expenditures	13,333	13,333	20,241	(6,908)
Excess (deficiency) of revenues over expenditures	6,667	6,667	(1,187)	(7,854)
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	-	-	(7,854)	(7,854)
Fund balance, beginning of year	7,625	7,625	7,625	-
Fund balance, end of year	\$ 7,625	\$ 7,625	\$ (229)	\$ (7,854)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Economic Development
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 59,126	\$ 56,152	\$ 474,553	\$ 418,401
Intergovernmental	-	-	5,000	5,000
Investment income	3,542	3,542	6,725	3,183
Rents, royalties and concessions	35,000	35,000	67,406	32,406
Other	-	-	4,098	4,098
Total revenues	97,668	94,694	557,782	463,088
Expenditures:				
General government:				
Current	1,023,696	1,025,996	709,599	316,397
Capital outlay	5,000	2,700	514	2,186
Total expenditures	1,028,696	1,028,696	710,113	318,583
Excess (deficiency) of revenues over expenditures	(931,028)	(934,002)	(152,331)	781,671
Transfers in	-	-	-	-
Transfers out	(40,200)	(40,200)	(40,200)	-
Total other financing sources (uses)	(40,200)	(40,200)	(40,200)	-
Net change in fund balance	(971,228)	(974,202)	(192,531)	781,671
Fund balance, beginning of year	198,758	198,758	198,758	-
Fund balance, end of year	\$ (772,470)	\$ (775,444)	\$ 6,227	\$ 781,671

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Lodger's Tax Fund
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 7,300,000	\$ 7,300,000	\$ 8,009,032	\$ 709,032
Intergovernmental	6,500	6,500	5,742	(758)
Fees and charges for service	500	500	2,025	1,525
Investment income	21,797	21,797	5,299	(16,498)
Other	76,500	79,352	38,425	(40,927)
Total revenues	7,405,297	7,408,149	8,060,523	652,374
Expenditures:				
General government:				
Current	4,192,385	4,213,968	3,710,111	503,857
Capital outlay	550	3,725	4,545	(820)
Total expenditures	4,192,935	4,217,693	3,714,656	503,037
Excess (deficiency) of revenues over expenditures	3,212,362	3,190,456	4,345,867	1,155,411
Other financing sources (uses):				
Transfers in	62,250	75,391	75,391	-
Transfers out	5,078,867	(5,078,867)	(5,228,867)	(150,000)
Total other financing sources (uses)	5,141,117	(5,003,476)	(5,153,476)	(150,000)
Net change in fund balance	8,353,479	(1,813,020)	(807,609)	1,005,411
Fund balance, beginning of year	3,494,718	3,494,718	3,494,718	-
Fund balance, end of year	\$ 11,848,197	\$ 1,681,698	\$ 2,687,109	\$ 1,005,411

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
400th Anniversary
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
General government:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses):				
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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 899	\$ 899	\$ 681	\$ (218)
Total revenues	899	899	681	(218)
Expenditures:				
General government:				
Current	150,000	150,000	-	150,000
Total expenditures	150,000	150,000	-	150,000
Excess (deficiency) of revenues over expenditures	(149,101)	(149,101)	681	149,782
Other financing sources (uses):				
Transfers in	150,000	150,000	150,000	-
Total other financing sources (uses)	150,000	150,000	150,000	-
Net change in fund balance	899	899	150,681	149,782
Fund balance, beginning of year	397,132	397,132	397,132	-
Fund balance, end of year	\$ 398,031	\$ 398,031	\$ 547,813	\$ 149,782

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Santa Fe Business Incubator
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Investment Income	\$ 152	\$ 152	\$ 50	\$ (102)
Total revenues	152	152	50	(102)
Expenditures:				
General government:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balance	152	152	50	(102)
Fund balance, beginning of year	32,651	32,651	32,651	-
Fund balance, end of year	\$ 32,803	\$ 32,803	\$ 32,701	\$ (102)

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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 10,860,345	\$ 10,860,345	\$ 11,237,699	\$ 377,354
Investment income	6,086	6,086	3,270	(2,816)
Total revenues	10,866,431	10,866,431	11,240,969	374,538
Expenditures:				
General government:	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	10,866,431	10,866,431	11,240,969	374,538
Operating transfers in	-	-	-	-
Transfers out	(10,156,626)	(10,916,709)	(10,946,709)	(30,000)
Total other financing sources (uses)	(10,156,626)	(10,916,709)	(10,946,709)	(30,000)
Net changes in fund balance	709,805	(50,278)	294,260	344,538
Fund balance, beginning of year	3,480,313	3,480,313	3,480,313	-
Fund balance, end of year	\$ 4,190,118	\$ 3,430,035	\$ 3,774,573	\$ 344,538

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Animal Services
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
Licenses and permits	\$ 6,500	\$ 6,500	\$ 7,860	\$ 1,360
Investment income	371	371	249	(122)
Fines and forfeitures	20,000	20,000	20,570	570
Total revenues	26,871	26,871	28,679	1,808
Expenditures:				
General government:				
Current	10,000	10,000	2,908	7,092
Capital outlay	31,000	31,000	28,893	2,107
Total expenditures	41,000	41,000	31,801	9,199
Excess (deficiency) of revenues over expenditures	(14,129)	(14,129)	(3,122)	11,007
Net change in fund balance	(14,129)	(14,129)	(3,122)	11,007
Fund balance, beginning of year	149,749	149,749	149,749	-
Fund balance, end of year	\$ 135,620	\$ 135,620	\$ 146,627	\$ 11,007

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Emergency Service Grants
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,330,182	\$ 1,354,680	\$ 1,384,494	\$ 29,814
Intergovernmental	695,701	1,275,588	1,089,034	(186,554)
Investment income	6,120	108,619	105,188	(3,431)
Other	-	-	3,541	3,541
Total revenues	2,032,003	2,738,887	2,582,257	(156,630)
Expenditures:				
Public safety:				
Current	2,685,848	3,053,302	2,886,000	167,302
Capital outlay	630,445	820,387	603,697	216,690
Total expenditures	3,316,293	3,873,689	3,489,697	383,992
Excess (deficiency) of revenues over expenditures	(1,284,290)	(1,134,802)	(907,440)	227,362
Other financing sources (uses):				
Transfers in	1,119,900	1,184,057	1,148,698	(35,359)
Transfers out	-	(1,272,057)	(1,258,905)	13,152
Total other financing sources (uses)	1,119,900	(88,000)	(110,207)	(22,207)
Net changes in fund balance	(164,390)	(1,222,802)	(1,017,647)	205,155
Fund balance, beginning of year	1,544,214	1,544,214	1,544,214	-
Fund balance, end of year	\$ 1,379,824	\$ 321,412	\$ 526,567	\$ 205,155

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Environmental Services
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 325,077	\$ 333,023	\$ 7,946
Fees and Charges	-	-	22,700	22,700
Investment Income	-	-	4	4
Other	-	10,300	194,383	184,083
Total revenues	-	335,377	550,110	7,946
Expenditures:				
Culture and recreation:				
Current	-	226,421	207,739	18,682
Total expenditures	-	226,421	207,739	18,682
Excess (deficiency) of revenues over expenditures	-	108,956	342,371	26,628
Net change in fund balance	-	108,956	342,371	26,628
Fund balance, beginning of year	(15,909)	(15,909)	(15,909)	-
Fund balance, end of year	\$ (15,909)	\$ 93,047	\$ 326,462	\$ 233,415

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Law Enforcement Grants
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 3,125,829	\$ 3,125,829	\$ 3,242,720	\$ 116,891
Intergovernmental	1,190,133	1,410,428	1,088,000	(322,428)
Fees and charges for services	684,270	684,270	628,136	(56,134)
Investment income	10,466	10,466	4,471	(5,995)
Fines and forfeitures	458,609	458,609	916,557	457,948
Other	87,910	87,910	189,424	101,514
Total revenues	5,557,217	5,777,512	6,069,308	291,796
Expenditures:				
Public safety:				
Current	4,210,830	4,563,411	4,400,545	162,866
Capital outlay	2,357,778	2,274,209	2,129,262	144,947
Total expenditures	6,568,608	6,837,620	6,529,807	307,813
Excess (deficiency) of revenues over expenditures	(1,011,391)	(1,060,108)	(460,499)	(16,017)
Other financing sources (uses):				
Sale of Capital Assets	35,000	-	-	-
Transfers in	1,229,910	1,229,910	1,229,910	-
Transfers out	842,630	863,675	(850,523)	(1,714,198)
Total other financing sources (uses)	2,107,540	2,093,585	379,387	(1,714,198)
Net change in fund balance	1,096,149	1,033,477	(81,112)	1,114,589
Fund balance, beginning of year	3,912,859	3,912,859	3,912,859	-
Fund balance, end of year	\$ 5,009,008	\$ 4,946,336	\$ 3,831,747	\$ (1,114,589)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Resource Conservation
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 7,000	\$ 7,000	\$ 6,199	\$ (801)
Miscellaneous	36,231	28,500	5,000	\$ (23,500)
Total revenues	43,231	35,500	11,199	(24,301)
Expenditures:				
Public safety:				
Current	30,702	14,550	10,106	4,444
Capital outlay	-	20,952	21,567	(615)
Total expenditures	30,702	35,502	31,673	4,444
Excess (deficiency) of revenues over expenditures	12,529	(2)	(20,474)	(19,857)
Net changes in fund balance	12,529	(2)	(20,474)	(19,857)
Fund balance, beginning of year	24,284	24,284	24,284	-
Fund balance, end of year	\$ 36,813	\$ 24,282	\$ 3,810	\$ (20,472)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
City Drainage Projects
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Fees and charges for services	\$ 1,359,000	\$ 1,359,000	\$ 1,518,832	\$ 159,832
Investment income	1,978	1,978	183	(1,795)
Total revenues	<u>1,360,978</u>	<u>1,360,978</u>	<u>1,519,015</u>	<u>158,037</u>
Expenditures:				
Community welfare:				
Current	1,692,666	1,868,110	1,538,076	330,034
Capital outlay	500	500	995	(495)
Total expenditures	<u>1,693,166</u>	<u>1,868,610</u>	<u>1,539,071</u>	<u>329,539</u>
Excess (deficiency) of revenues over expenditures	<u>(332,188)</u>	<u>(507,632)</u>	<u>(20,056)</u>	<u>487,576</u>
Net change in fund balance	<u>(332,188)</u>	<u>(507,632)</u>	<u>(20,056)</u>	<u>487,576</u>
Fund balance, beginning of year	276,443	276,443	276,443	-
Fund balance, end of year	<u>\$ (55,745)</u>	<u>\$ (231,189)</u>	<u>\$ 256,387</u>	<u>\$ 487,576</u>

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Impact Fee Projects
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Fees and charges for services	\$ -	\$ -	\$ 408,488	\$ 408,488
Investment income	12,212	12,212	4,646	(7,566)
Total revenues	12,212	12,212	413,134	400,922
Expenditures:				
Culture and recreation:				
Current	5,000	220,206	215,206	5,000
Total expenditures	5,000	220,206	215,206	5,000
Excess (deficiency) of revenues over expenditures	7,212	(207,994)	197,928	395,922
Other financing sources (uses):				
Transfers in	-	5,000	5,000	-
Operating transfers (out)	-	(560,000)	(480,000)	80,000
Total other financing sources (uses)	-	(555,000)	(475,000)	80,000
Net change in fund balance	7,212	(762,994)	(277,072)	475,922
Fund balance, beginning of year	2,720,279	2,720,279	2,720,279	-
Fund balance, end of year	\$ 2,727,491	\$ 1,957,285	\$ 2,443,207	\$ 485,922

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Transportation Grants
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,207,847	\$ 528,627	\$ 316,463	\$ (212,164)
Investment Income	782	782	260	(522)
Total revenues	3,208,629	529,409	316,723	(212,686)
Expenditures:				
Public Works				
Current	391,115	548,388	337,750	210,638
Capital Outlay	-	-	34,798	(34,798)
Total expenditures	391,115	548,388	372,548	175,840
Excess (deficiency) of revenues over expenditures	2,817,514	(18,979)	(55,825)	(36,846)
Other financing sources (uses):				
Transfers in	57,906	102,927	102,927	-
Total other financing sources (uses)	57,906	102,927	102,927	-
Net change in fund balance	2,875,420	83,948	47,102	(36,846)
Fund balance, beginning of year	226,419	226,419	226,419	-
Fund balance, end of year	\$ 3,101,839	\$ 310,367	\$ 273,521	\$ (36,846)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Community Development Grants
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 852,136	\$ 852,136
Intergovernmental	1,392,707	1,683,643	1,405,666	(277,977)
Fees and charges for services	735,912	735,912	-	(735,912)
Investment income	2,455	2,455	914	(1,541)
Other	-	-	82,511	82,511
Total revenues	2,131,074	2,422,010	2,341,227	(932,919)
Expenditures:				
Community welfare:				
Current	2,333,064	2,568,509	2,185,953	382,556
Capital outlay	195	1,000	-	1,000
Total expenditures	2,333,259	2,569,509	2,185,953	383,556
Excess (deficiency) of revenues over expenditures	(202,185)	(147,499)	155,274	(549,363)
Other financing sources (uses):				
Sale of Capital Assets	-	-	150,000	150,000
Total other financing sources (uses)	-	-	150,000	150,000
Net changes in fund balance	(202,185)	(147,499)	305,274	452,773
Fund balance, beginning of year	393,451	393,451	393,451	-
Fund balance, end of year	\$ 191,266	\$ 245,952	\$ 698,725	\$ 452,773

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Senior Citizen Grants
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,000,139	\$ 2,503,956	\$ 1,428,161	\$ (1,075,795)
Fees and charges for services	-	-	71,544	71,544
Other	83,734	92,298	21,878	(70,420)
Total revenues	1,083,873	2,596,254	1,521,583	(1,074,671)
Expenditures:				
Community welfare:				
Current	3,410,044	3,486,991	3,373,283	113,708
Capital outlay	6,300	220,792	222,207	(1,415)
Total expenditures	3,416,344	3,707,783	3,595,490	112,293
Excess (deficiency) of revenues over expenditures	(2,332,471)	(1,111,529)	(2,073,907)	(962,378)
Total other financing sources (uses)	2,338,091	2,248,965	2,248,965	-
Net change in fund balance	5,620	1,137,436	175,058	(962,378)
Fund balance, beginning of year	45,858	45,858	45,858	-
Fund balance, end of year	\$ 51,478	\$ 1,183,294	\$ 220,916	\$ (962,378)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Historic Preservation Grant
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual	Variance With Final Budget- Positive (Negative)
	Original	Final			
Revenues:					
Fees and charges for services	\$ -	\$ -	\$ 13,039	\$ 13,039	
Intergovernmental	11,890	33,507	13,058	(20,449)	
Investment income	486	486	181	(305)	
Total revenues	12,376	33,993	26,278	(7,715)	
Expenditures:					
Culture and recreation:					
Current	11,890	33,507	13,408	20,099	
Total expenditures	11,890	33,507	13,408	20,099	
Excess (deficiency) of revenues over expenditures	486	486	12,870	12,384	
Net change in fund balance	486	486	12,870	12,384	
Fund balance, beginning of year	128,101	128,101	128,101	-	
Fund balance, end of year	\$ 128,587	\$ 128,587	\$ 140,971	\$ 12,384	

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Library
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 149,606	\$ 118,937	\$ (30,669)
Investment income	-	-	2,029	2,029
Fines and forfeitures	2,000	2,000	3,201	1,201
Total revenues	2,000	151,606	124,167	(27,439)
Expenditures:				
Culture and recreation:				
Current	941,345	1,048,278	1,042,452	5,826
Capital outlay	1,829	45,343	31,036	14,307
Total expenditures	943,174	1,093,621	1,073,488	20,133
Excess (deficiency) of revenues over expenditures	(941,174)	(942,015)	(949,321)	(7,306)
Other financing sources (uses):				
Transfers in	931,654	931,654	932,395	(741)
Total other financing sources (uses)	931,654	931,654	932,395	(741)
Net change in fund balance	(9,520)	(10,361)	(16,926)	(8,047)
Fund balance, beginning of year	333,015	333,015	333,015	-
Fund balance, end of year	\$ 323,495	\$ 322,654	\$ 316,089	\$ (6,565)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
NEA Grants
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ -	\$ 14,000	\$ 14,000	\$ -
Total revenues	-	14,000	14,000	-
Expenditures:				
Public safety:				
Current	30,000	58,438	56,353	2,085
Total expenditures	30,000	58,438	56,353	2,085
Excess (deficiency) of revenues over expenditures	(30,000)	(44,438)	(42,353)	2,085
Other financing sources (uses):				
Transfers in	30,000	44,438	44,438	-
Total other financing sources (uses)	30,000	44,438	44,438	-
Net change in fund balance	-	-	2,085	2,085
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 2,085	\$ 2,085

CITY OF SANTA FE, NEW MEXICO
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Plaza Use
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Investment income	\$ 248	\$ 248	\$ 138	\$ (110)
Fines and forfeitures	25,000	25,000	39,305	14,305
Other	5,000	5,000	2,726	(2,274)
Total revenues	30,248	30,248	42,169	11,921
Expenditures:				
Culture and recreation:				
Current	28,000	28,000	25,047	2,953
Total expenditures	28,000	28,000	25,047	2,953
Excess (deficiency) of revenues over expenditures	2,248	2,248	17,122	14,874
Net change in fund balance	2,248	2,248	17,122	14,874
Fund balance, beginning of year	65,712	65,712	65,712	-
Fund balance, end of year	\$ 67,960	\$ 67,960	\$ 82,834	\$ 14,874

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Public Facilities Purchase
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ 259	\$ 259	\$ 87	\$ (172)
Total revenues	259	259	87	(172)
Expenditures:				
Culture and recreation:	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	259	259	87	(172)
Net change in fund balance	259	259	87	(172)
Fund balance, beginning of year	55,772	55,772	55,772	-
Fund balance, end of year	\$ 56,031	\$ 56,031	\$ 55,859	\$ (172)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Quality of Life Project
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ 2,278	\$ 2,278	\$ 312	\$ (1,966)
Other	-	-	200	200
Total revenues	2,278	2,278	512	(1,766)
Expenditures:				
Culture and recreation:				
Current	262,989	283,333	233,700	49,633
Capital outlay	-	10,000	18,004	(8,004)
Total expenditures	262,989	293,333	251,704	41,629
Excess (deficiency) of revenues over expenditures	(260,711)	(291,055)	(251,192)	39,863
Other financing sources (uses):				
Transfers in	650,000	627,608	702,000	74,392
Transfers out	(532,298)	(532,298)	(500,417)	(31,881)
Total other financing sources (uses)	117,702	95,310	201,583	42,511
Net change in fund balance	(143,009)	(195,745)	(49,609)	82,374
Fund balance, beginning of year	185,833	185,833	185,833	-
Fund balance, end of year	\$ 42,824	\$ (9,912)	\$ 136,224	\$ 146,136

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Recreation Grants
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 1,091,119	\$ 1,091,119	\$ 1,246,517	\$ 155,398
Intergovernmental	29,000	48,000	56,630	8,630
Fees and charges for services	190,000	100,000	90,492	(9,508)
Investment income	3,266	3,266	1,187	(2,079)
Other	-	-	2,600	2,600
Total revenues	1,313,385	1,242,385	1,397,426	155,041
Expenditures:				
Culture and recreation:				
Current	1,709,000	1,732,968	1,590,520	142,448
Capital outlay	-	21,975	22,182	(207)
Total expenditures	1,709,000	1,754,943	1,612,702	142,241
Excess (deficiency) of revenues over expenditures	(395,615)	(512,558)	(215,276)	297,282
Other financing sources (uses):				
Transfers in	430,167	430,167	430,167	-
Operating transfers out	(22,790)	(22,790)	-	(22,790)
Total other financing sources (uses)	1,479,959	407,377	430,167	(22,790)
Net change in fund balance	1,084,344	(105,181)	214,891	274,492
Fund balance, beginning of year	573,486	573,486	573,486	-
Fund balance, end of year	\$ 1,657,830	\$ 468,305	\$ 788,377	\$ 320,072

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Land Development
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Investment income	\$ 7,666	\$ 7,666	\$ 2,303	\$ (5,363)
Total revenues	7,666	7,666	2,303	(5,363)
Expenditures:				
Culture and recreation:	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	7,666	7,666	2,303	(5,363)
Net change in fund balance	7,666	7,666	2,303	(5,363)
Fund balance, beginning of year	999,717	999,717	999,717	-
Fund balance, end of year	\$ 1,007,383	\$ 1,007,383	\$ 1,002,020	\$ (5,363)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Revenue
Special Recreation Leagues
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Donations and support	\$ 65,600	\$ 74,124	\$ 57,097	\$ (17,027)
Investment income	634	634	127	(507)
Total revenues	66,234	74,758	57,224	(17,534)
Expenditures:				
Culture and recreation:				
Current	70,029	78,553	57,498	21,055
Total expenditures	70,029	78,553	57,498	21,055
Excess (deficiency) of revenues over expenditures	(3,795)	(3,795)	(274)	3,521
Net change in fund balance	(3,795)	(3,795)	(274)	3,521
Fund balance, beginning of year	126,200	126,200	126,200	-
Fund balance, end of year	\$ 122,405	\$ 122,405	\$ 125,926	\$ 3,521

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Nonmajor Governmental Funds Capital Projects Funds

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

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.

Beautification of Major Arterials- to account for beautification of medians throughout the city.

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 City, 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

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, 2013

Assets						
	Cash, Investments and Cash Equivalents	Grants Receivable	Interest Receivable	Total Assets	Accounts Payable	Accrued Wages Payable
General Government:						
CIP Reallocation	\$ 195,386	\$ -	\$ 24,478	\$ 219,864	\$ -	\$ -
Resource Conservation	179,911	-	-	179,911	-	-
Building Renovations	1,940,187	42,773	-	1,982,960	102,053	1,779
Special Projects	-	-	-	-	6,159	-
Total General Government	2,315,484	42,773	24,478	2,382,735	108,212	1,779
Public Works:						
Beautif. of Major Arterials	224,964	-	-	224,964	4,052	1,940
Bond Acquisition	79,494	-	-	79,494	-	-
City Drainage Projects	256,747	-	-	256,747	42,671	-
Landfill Projects	1	-	-	1	-	-
City Paving Projects	5,992,978	43,616	-	6,036,594	74,871	11,305
Santa Fe River Channel	32,818	-	-	32,818	-	-
City Signalization Projects	577,077	-	-	577,077	255	439
City Street Const. Projects	2,503,061	43,101	-	2,546,162	20,201	1,287
City Sidewalk Projects	695,663	-	-	695,663	-	308
Zia Road Street Lighting	209,769	-	-	209,769	-	-
Total Public Works	10,572,572	86,717	-	10,659,289	142,050	15,279
Community Development:						
Affordable Housing Program	1,000	-	-	1,000	-	-
Public Care Facilities	2,106,294	38,885	-	2,145,179	-	1,296
Total Community Development	2,107,294	38,885	-	2,146,179	-	1,296
Culture and Recreation:						
Art for CIP Projects	436,634	-	-	436,634	7,269	720
Museums	1,624	-	-	1,624	-	-
City Parks Improvements	5,722,881	6,000	4,790	5,733,671	761,605	25,684
Open Space Acquisition	394,835	1,762	-	396,597	7,571	-
Library Improvements	112,526	-	-	112,526	-	-
Total Culture and Recreation	6,668,500	7,762	4,790	6,681,052	776,445	26,404
Totals - June 30, 2013	\$ 21,663,850	\$ 176,137	\$ 29,268	\$ 21,869,255	\$ 1,026,707	\$ 44,758

Liabilities				Fund Balance Spendable				Total Liabilities and Fund Balances
Due to Other Funds	Deferred Revenue	Deposits/ Escrows	Total Liabilities	Restricted	Assigned	Unassigned	Total Fund Balances	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 219,864	\$ -	\$ 219,864	\$ 219,864
-	-	-	-	-	179,911	-	179,911	179,911
-	5,000	-	108,832	-	1,874,128	-	1,874,128	1,982,960
371,055	-	-	377,214	-	-	(377,214)	(377,214)	-
371,055	5,000	-	486,046	-	2,273,903	(377,214)	1,896,689	2,382,735
-	-	-	5,992	218,972	-	-	218,972	224,964
-	-	-	-	-	79,494	-	79,494	79,494
-	-	-	42,671	-	214,076	-	214,076	256,747
-	-	-	-	-	-	1	1	1
-	-	-	86,176	5,950,418	-	-	5,950,418	6,036,594
-	-	-	-	-	32,818	-	32,818	32,818
-	-	-	694	-	576,383	-	576,383	577,077
-	-	100,000	121,488	2,424,675	-	-	2,424,675	2,546,163
-	-	-	308	-	695,355	-	695,355	695,663
-	-	-	-	-	209,769	-	209,769	209,769
-	-	100,000	257,329	8,594,065	1,807,895	1	10,401,961	10,659,290
-	-	-	-	-	1,000	-	1,000	1,000
-	-	-	1,296	2,143,882	-	-	2,143,882	2,145,178
-	-	-	1,296	2,143,882	1,000	-	2,144,882	2,146,178
-	-	-	7,989	-	428,645	-	428,645	436,634
-	-	-	-	-	1,624	-	1,624	1,624
-	-	-	787,289	4,946,382	-	-	4,946,382	5,733,671
-	-	-	7,571	389,026	-	-	389,026	396,597
-	-	-	-	-	112,526	-	112,526	112,526
-	-	-	802,849	5,335,408	542,795	-	5,878,203	6,681,052
\$ 371,055	\$ 5,000	\$ 100,000	\$ 1,547,520	\$ 16,073,355	\$ 4,625,593	\$ (377,213)	\$ 20,321,735	\$ 21,869,255

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, 2013

	Revenues				Expenditures		
	Taxes	Intergov- ernmental	Investment Income	Other Revenues	Total Revenues	Current	Capital Outlay
General Government:							
CIP Reallocation	\$ -	\$ -	\$ 44,060	\$ -	\$ 44,060	\$ -	\$ -
Resource Conservation	-	-	-	-	-	32,018	8,335
Building Renovations	-	267,360	-	20,011	287,371	787,011	2,011,456
Special Projects	-	-	-	-	-	156,580	-
Total General Government	-	267,360	44,060	20,011	331,431	975,609	2,019,791
Public Works:							
Beautif. of Major Arterials	-	-	-	-	-	25,004	6,024
Bond Acquisition	-	-	-	-	-	-	-
City Drainage Projects	-	-	-	-	-	-	88,267
Landfill Projects	-	-	-	-	-	-	-
City Paving Projects	1,328,791	692,379	16,173	-	2,037,343	1,063,860	3,381,225
Santa Fe River Channel	-	19,188	-	-	19,188	-	20,723
City Signalization Projects	-	-	-	-	-	26,837	192,607
City Street Const. Projects	-	324,356	-	40,906	365,262	23,590	857,468
City Sidewalk Projects	-	-	-	-	-	-	141,051
Zia Road Street Lighting	-	-	-	-	-	-	45,813
Total Public Works	1,328,791	1,035,923	16,173	40,906	2,421,793	1,139,291	4,733,178
Community Development:							
Affordable Housing Program	-	-	-	-	-	799,000	-
Public Care Facilities	-	184,162	-	-	184,162	-	367,997
Total Community Development	-	184,162	-	-	184,162	799,000	367,997
Culture and Recreation:							
Art for CIP Projects	-	-	-	600	600	113,966	774
Museums	-	-	-	-	-	-	-
City Parks Improvements	-	282,964	12,452	-	295,416	1,127,231	5,819,186
Open Space Acquisition	-	8,083	-	-	8,083	-	78,618
Library Improvements	-	-	-	-	-	-	2,560
Total Culture and Recreation	-	291,047	12,452	600	304,099	1,241,197	5,901,138
Totals - June 30, 2013	\$ 1,328,791	\$ 1,778,492	\$ 72,685	\$ 61,517	\$ 3,241,485	\$ 4,155,097	\$ 13,022,104

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
\$ -	\$ 44,060	\$ -	\$ -	\$ 44,060	\$ 175,804	\$ 219,864
40,353	(40,353)	-	-	(40,353)	220,264	179,911
2,798,467	(2,511,096)	2,136,000	(70,000)	(445,096)	2,319,224	1,874,128
156,580	(156,580)	145,854	-	(10,726)	(366,488)	(377,214)
2,995,400	(2,663,969)	2,281,854	(70,000)	(452,115)	2,348,804	1,896,689
31,028	(31,028)	250,000	-	218,972	-	218,972
-	-	-	-	-	79,494	79,494
88,267	(88,267)	-	-	(88,267)	302,343	214,076
-	-	-	-	-	1	1
4,445,085	(2,407,742)	50,000	(12,583)	(2,370,325)	8,320,743	5,950,418
20,723	(1,535)	-	-	(1,535)	34,353	32,818
219,444	(219,444)	-	(81,300)	(300,744)	877,127	576,383
881,058	(515,796)	160,000	(238,672)	(594,468)	3,019,143	2,424,675
141,051	(141,051)	-	-	(141,051)	836,406	695,355
45,813	(45,813)	-	-	(45,813)	255,582	209,769
5,872,469	(3,450,676)	460,000	(332,555)	(3,323,231)	13,725,192	10,401,961
799,000	(799,000)	-	(133,271)	(932,271)	933,271	1,000
367,997	(183,835)	205,000	-	21,165	2,122,717	2,143,882
1,166,997	(982,835)	205,000	(133,271)	(911,106)	3,055,988	2,144,882
114,740	(114,140)	-	(10,141)	(124,281)	552,926	428,645
-	-	-	-	-	1,624	1,624
6,946,417	(6,651,001)	1,767,415	(15,115)	(4,898,701)	9,845,083	4,946,382
78,618	(70,535)	20,081	(20,081)	(70,535)	459,561	389,026
2,560	(2,560)	114,000	-	111,440	1,086	112,526
7,142,335	(6,838,236)	1,901,496	(45,337)	(4,982,077)	10,860,280	5,878,203
\$ 17,177,201	\$ (13,935,716)	\$ 4,848,350	\$ (581,163)	\$ (9,668,529)	\$ 29,990,264	\$ 20,321,735

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
CIP Reallocation Fund
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final			
Revenues:					
Investment income	\$ -	\$ 26,787	\$ 44,060	\$ 17,273	
Total revenues	-	26,787	44,060	17,273	
Excess (deficiency) of revenues over expenditures	-	26,787	44,060	17,273	
Net change in fund balance	-	26,787	44,060	17,273	
Fund balance, beginning of year	175,804	175,804	175,804	-	
Fund balance, end of year	\$ 175,804	\$ 202,591	\$ 219,864	\$ 17,273	

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Resource Conservation
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
General government:				
Current	\$ -	\$ 200,365	\$ 32,018	\$ 168,347
Capital outlay	-	19,898	8,335	11,563
Total expenditures	-	220,263	40,353	179,910
Excess (deficiency) of revenues over expenditures	-	(220,263)	(40,353)	179,910
Net changes in fund balance	-	(220,263)	(40,353)	179,910
Fund balance, beginning of year	220,264	220,264	220,264	-
Fund balance, end of year	\$ 220,264	\$ 1	\$ 179,911	\$ 179,910

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Building Renovations
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Revenues:				
Intergovernmental	\$ -	\$ 695,607	\$ 267,360	\$ (428,247)
Other revenues	-	20,011	20,011	-
Total revenues	-	715,618	287,371	(428,247)
Expenditures:				
General government:				
Current	-	873,705	787,011	86,694
Capital outlay	-	4,245,587	2,011,456	2,234,131
Total expenditures	-	5,119,292	2,798,467	2,320,825
Excess (deficiency) of revenues over expenditures	-	(4,403,674)	(2,511,096)	1,892,578
Other financing sources (uses):				
Transfers in	-	2,136,000	2,136,000	-
Transfers out	-	(70,000)	(70,000)	-
Total other financing sources (uses)	-	2,066,000	2,066,000	-
Net change in fund balance	-	(2,337,674)	(445,096)	1,892,578
Fund balance, beginning of year	2,319,224	2,319,224	2,319,224	-
Fund balance, end of year	\$ 2,319,224	\$ (18,450)	\$ 1,874,128	\$ 1,892,578

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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Public works:				
Current	\$ 108,035	\$ 145,854	\$ 156,580	\$ (10,726)
Total expenditures	108,035	145,854	156,580	(10,726)
Excess (deficiency) of revenues over expenditures	(108,035)	(145,854)	(156,580)	(10,726)
Other financing sources (uses):				
Transfers in	-	145,854	145,854	-
Total other financing sources (uses)	-	145,854	145,854	-
Net change in fund balance	(108,035)	-	(10,726)	(10,726)
Fund balance, beginning of year	(366,488)	(366,488)	(366,488)	-
Fund balance, end of year	\$ (474,523)	\$ (366,488)	\$ (377,214)	\$ (10,726)

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Beautification of Major Arterials
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Public works:				
Current	\$ -	\$ 240,000	\$ 25,004	\$ 214,996
Capital outlay	-	10,000	6,024	3,976
Total expenditures	-	250,000	31,028	3,976
Excess (deficiency) of revenues over expenditures	-	(250,000)	(31,028)	3,976
Other financing sources (uses):				
Transfers in	-	250,000	250,000	-
Total other financing sources (uses)	-	250,000	250,000	-
Net change in fund balance	-	-	218,972	218,972
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 218,972	\$ 218,972

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Bond Acquisition
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 3,489	\$ -	(3,489)
Total revenues	-	3,489	-	(3,489)
Expenditures:				
Public works:				
Current	-	25,000	-	25,000
Capital outlay	-	278,489	88,267	190,222
Total expenditures	-	303,489	88,267	215,222
Excess (deficiency) of revenues over expenditures	-	(300,000)	(88,267)	211,733
Net change in fund balance	-	(300,000)	(88,267)	211,733
Fund balance, beginning of year	302,343	302,343	302,343	-
Fund balance, end of year	\$ 302,343	\$ 2,343	\$ 214,076	\$ 211,733

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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final			
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	-
Other financing sources (uses):					
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	1	1	1	1	-
Fund balance, end of year	\$ 1	\$ 1	\$ 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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final			
Revenues:					
Taxes	\$ 1,405,000	\$ 1,405,000	\$ 1,328,791	\$ (76,209)	
Intergovernmental	-	1,192,379	692,379	(500,000)	
Interest on investments	5,801	20,801	16,173	(4,628)	
Total revenues	1,410,801	2,618,180	2,037,343	(580,837)	
Expenditures:					
Public works:					
Current	867,942	1,076,935	1,063,860	13,075	
Capital outlay	13,300	7,698,320	3,381,225	4,317,095	
Total expenditures	881,242	8,775,255	4,445,085	4,330,170	
Excess (deficiency) of revenues over expenditures	529,559	(6,157,075)	(2,407,742)	3,749,333	
Other financing sources (uses):					
Transfers in	-	50,000	50,000	-	
Transfers out	-	(12,583)	(12,583)	-	
Total other financing sources (uses)	-	37,417	37,417	-	
Net change in fund balance	529,559	(6,119,658)	(2,370,325)	3,749,333	
Fund balance, beginning of year	8,320,743	8,320,743	8,320,743	-	
Fund balance, end of year	\$ 8,850,302	\$ 2,201,085	\$ 5,950,418	\$ 3,749,333	

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Santa Fe River Channel
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final			
Revenues:					
Intergovernmental	\$ -	\$ 8,430	\$ 19,188	\$ 10,758	
Total revenues	-	8,430	19,188	10,758	
Expenditures:					
Public works:					
Capital outlay	-	23,888	20,723	3,165	
Total expenditures	-	23,888	20,723	3,165	
Excess (deficiency) of revenues over expenditures	-	(15,458)	(1,535)	13,923	
Net change in fund balance	-	(15,458)	(1,535)	13,923	
Fund balance, beginning of year	34,353	34,353	34,353	-	
Fund balance, end of year	\$ 34,353	\$ 18,895	\$ 32,818	\$ 13,923	

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
City Signalization Projects
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Public works:				
Current	\$ -	\$ 1,967	\$ 26,837	\$ (24,870)
Capital outlay	-	763,689	192,607	571,082
Total expenditures	-	765,656	219,444	546,212
Excess (deficiency) of revenues over expenditures	-	(765,656)	(219,444)	546,212
Other financing sources (uses):				
Transfers out	-	(81,300)	(81,300)	-
Total other financing sources (uses)	-	(81,300)	(81,300)	-
Net change in fund balance	-	(846,956)	(300,744)	546,212
Fund balance, beginning of year	877,127	877,127	877,127	-
Fund balance, end of year	\$ 877,127	\$ 30,171	\$ 576,383	\$ 546,212

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
City Street Construction Projects
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final			
Revenues:					
Intergovernmental	\$ -	\$ 11,474,355	\$ 324,356	\$ (11,149,999)	
Other revenue	73,311	73,311	40,906	(32,405)	
Total revenues	73,311	11,547,666	365,262	(11,182,404)	
Expenditures:					
Public works:					
Current	-	57,520	23,590	33,930	
Capital outlay	-	14,067,724	857,468	13,210,256	
Total expenditures	-	14,125,244	881,058	13,244,186	
Excess (deficiency) of revenues over expenditures	73,311	(2,577,578)	(515,796)	2,061,782	
Other financing sources (uses):					
Transfers in	-	160,000	160,000	-	
Transfers out	-	(238,672)	(238,672)	-	
Total other financing sources (uses)	-	(78,672)	(78,672)	-	
Net change in fund balance	73,311	(2,656,250)	(594,468)	2,061,782	
Fund balance, beginning of year	3,019,143	3,019,143	3,019,143	-	
Fund balance, end of year	\$ 3,092,454	\$ 362,893	\$ 2,424,675	\$ 2,061,782	

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
City Sidewalk Projects
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Public works:				
Current	\$ -	\$ 50,000	\$ -	\$ 50,000
Capital outlay	-	780,172	141,051	639,121
Total expenditures	-	830,172	141,051	689,121
Excess (deficiency) of revenues over expenditures	-	(830,172)	(141,051)	689,121
Net change in fund balance	-	(830,172)	(141,051)	689,121
Fund balance, beginning of year	836,406	836,406	836,406	-
Fund balance, end of year	\$ 836,406	\$ 6,234	\$ 695,355	\$ 689,121

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Zia Road Street Lighting
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Public works:				
Capital outlay	\$ -	\$ 200,695	\$ 45,813	\$ 154,882
Total expenditures	-	200,695	45,813	154,882
Excess (deficiency) of revenues over expenditures	-	(200,695)	(45,813)	154,882
Net change in fund balance	-	(200,695)	(45,813)	154,882
Fund balance, beginning of year	255,582	255,582	255,582	-
Fund balance, end of year	\$ 255,582	\$ 54,887	\$ 209,769	\$ 154,882

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Affordable Housing Program
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final			
Expenditures:					
Community development					
Current	\$ -	\$ 800,000	\$ 799,000	\$ 1,000	
Total expenditures	-	800,000	799,000	1,000	
Excess (deficiency) of revenues over expenditures	-	(800,000)	(799,000)	1,000	
Other financing sources (uses):					
Transfers out	-	(133,271)	(133,271)	-	
Total other financing sources (uses)	-	(133,271)	(133,271)	-	
Net change in fund balance	-	(933,271)	(932,271)	1,000	
Fund balance, beginning of year	933,271	933,271	933,271	-	
Fund balance, end of year	\$ 933,271	\$ -	\$ 1,000	\$ 1,000	

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Public Care Facilities
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 610,332	\$ 184,162	\$ (426,170)
Total revenues	-	610,332	184,162	(426,170)
Expenditures:				
Community development:				
Current	-	85,188	-	85,188
Capital outlay	-	2,836,105	367,997	2,468,108
Total expenditures	-	2,921,293	367,997	2,553,296
Excess (deficiency) of revenues over expenditures	-	(2,310,961)	(183,835)	2,127,126
Other financing sources (uses):				
Transfers in	-	205,000	205,000	-
Total other financing sources (uses)	-	205,000	205,000	-
Net change in fund balance	-	(2,105,961)	21,165	2,127,126
Fund balance, beginning of year	2,122,717	2,122,717	2,122,717	-
Fund balance, end of year	\$ 2,122,717	\$ 16,756	\$ 2,143,882	\$ 2,127,126

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Art for CIP Projects
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final			
Revenues:					
Other revenue	\$ -	\$ -	\$ 600	\$ 600	
Total revenues	-	-	600	600	
Expenditures:					
Culture and recreation:					
Current	201,685	321,448	113,966	207,482	
Capital outlay	-	875	774	101	
Total expenditures	201,685	322,323	114,740	207,583	
Excess (deficiency) of revenues over expenditures	(201,685)	(322,323)	(114,140)	208,183	
Other financing sources (uses):					
Transfers out	-	(10,141)	(10,141)	-	
Total other financing sources (uses)	-	(10,141)	(10,141)	-	
Net change in fund balance	(201,685)	(332,464)	(124,281)	208,183	
Fund balance, beginning of year	552,926	552,926	552,926	-	
Fund balance, end of year	\$ 351,241	\$ 220,462	\$ 428,645	\$ 208,183	

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Museums
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

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

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
City Parks Improvements
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 275,964	\$ 282,964	\$ 7,000
Interest on investments	-	-	12,452	12,452
Total revenues	-	275,964	295,416	19,452
Expenditures:				
Culture and recreation:				
Current	204,675	3,014,707	1,127,231	1,887,476
Capital outlay	-	8,749,163	5,819,186	2,929,977
Total expenditures	204,675	11,763,870	6,946,417	4,817,453
Excess (deficiency) of revenues over expenditures	(204,675)	(11,487,906)	(6,651,001)	4,836,905
Other financing sources (uses):				
Transfers in	-	1,751,060	1,767,415	16,355
Transfers out	-	(31,470)	(15,115)	16,355
Total other financing sources (uses)	-	1,719,590	1,752,300	32,710
Net change in fund balance	(204,675)	(9,768,316)	(4,898,701)	4,869,615
Fund balance, beginning of year	9,845,083	9,845,083	9,845,083	-
Fund balance, end of year	\$ 9,640,408	\$ 76,767	\$ 4,946,382	\$ 4,869,615

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Open Space Acquisition
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 173,083	\$ 8,083	\$ (165,000)
Total revenues	-	173,083	8,083	(165,000)
Expenditures:				
Culture and recreation:	-	-	-	-
Current	-	5,000	-	5,000
Capital outlay	-	320,795	78,618	242,177
Total expenditures	-	325,795	78,618	247,177
Excess (deficiency) of revenues over expenditures	-	(152,712)	(70,535)	82,177
Other financing sources (uses):				
Transfers in	-	20,081	20,081	-
Transfers out	-	(20,081)	(20,081)	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	(152,712)	(70,535)	82,177
Fund balance, beginning of year	459,561	459,561	459,561	-
Fund balance, end of year	\$ 459,561	\$ 306,849	\$ 389,026	\$ 82,177

CITY OF SANTA FE, NEW MEXICO
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Capital Projects
Library Improvements
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual Amount	
Expenditures:				
Cultural and Recreation:				
Capital Outlay	\$ -	\$ 115,024	\$ 2,560	\$ 112,464
Total expenditures	-	115,024	2,560	112,464
Excess (deficiency) of revenues over expenditures	-	(115,024)	(2,560)	112,464
Other financing sources (uses):				
Transfers in	-	114,000	114,000	-
Total other financing sources (uses)	-	114,000	114,000	-
Net changes in fund balance	-	(1,024)	111,440	112,464
Fund balance, beginning of year	1,086	1,086	1,086	-
Fund balance, end of year	\$ 1,086	\$ 62	\$ 112,526	\$ 112,464

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
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 14,538,103	\$ 14,538,103	\$ 15,042,494	\$ 504,391
Total revenues	14,538,103	14,538,103	15,042,494	504,391
Expenditures:				
General government:				
Current	3,020,181	3,097,097	2,909,996	187,101
Capital outlay	300,341	296,387	248,757	47,630
Total expenditures	3,320,522	3,393,484	3,158,753	234,731
Excess (deficiency) of revenues over expenditures	11,217,581	11,144,619	11,883,741	739,122
Other financing sources (uses):				
Transfers in	2,000,000	-	-	-
Transfers out	(13,989,824)	(14,000,824)	(14,000,824)	-
Total other financing sources (uses)	(11,989,824)	(14,000,824)	(14,000,824)	-
Net change in fund balance	(772,243)	(2,856,205)	(2,117,083)	739,122
Fund balance, beginning of year	11,193,717	11,193,717	11,193,717	-
Fund balance, end of year	\$ 10,421,474	\$ 8,337,512	\$ 9,076,634	\$ 739,122

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

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.

CITY OF SANTA FE, NEW MEXICO
Major Governmental Fund
Debt Service Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income (loss)	\$ 68,149	\$ 30,579	\$ (3,049)	\$ (33,628)
Property Tax Revenue	2,689,877	2,689,877	2,115,324	(574,553)
Reimbursements/Refunds	-	105,335	105,335	-
Miscellaneous Revenue	46,270	46,270	46,222	(48)
Total revenues	2,804,296	2,872,061	2,263,832	(608,229)
Expenditures:				
Debt service:				
Principal payments	8,655,127	8,655,127	8,655,127	-
Interest and fiscal agent fees	5,669,310	6,727,522	6,727,493	29
Bond issuance costs	-	399,940	399,940	-
Total expenditures	14,324,437	15,782,589	15,782,560	29
Excess (deficiency) of revenues over expenditures	(11,520,141)	(12,910,528)	(13,518,728)	(608,200)
Other financing sources (uses):				
Operating transfers in	11,814,691	40,324,090	40,325,452	1,362
Operating transfers out	(48,384)	(29,307,783)	(29,309,145)	(1,362)
HUD loan payments(flow through)	-	-	30,095	30,095
Issuance of bonds				
Principal payments (refunding)	-	(24,834,692)	(24,834,692)	-
Face value of bonds issued	-	24,660,000	24,900,000	240,000
Premium on issuance of bond	-	1,643,848	1,643,848	-
Total other financing sources (uses)	11,766,307	12,485,463	12,755,558	270,095
Net change in fund balance	246,166	(425,065)	(763,170)	(338,105)
Fund balance, beginning of year	76,388,295	5,982,468	5,512,100	470,368
Fund balance, end of year	\$ 76,634,461	\$ 5,557,403	\$ 4,748,930	\$ (808,473)

CITY OF SANTA FE, NEW MEXICO
Major Governmental Fund
Debt Service Fund
Combining Balance Sheet
For the Year Ended June 30, 2013

	General Obligation 2008 Debt Service	General Obligation 2010 Debt Service	General Obligation 2013 Debt Service	GRT 2002 Debt Service	GRT 2004A Debt Service	GRT Refunding 2004B Debt Service	GRT 2006 Debt Service	GRT 2008 CIP Debt Service	GRT Refunding 2008B Debt Service
Assets									
Cash and Investments	\$ 918,838	\$428,452	\$239,723	\$ 2	\$ 4	\$ 1	\$ 7	\$ 1	\$ 67,796
Restricted cash, cash equivalents and investments: Restricted for debt service payments	1,615,000	204,711		-	-	-	140,932	112,980	-
Receivables									
Property taxes	28,223	13,160		-	-	-	-	-	-
Interest	1,678	783	145	1	26	-	561	348	86
Total Assets	\$2,563,739	\$647,106	\$239,868	\$ 3	\$ 30	\$ 1	\$ 141,500	\$ 113,329	\$ 67,882
Liabilities and Fund Balances									
Liabilities									
Vouchers payable	-	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-
Fund balances:									
Fund balance:									
Reserve, designated for, reported in:									
Debt service	2,563,739	647,106		3	30	1	141,500	113,329	67,882
Capital projects	-	-	239,868	-	-	-	-	-	-
Total Fund Balances	2,563,739	647,106	239,868	3	30	1	141,500	113,329	67,882
Total liabilities and fund balances	\$2,563,739	\$647,106	\$239,868	\$ 3	\$ 30	\$ 1	\$ 141,500	\$ 113,329	\$ 67,882

GRT Refunding 2010A Debt Service	GRTCIP & Ref. 2012A Debt Service	GRT Refunding 2013A Debt Service	GRT Refunding 2013B Debt Service	NMFA-Fire Department Debt Service	HUD Section 108 Loan Debt Service	NMFA-Parking Loan Debt Service	NMFA-Land Acquisition Debt Service	TOTAL
\$ 11,259	\$ 47,693	\$ 3,439	\$ 1,309	\$ 189,830	\$ 131	\$ 270	\$ 215	\$1,908,970
493,759	133,063	34,445	54,161	-	41,968	-	1	2,831,020
-	-	-	-	231	-	257	86	41,383
2,960	407	2	1	-	-	-	-	7,572
\$ 507,978	\$ 181,163	\$ 37,886	\$ 55,471	\$ 190,061	\$ 42,099	\$ 527	\$ 302	\$4,788,945
-	-	-	-	-	15	-	-	15
-	-	-	-	-	40,000	-	-	40,000
-	-	-	-	-	40,015	-	-	40,015
507,978	181,163	37,886	55,471	190,061	2,084	527	302	4,509,062
-	-	-	-	-	-	-	-	239,868
507,978	181,163	37,886	55,471	190,061	2,084	527	302	4,748,930
\$ 507,978	\$ 181,163	\$ 37,886	\$ 55,471	\$ 190,061	\$ 42,099	\$ 527	\$ 302	\$4,788,945

Assets

Cash and Investments
 Restricted cash, cash equivalents and investments:
 Restricted for debt service payments
 Receivables
 Property taxes
 Interest

Total Assets

Liabilities and Fund Balances

Liabilities
 Vouchers payable
 Other current liabilities

Total Liabilities

Fund balances:

Fund balance:
 Reserve, designated for, reported in:
 Debt service
 Capital projects

Total Fund Balances

Total liabilities and fund balances

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, 2013

	General Obligation 2008 Debt Service	General Obligation 2010 Debt Service	General Obligation 2013 Debt Service	GRT 2002 Debt Service	GRT 2004A Debt Service	GRT Refunding 2004B Debt Service	GRT 2006 Debt Service	GRT 2008 CIP Debt Service	GRT Refunding 2008B Debt Service
REVENUES:									
Taxes									
Property	\$ 1,393,458	\$ 721,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income (loss)	1,811	938	(132)	(4)	(81)	-	1,323	642	(3,062)
Reimbursements/Refunds	-	-	-	-	-	-	-	-	-
Total Revenues	1,395,269	722,804	(132)	(4)	(81)	-	1,323	642	(3,062)
EXPENDITURES:									
Debt service:									
Principal payments	805,000	395,000	-	-	25,000	-	825,000	275,000	-
Interest and fiscal agent fees	747,531	333,369	-	-	3,491	-	1,758,577	1,041,821	2,000
Bond Issuance Costs	-	-	-	-	-	-	-	-	-
Total Expenditures	1,552,531	728,369	-	-	28,491	-	2,583,577	1,316,821	2,000
Excess (deficiency) of revenues over expenditures	(157,262)	(5,565)	(132)	(4)	(28,572)	-	(2,582,254)	(1,316,179)	(5,062)
OTHER FINANCING SOURCES (USES):									
Operating Transfers In	-	-	-	7	838	1	13,490,849	1,327,060	-
Operating Transfers Out	-	(756,912)	-	(2,032)	(22,908)	(88)	(6,912)	(7,895)	(7,491)
Other Sources	-	-	-	-	-	-	-	-	-
Issuance of Bonds	-	-	-	-	-	-	-	-	-
Principal Payments (Refunding)	-	-	-	-	-	-	(10,890,000)	-	-
Bonds Proceeds	-	-	240,000	-	-	-	-	-	-
Bond Premiums	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(756,912)	240,000	(2,025)	(22,070)	(87)	2,593,937	1,319,165	(7,491)
Net change in fund balance	(157,262)	(762,477)	239,868	(2,029)	(50,642)	(87)	11,683	2,986	(12,553)
Fund balance, beginning of year	2,721,001	1,409,583	-	2,032	50,672	88	129,817	110,343	80,435
Fund balance, end of year	\$ 2,563,739	\$ 647,106	\$ 239,868	\$ 3	\$ 30	\$ 1	\$ 141,500	\$ 113,329	\$ 67,882

GRT Refunding 2010A Debt Service	GRT Refunding/ CIP 2012A Debt Service	GRT Refunding 2013A Debt Service	GRT Refunding 2013B Debt Service	NMFA-Fire Department Debt Service	HUD Section 108 Loan Debt Service	NMFA-Parking Loan Debt Service	NMFA-Land Acquisition Debt Service	TOTAL	
\$ -	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,115,324	REVENUES:
5,454	(10,873)			608	4	241	74	(3,049)	Taxes
-	105,335			46,222	-	-	-	151,557	Property
5,454	94,462	8	-	46,830	4	241	74	2,263,832	Investment Income (loss)
									Reimbursements/Refunds
									Total Revenues
5,590,000	60,000	-	-	158,455	18,000	359,853	143,819	8,655,127	EXPENDITURES:
624,989	1,421,318	1,819	428	4,996	12,269	642,796	132,089	6,727,493	Debt service:
-	-	184,572	215,367	-	-	-	-	399,939	Principal payments
6,214,989	1,481,318	186,391	215,795	163,451	30,269	1,002,649	275,908	15,782,559	Interest and fiscal agent fees
									Bond Issuance Costs
									Total Expenditures
(6,209,535)	(1,386,856)	(186,383)	(215,795)	(116,621)	(30,265)	(1,002,408)	(275,834)	(13,518,727)	Excess (deficiency) of revenues over expenditures
6,215,075	3,981,053	36,360	50,760	-	200	14,947,340	275,908	40,325,451	OTHER FINANCING SOURCES (USES):
(16,912)	(2,592,562)	(11,922,388)	(13,973,045)	-	-	-	-	(29,309,145)	Operating Transfers In
-	-	-	-	-	30,095	-	-	30,095	Operating Transfers Out
-	-	-	-	-	-	(13,944,692)	-	(24,834,692)	Other Sources
-	-	10,880,000	13,780,000	-	-	-	-	24,900,000	Issuance of Bonds
-	-	1,230,297	413,551	-	-	-	-	1,643,848	Principal Payments (Refunding)
6,198,163	1,388,491	224,269	271,266	-	30,295	1,002,648	275,908	12,755,557	Bonds Proceeds
									Bond Premiums
(11,372)	1,635	37,886	55,471	(116,621)	30	240	74	(763,170)	Total other financing sources (uses)
519,350	179,528	-	-	306,682	2,054	287	228	5,512,100	Net change in fund balance
\$ 507,978	\$ 181,163	\$ 37,886	\$ 55,471	\$ 190,061	\$ 2,084	\$ 527	\$ 302	\$ 4,748,930	Fund balance, beginning of year
									Fund balance, end of year

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Nonmajor Enterprise Funds

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.

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

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 Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2013

	Municipal Recreation Complex	Parking Enterprise Fund	Transit Bus System
Assets			
Current assets:			
Cash, investments and cash equivalents	\$ -	\$ 1,333,173	\$ 3,164,605
Grants receivable	22,700	109,320	472,457
Receivable (net of allowances)			
Accounts	195,800	38,154	-
Interest receivable	221	1,555	1,720
Total current assets	218,721	1,482,202	3,638,782
Noncurrent assets:			
Deferred Charges (net of amortization)	226,118	-	-
Capital assets:			
Land and land rights	2,250,000	-	-
Buildings and structures	2,314,761	18,360,390	7,721,323
Utility Systems	-	-	-
Improvements	14,830,114	63,620	766,447
Furniture and fixtures	-	19,684	9,043
Equipment and machinery	799,612	792,004	1,208,255
Vehicles	59,236	442,420	11,089,272
Data processing equipment and software	62,002	521,295	550,026
Art	-	-	180,971
Construction in progress	-	-	597,693
Less accumulated depreciation	(15,244,420)	(4,310,311)	(10,242,187)
Total capital assets (net of accumulated depreciation)	5,071,305	15,889,102	11,880,843
Total noncurrent assets	5,297,423	15,889,102	11,880,843
Total assets	\$ 5,516,144	\$ 17,371,304	\$ 15,519,625
Liabilities			
Current liabilities:			
Accounts payable	\$ 45,651	\$ 68,870	\$ 148,433
Miscellaneous payable	4,984	16,046	-
Accrued wages payable	7,341	51,746	92,795
Bonds payable net of amortization	917,286	-	-
Interest payable	33,704	-	-
Deposits and escrows	605	20,983	14
Due to other funds	820,389	-	-
Total current liabilities	1,829,960	157,645	241,242
Noncurrent liabilities			
Bonds payable net of amortization	8,437,853	-	-
Compensated absences payable	39,777	247,848	453,263
Total noncurrent liabilities	8,477,630	247,848	453,263
Total liabilities	10,307,590	405,493	694,505
Net position			
Net investment in capital assets	(4,283,834)	15,889,102	11,880,843
Unrestricted	(507,612)	1,076,709	2,944,277
Total net position	\$ (4,791,446)	\$ 16,965,811	\$ 14,825,120

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

Airport	GCCC	Totals	
\$ -	\$ 1,617,653	\$ 6,115,431	Current assets:
1,741,955	82,215	2,428,647	Cash, investments and cash equivalents
-	-	233,954	Grants receivable
1	2,104	5,601	Receivable (net of allowances)
			Accounts
			Interest receivable
1,741,956	1,701,972	8,783,633	Total current assets
-	-	226,118	Noncurrent assets:
			Deferred Charges (net of amortization)
129,711	2,072,067	4,451,778	Capital assets:
5,179,142	23,306,768	56,882,384	Land and land rights
-	29,820	29,820	Buildings and systems
16,785,215	198,423	32,643,819	Utility Systems
-	37,525	66,252	Improvements
1,164,651	523,987	4,488,509	Furniture and fixtures
596,733	63,690	12,251,351	Equipment and machinery
2,174	59,309	1,194,806	Vehicles
-	-	180,971	Data processing equipment and software
5,866,648	1,348,625	7,812,966	Art
(11,859,553)	(7,268,586)	(48,925,057)	Construction in progress
			Less accumulated depreciation
17,864,721	20,371,628	71,077,599	Total capital assets (net of accumulated depreciation)
17,864,721	20,371,628	71,303,717	Total noncurrent assets
\$ 19,606,677	\$ 22,073,600	\$ 80,087,350	Total assets
\$ 9,946	\$ 110,756	\$ 383,656	Liabilities
250	7,603	28,883	Current liabilities:
23,992	44,609	220,483	Accounts payable
-	-	917,286	Miscellaneous payable
-	-	33,704	Accrued wages payable
-	16,721	38,323	Bonds payable net of amortization
1,650,391	-	2,470,780	Interest payable
1,684,579	179,689	4,093,115	Deposits and escrows
			Due to other funds
			Total current liabilities
-	-	8,437,853	Noncurrent liabilities
106,821	171,882	1,019,591	Bonds payable net of amortization
106,821	171,882	9,457,444	Compensated absences payable
1,791,400	351,571	13,550,559	Total noncurrent liabilities
			Total liabilities
17,864,721	20,371,628	61,722,460	Net position
(49,444)	1,350,401	4,814,331	Net investment in capital assets
			Unrestricted
\$ 17,815,277	\$ 21,722,029	\$ 66,536,791	Total net position

CITY OF SANTA FE, NEW MEXICO
Enterprise Funds
Combining Statement of Revenues, Expenses
and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2013

	Municipal Recreation Complex	Parking Enterprise Fund	Transit Bus System
Operating revenues:			
User fees	\$ 979,055	\$ 4,517,913	\$ 1,141,268
Other revenue	99,197	557,435	115,644
Total operating revenues	<u>1,078,252</u>	<u>5,075,348</u>	<u>1,256,912</u>
Operating expenses:			
Salaries, wages and benefits	408,095	2,961,199	5,802,147
Contractual services and utilities	387,777	382,680	212,817
Repairs and maintenance	43,077	89,663	381,754
Supplies	43,668	168,680	616,269
Capital outlay-inventory exempt items	88,216	42,477	34,511
Depreciation expense	218,021	496,600	1,124,175
Amortization expense	19,670	-	-
Insurance	52,851	208,005	277,272
Other	148,625	959,462	396,802
Total operating expenses	<u>1,410,000</u>	<u>5,308,766</u>	<u>8,845,747</u>
Operating income (loss)	<u>(331,748)</u>	<u>(233,418)</u>	<u>(7,588,835)</u>
Non-operating revenues (expenses):			
Investment income	610	1,789	6,035
Intergovernmental	-	-	2,510,011
Gain (Loss) on sale of capital assets	1,350	1,356	5,794
Interest expense	(433,213)	-	-
Prem/(Discount) debt service interest	17,286	-	-
Total non-operating revenues (expenses)	<u>(413,967)</u>	<u>3,145</u>	<u>2,521,840</u>
Income (loss) before transfers	<u>(745,715)</u>	<u>(230,273)</u>	<u>(5,066,995)</u>
Transfers in	1,306,415	-	6,723,590
Transfers out	(9,675)	-	(2,500,000)
Change in net position	<u>551,025</u>	<u>(230,273)</u>	<u>(843,405)</u>
Net position, beginning of year	(5,342,471)	17,196,084	15,668,525
Net position, end of year	<u>\$ (4,791,446)</u>	<u>\$ 16,965,811</u>	<u>\$ 14,825,120</u>

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

Airport		GCCC		Totals		
\$	1,006,942	\$	1,636,844	\$	9,282,022	Operating revenues:
	256,048		262,377		1,290,701	User fees
	1,262,990		1,899,221		10,572,723	Other revenue
						Total operating revenues
	1,078,116		2,632,146		12,881,703	Operating expenses:
	149,641		883,985		2,016,900	Salaries, wages and benefits
	28,007		96,831		639,332	Contractual services and utilities
	24,182		194,090		1,046,889	Repairs and maintenance
	9,578		307,598		482,380	Supplies
	1,376,825		490,891		3,706,512	Capital outlay-inventory exempt items
	-		-		19,670	Depreciation expense
	59,659		264,835		862,622	Amortization expense
	97,080		163,690		1,765,659	Insurance
						Other
	2,823,088		5,034,066		23,421,667	Total operating expenses
	(1,560,098)		(3,134,845)		(12,848,944)	Operating income (loss)
	40		2,495		10,969	Non-operating revenues (expenses):
	2,858,565		140,600		5,509,176	Investment income
	(1,166)		(13,493)		(6,159)	Intergovernmental
	-		-		(433,213)	Gain (Loss) on sale of capital assets
	-		-		17,286	Interest expense
	2,857,439		129,602		5,098,059	Prem/(Discount) debt service interest
						Total non-operating revenues (expenses)
	1,297,341		(3,005,243)		(7,750,885)	Income (loss) before transfers
	214,672		2,694,476		10,939,153	Transfers in
	-		(286,813)		(2,796,488)	Transfers out
	1,512,013		(597,580)		391,780	Change in net position
	16,303,264		22,319,609		66,145,011	Net position, beginning of year
\$	17,815,277	\$	21,722,029	\$	66,536,791	Net position, end of year

CITY OF SANTA FE, NEW MEXICO
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2013

	Municipal Recreation Complex	Parking Enterprise Fund	Transit Bus System
Cash flows from operating activities:			
Cash received from customers	\$ 1,129,463	\$ 5,044,549	\$ 1,256,912
Cash payments to suppliers for goods and services	(767,150)	(1,489,978)	(1,730,908)
Cash paid for interfund services provided and used	-	(377,423)	(319,082)
Cash payments to employees for services	(422,420)	(2,920,175)	(5,714,419)
Net cash provided (used) by operating activities:	(60,107)	256,973	(6,507,497)
Cash flows from noncapital financing activities:			
Intergovernmental	-	213,514	4,167,419
Due from other funds	85,342	-	-
Transfers-in from other funds	1,306,415	-	6,723,590
Transfers-out to other funds	(9,675)	-	(2,500,000)
Net cash provided (used) by noncapital financing activities	1,382,082	213,514	8,391,009
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(23,011)	263	(600,538)
Proceeds from sale of capital assets	1,350	1,356	5,794
Principal paid on revenue bond maturities and notes payable	(865,000)	-	-
Interest paid on revenue bonds and notes payable	(435,828)	-	-
Net cash used for capital and related financing activities	(1,322,489)	1,619	(594,744)
Cash flows from investing activities:			
Interest and dividends on investments	514	1,387	4,790
Net cash provided by investing activities	514	1,387	4,790
Net increase (decrease) in cash and cash equivalents	-	473,493	1,293,558
Cash, investments and cash equivalents at beginning of year	-	859,680	1,871,047
Cash, investments and cash equivalents at end of year	\$ -	\$ 1,333,173	\$ 3,164,605
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (331,748)	\$ (233,418)	\$ (7,588,835)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation/amortization	237,691	499,600	1,124,175
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	51,211	(30,799)	-
Increase (decrease) in accounts payable	(2,032)	(19,393)	(130,565)
Increase (decrease) in compensated absences payable	(13,189)	34,246	84,443
Increase (decrease) in accrued wages payable	(1,136)	7,233	3,285
Increase (decrease) in miscellaneous payable	(904)	(455)	-
Increase (decrease) in escrow	-	(41)	-
Increase (decrease) in due to other funds	-	-	-
Total adjustments	271,641	490,391	1,081,338
Net cash provided (used) by operating activities	\$ (60,107)	\$ 256,973	\$ (6,507,497)

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

Airport		GCCC		Totals	
\$	1,262,990	\$	1,899,221	\$	10,593,135
	(314,513)		(1,939,292)		(6,241,841)
	(90,552)		-		(787,057)
	(1,061,633)		(2,632,067)		(12,750,714)
	(203,708)		(2,672,138)		(9,186,477)
	1,259,719		111,699		5,752,351
	1,650,391		-		1,735,733
	214,672		2,694,476		10,939,153
	-		(286,813)		(2,796,488)
	3,124,782		2,519,362		15,630,749
	(2,921,001)		(36,720)		(3,581,007)
	(1,166)		(13,493)		(6,159)
	-		-		(865,000)
	-		-		(435,828)
	(2,922,167)		(50,213)		(4,887,994)
	40		2,443		9,174
	40		2,443		9,174
	(1,053)		(200,546)		1,565,452
	1,053		1,818,199		4,549,979
\$	-	\$	1,617,653	\$	6,115,431
\$	(1,560,098)	\$	(3,134,845)	\$	(12,848,944)
	1,376,825		490,891		3,729,182
	-		-		20,412
	(37,168)		(27,246)		(216,404)
	10,896		1,028		117,424
	5,587		(949)		14,020
	250		(1,017)		(2,126)
	-		-		(41)
	-		-		-
	1,356,390		462,707		3,662,467
\$	(203,708)	\$	(2,672,138)	\$	(9,186,477)

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 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 Position Budget and Actual
Municipal Recreation Complex
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
User fees	\$ 1,173,619	\$ 1,173,619	\$ 979,055	\$ (194,564)
Investment income	841	841	610	(231)
Other revenue	125,887	133,603	99,197	(34,406)
Transfers in	1,236,415	1,306,415	1,306,415	-
Total revenues	2,536,762	2,614,478	2,385,277	(229,201)
Expenses:				
Salaries, wages and benefits	565,636	561,001	408,095	152,906
Contractual services and utilities	327,519	312,133	387,777	(75,644)
Repairs and maintenance	12,000	49,068	43,077	5,991
Supplies	41,391	53,800	43,668	10,132
Capital outlay	580	266,876	111,227	155,649
Insurance	52,851	52,851	52,851	-
Interest expense	1,300,828	1,300,828	433,213	867,615
Other	196,557	166,489	148,625	17,864
Transfers out	9,675	9,675	9,675	-
Total expenses	2,507,037	2,772,721	1,638,208	1,134,513
Excess of revenues over (under) expenses	\$ 29,725	\$ (158,243)	747,069	\$ (1,363,714)
Revenue (expenses) not budgeted:				
Depreciation expense			(218,021)	
Amortization expense			(19,670)	
Gain (Loss) on sale of capital assets			1,350	
Prem (Discount) debt service interest			17,286	
Change to conform to generally accepted accounting principles				
Capital outlay			23,011	
Change in net position			\$ 551,025	

CITY OF SANTA FE, NEW MEXICO
Nonmajor Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Parking Enterprise Fund
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
User fees	\$ 4,080,604	\$ 4,150,604	\$ 4,517,913	\$ 367,309
Investment income	4,194	4,194	1,789	(2,405)
Other revenue	650,000	650,000	557,435	(92,565)
Total revenues	4,734,798	4,804,798	5,077,137	274,744
Expenses:				
Salaries, wages and benefits	3,079,908	3,122,499	2,961,199	161,300
Contractual services and utilities	424,300	445,435	382,680	62,755
Repairs and maintenance	165,700	167,362	89,663	77,699
Supplies	185,416	222,543	168,680	53,863
Capital outlay	68,200	183,314	42,477	140,837
Insurance	208,005	208,005	208,005	-
Other	976,661	1,051,502	959,462	92,040
Total expenses	5,108,190	5,400,660	4,812,166	588,494
Excess of revenues over (under) expenses	\$ (373,392)	\$ (595,862)	264,971	\$ (313,750)
Revenue (expenses) not budgeted:				
Depreciation expense			(496,600)	
Gain (Loss) on sale of capital assets			1,356	
Change in net position			\$ (230,273)	

CITY OF SANTA FE, NEW MEXICO
Nonmajor Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Transit Bus System
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
User fees	\$ 789,011	\$ 1,142,602	\$ 1,141,268	\$ (1,334)
Investment income	2,778	2,778	6,035	3,257
Intergovernmental	2,082,404	5,650,328	2,510,011	(3,140,317)
Other revenue	100,000	100,000	115,644	15,644
Transfers in	6,067,590	6,723,590	6,723,590	-
Total revenues	9,041,783	13,619,298	10,496,548	(3,122,750)
Expenses:				
Salaries, wages and benefits	6,129,502	5,968,713	5,802,147	166,566
Contractual services and utilities	151,000	196,965	212,817	(15,852)
Repairs and maintenance	511,200	451,119	381,754	69,365
Supplies	570,795	598,507	616,269	(17,762)
Capital outlay	1,015,710	5,033,694	640,460	4,393,234
Insurance	277,272	277,272	277,272	-
Other	455,997	429,140	396,802	32,338
Transfers out	-	2,500,000	2,500,000	-
Total expenses	9,111,476	15,455,410	10,827,521	4,627,889
Excess of revenues over (under) expenses	\$ (69,693)	\$ (1,836,112)	(330,973)	\$ 1,505,139
Revenue (expenses) not budgeted:				
Depreciation expense			(1,124,175)	
Gain (Loss) on sale of capital assets			5,794	
Change to conform to generally accepted accounting principles				
Capital outlay			605,949	
Change in net position			<u>\$ (843,405)</u>	

CITY OF SANTA FE, NEW MEXICO
Nonmajor Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Airport
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
User fees	\$ 878,000	\$ 923,400	\$ 1,006,942	\$ 83,542
Investment income	391	391	40	(351)
Intergovernmental	30,800	3,349,778	2,858,565	(491,213)
Other revenue	217,075	324,075	256,048	(68,027)
Transfers in	90,000	214,672	214,672	-
Total revenues	1,216,266	4,812,316	4,336,267	(476,049)
Expenses:				
Salaries, wages and benefits	925,908	953,354	1,078,116	(124,762)
Contractual services and utilities	135,250	138,494	149,641	(11,147)
Repairs and maintenance	21,168	34,903	28,007	6,896
Supplies	28,817	29,917	24,182	5,735
Capital outlay	2,000	3,575,489	2,933,454	642,035
Insurance	61,159	61,159	59,659	1,500
Other	98,938	100,243	97,080	3,163
Total expenses	1,273,240	4,893,559	4,370,139	523,420
Excess of revenues over (under) expenses	\$ (56,974)	\$ (81,243)	(33,872)	\$ 47,371
Revenue (expenses) not budgeted:				
Depreciation expense			(1,376,825)	
Gain (Loss) on sale of capital assets			(1,166)	
Change to conform to generally accepted accounting principles				
Capital outlay			2,923,876	
Change in net position			\$ 1,512,013	

CITY OF SANTA FE, NEW MEXICO
Nonmajor Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Geneveva Chavez Community Center
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
User fees	\$ 1,481,000	\$ 1,481,000	\$ 1,636,844	\$ 155,844
Investment income	4,980	4,980	2,495	(2,485)
Intergovernmental	-	140,633	140,600	(33)
Other revenue	264,000	264,000	262,377	(1,623)
Transfers in	2,666,684	2,694,476	2,694,476	-
Total revenues	4,416,664	4,585,089	4,736,792	151,703
Expenses:				
Salaries, wages and benefits	2,619,179	2,811,944	2,632,146	179,798
Contractual services and utility	763,048	782,488	883,985	(101,497)
Repairs and maintenance	133,175	119,975	96,831	23,144
Supplies	211,034	218,164	194,090	24,074
Capital outlay	1,252,275	796,398	357,811	438,587
Insurance	272,335	272,335	264,835	7,500
Other	161,202	156,619	163,690	(7,071)
Transfers out	263,698	286,813	286,813	-
Total expenses	5,675,946	5,444,736	4,880,201	564,535
Excess of revenues over (under) expenses	\$ (1,259,282)	\$ (859,647)	(143,409)	\$ (412,832)
Revenue (expenses) not budgeted:				
Depreciation expense			(490,891)	
Gain (Loss) on sale of capital assets			(13,493)	
Change to conform to generally accepted accounting principles				
Capital outlay			50,213	
Change in net position			\$ (597,580)	

CITY OF SANTA FE, NEW MEXICO
Major Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Waste Water Management
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
User fees	\$ 11,287,358	\$ 12,254,183	\$ 12,140,274	\$ (113,909)
Other revenue	129,703	188,258	195,514	7,256
Investment income	95,417	90,617	35,666	(54,951)
Intergovernmental				
State-shared taxes	1,795,795	1,795,795	1,858,137	62,342
Total revenues	13,308,273	14,328,853	14,229,591	(99,262)
Expenses:				
Salaries, wages and benefits	5,381,964	5,886,198	4,658,618	1,227,580
Contractual services and utilities	2,091,066	2,232,688	2,241,997	(9,309)
Repairs and maintenance	675,288	638,794	530,680	108,114
Supplies	692,314	727,606	607,971	119,635
Capital outlay	190,140	2,110,274	1,151,493	958,781
Insurance	376,206	400,835	401,324	(489.00)
Other	622,486	747,104	721,987	25,117
Interest expense	2,342,225	2,342,225	842,852	(1,499,373)
Total expenses	12,371,689	15,085,724	11,156,922	930,056
Excess of revenues over (under) expenses	\$ 936,584	\$ (756,871)	3,072,669	\$ 1,029,318
Revenue (expenses) not budgeted:				
Depreciation expense			(2,976,918)	
Amortization expense			(66,268)	
Gain (loss) on sale of capital assets			5,110	
Prem/(Discount) debt service interest			276,287	
Change to conform to generally accepted accounting principles				
Capital Outlay			1,099,905	
Change in net position			<u>\$ 1,410,785</u>	

CITY OF SANTA FE, NEW MEXICO
Major Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Water Management
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
User fees	\$ 34,574,578	\$ 37,537,450	\$ 41,373,692	\$ 3,836,242
Other revenue	336,000	336,000	50,690	(285,310)
Investment income	337,462	337,462	92,048	(245,414)
Intergovernmental				
State-shared taxes	7,150,608	7,305,510	7,422,184	116,674
Grants	905,531	2,402,763	1,542,771	(859,992)
Total revenues	34,910,578	37,873,450	50,481,385	2,562,200
Expenses:				
Salaries, wages and benefits	6,321,280	8,957,935	8,038,806	919,129
Contractual services and utilities	7,439,322	8,129,462	7,289,761	839,701
Repairs and maintenance	542,107	684,708	520,248	164,460
Supplies	1,073,283	1,035,853	697,881	337,972
Capital outlay	22,172,000	16,851,997	2,605,124	14,246,873
Insurance	419,133	495,338	495,355	(17)
Other	9,097,418	9,506,596	6,667,876	2,838,720
Interest expense	9,510,476	9,859,773	5,545,327	(4,314,446)
Transfers out	4,000,000	2,000,000	-	(2,000,000)
Total expenses	60,575,019	57,521,662	31,860,378	13,032,392
Excess of revenues over (under) expenses	\$ (25,664,441)	\$ (19,648,212)	18,621,007	\$ (10,470,192)
Revenue (expenses) not budgeted:				
Depreciation expense			(10,192,839)	
Amortization			(99,007)	
Prem/(Discount) debt service interest			147,975	
Change to conform to generally accepted accounting principles				
Capital Outlay			2,473,781	
Change in net position			\$ 10,950,917	

CITY OF SANTA FE, NEW MEXICO
Major Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Solid Waste Management
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operating revenues:				
User fees	\$ 11,093,979	\$ 11,909,131	\$ 10,492,086	\$ (1,417,045)
Investment income	37,988	37,988	12,431	(25,557)
Intergovernmental				
State-shared taxes	1,795,647	1,795,647	1,858,226	62,579
Grants	-	214,670	68,274	(146,396)
Transfers in	14,000	14,000	14,000	-
Total operating revenues	12,941,614	13,971,436	12,445,017	(1,526,419)
Operating expenses:				
Salaries, wages and benefits	4,052,713	4,558,717	4,095,617	463,100
Contractual services and utilities	4,093,196	4,145,928	2,975,399	1,170,529
Repairs and maintenance	641,100	660,323	505,692	154,631
Supplies	1,098,664	1,119,041	766,946	352,095
Capital outlay	1,432,184	3,074,010	2,223,814	850,196
Insurance	201,889	223,225	222,719	506
Other	649,052	752,501	710,413	42,088
Interest expense	1,301,073	1,303,073	514,802	(788,271)
Total expenses	13,469,871	15,836,818	12,015,402	2,244,874
Excess of revenues over (under) expenses	\$ (528,257)	\$ (1,865,382)	429,615	\$ (3,771,293)
Revenue (expenses) not budgeted:				
Other revenues			80,832	
Depreciation expense			(856,993)	
Amortization expense			(21,163)	
Gain (Loss) on sale of capital assets			33,415	
Prem/(Discount) debt service interest			18,110	
Change to conform to generally accepted accounting principles				
Capital Outlay			1,727,483	
Change in net position			\$ 1,411,299	

CITY OF SANTA FE, NEW MEXICO
Major Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Railyard Property
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue	\$ 543,670	\$ 432,332	\$ 432,332	\$ -
Investment income	3,054	5,254	5,415	161
Transfers in	10,555	614,638	644,638	30,000
Total operating revenues	557,279	1,052,224	1,082,385	30,161
Expenses:				
Contractual services and utility	4,970	404,520	224,891	179,629
Capital outlay	-	2,204,044	973,747	1,230,297
Interest expense	840,542	840,542	558,839	281,703
Other operating	257,288	300,831	279,042	21,789
Total operating expenses	1,102,800	3,749,937	2,036,519	1,713,418
Excess of revenues over (under) expenses	\$ (545,521)	\$ (2,697,713)	(954,134)	\$ 1,743,579
Revenue (expenses) not budgeted:				
Depreciation expense			(3,139,454)	
Amortization expense			(16,283)	
Prem (Discount) debt service interest			84,286	
Change to conform to generally accepted accounting principles				
Capital outlay			973,747	
Change in net position			\$ (3,051,838)	

CITY OF SANTA FE, NEW MEXICO
Major Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
Santa Fe Convention Center
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
User fees	\$ -	\$ -	265,737	\$ 265,737
Interest income	25,669	23,669	13,526	(10,143)
Intergovernmental	6,794	6,167	6,167	-
Other revenue	426,000	426,000	28,520	(397,480)
Transfers in	4,537,867	4,537,867	4,537,867	-
Total revenues	4,996,330	4,993,703	4,851,817	(141,886)
Expenses:				
Salaries, wages and benefits	571,547	578,176	620,620	(42,444)
Contractual services and utilities	440,627	507,125	411,303	95,822
Repairs and maintenance	204,895	181,080	75,665	105,415
Supplies	71,976	63,770	54,206	9,564
Capital outlay	5,900	18,531	13,753	4,778
Insurance	207,493	211,126	210,836	290
Interest expense	3,360,676	3,360,676	2,232,170	1,128,506
Other	359,164	339,724	316,464	23,260
Transfers out	137,522	151,960	151,960	-
Total expenses	5,359,800	5,412,168	4,086,977	1,325,191
Excess of revenues over (under) expenses	\$ (363,470)	\$ (418,465)	764,840	\$ 1,183,305
Revenue (expenses) not budgeted:				
Depreciation expense			(1,337,324)	
Amortization expense			(19,961)	
Prem (Discount) debt service interest			89,365	
Gain (Loss) on sale of capital assets			1,575	
Change to conform to generally accepted accounting principles				
Capital outlay			8,996	
Change in net position			<u>\$ (492,509)</u>	

CITY OF SANTA FE, NEW MEXICO
Major Enterprise Fund
Schedule of Revenues, Expenses and
Changes in Net Position Budget and Actual
College of Santa Fe
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest income	\$ 39,598	\$ 41,309	\$ 7,873	\$ (33,436)
Rental income	4,700,000	2,350,086	2,350,086	-
Total revenues	4,739,598	2,391,395	2,357,959	(33,436)
Expenses:				
Salaries, wages and benefits	-	-	15,072	(15,072)
Contractual services and utilities	6,199	4,131	3,737	394
Supplies	-	50	42	8
Capital outlay	-	3,027,478	3,803,584	(776,106)
Interest expense	2,870,226	2,225,225	27,041	2,198,184
Transfers out	38,000	38,000	38,000	-
Total expenses	2,914,425	5,294,884	3,887,476	1,407,408
Excess of revenues over (under) expenses	\$ 1,825,173	\$ (2,903,489)	(1,529,517)	\$ 1,373,972
Revenue (expenses) not budgeted:				
Depreciation expense			(876,962)	
Change to conform to generally accepted accounting principles				
Capital outlay			3,803,584	
Change in net position			<u>\$ 1,397,105</u>	

Internal Service Funds

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.

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 Position
June 30, 2013

	Risk Management	Santa Fe Health/Dental	Worker's Compensation	Union Sick Leave Bank	Totals
Assets					
Current assets:					
Cash, investments and cash equivalents	\$ 2,874,115	\$ 6,320,036	\$ 5,351,151	\$ 227,514	\$ 14,772,816
Interest receivable	2,897	7,780	6,515	-	17,192
Prepaid expense	-	60,000	-	-	60,000
Total current assets	2,877,012	6,387,816	5,357,666	227,514	14,850,008
Noncurrent assets:					
Capital assets:					
Furniture and fixtures	29,298	-	-	-	29,298
Less accumulated depreciation	(29,298)	-	-	-	(29,298)
Equipment and machinery	6,812	-	-	-	6,812
Less accumulated depreciation	(2,837)	-	-	-	(2,837)
Data processing equipment and software	1,648	-	-	-	1,648
Less accumulated depreciation	(1,648)	-	-	-	(1,648)
Vehicles	35,829	-	-	-	35,829
Less accumulated depreciation	(35,829)	-	-	-	(35,829)
Total capital assets (net of accum depreciation)	3,975	-	-	-	3,975
Total noncurrent assets	3,975	-	-	-	3,975
Total assets	\$ 2,880,987	\$ 6,387,816	\$ 5,357,666	\$ 227,514	\$ 14,853,983
Liabilities					
Current liabilities:					
Accounts payable	\$ 267,337	\$ 334,552	\$ 8,586	\$ -	\$ 610,475
Accrued wages payable	14,359	-	-	-	14,359
Claims payable	1,873,258	959,780	4,037,396	-	6,870,434
Other payables	-	-	221	-	221
Total current liabilities	2,154,954	1,294,332	4,046,203	-	7,495,489
Noncurrent liabilities					
Compensated absences payable	75,486	-	-	-	75,486
Total noncurrent liabilities	75,486	-	-	-	75,486
Total liabilities	2,230,440	1,294,332	4,046,203	-	7,570,975
Net Position					
Net investment in capital assets	3,975	-	-	-	3,975
Unrestricted	646,572	5,093,484	1,311,463	227,514	7,279,033
Total net position	\$ 650,547	\$ 5,093,484	\$ 1,311,463	\$ 227,514	\$ 7,283,008

CITY OF SANTA FE, NEW MEXICO
Internal Service Funds
Combining Statement of Revenues, Expenses
and Changes in Net Position
For the Year Ended June 30, 2013

	Risk Management	Santa Fe Health/Dental	Worker's Compensation	Union Sick Leave Bank	Totals
Operating revenues:					
Premiums	\$ 5,337,523	\$ 17,626,241	\$ 1,706,289	\$ 216,286	\$ 24,886,339
Other Revenue	98,450	-	119,641	-	218,091
Total operating revenues	5,435,973	17,626,241	1,825,930	216,286	25,104,430
Operating expenses:					
Salaries, wages and fringe benefits	833,163	5,612	-	137,917	976,692
Contractual services and utilities	843,053	719,775	35,847	-	1,598,675
Repairs and maintenance	1,218	-	-	-	1,218
Capital outlay - inventory exempt items	942	-	-	-	942
Supplies	42,341	332	-	-	42,673
Depreciation expense	8,145	-	-	-	8,145
Insurance premiums	1,884,557	1,176,268	120,712	-	3,181,537
Claims and judgements	414,752	16,146,193	1,591,922	-	18,152,867
Other	1,145	250	323	-	1,718
Total operating expenses	4,029,316	18,048,430	1,748,804	137,917	23,964,467
Operating income (loss)	1,406,657	(422,189)	77,126	78,369	1,139,963
Non-operating revenues (expenses):					
Investment income	6,366	9,388	5,697	-	21,451
Intergovernmental Grants	-	6,416	-	-	6,416
Total non-operating revenues (expenses)	6,366	15,804	5,697	-	27,867
Income (loss) before transfers	1,413,023	(406,385)	82,823	78,369	1,167,830
Other Financing Sources (uses):					
Transfers out	(7,893)	(835)	-	-	(8,728)
Total other financing sources (uses)	(7,893)	(835)	-	-	(8,728)
Change in net position	1,405,130	(407,220)	82,823	78,369	1,159,102
Net position, beginning of year	(754,583)	5,500,704	1,228,640	149,145	6,123,906
Net position, end of year	\$ 650,547	\$ 5,093,484	\$ 1,311,463	\$ 227,514	\$ 7,283,008

CITY OF SANTA FE, NEW MEXICO
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2013

	Risk Management	Santa Fe Health/Dental	Worker's Compensation	Union Sick Leave Bank	Totals
Cash flows from operating activities:					
Cash received from customers	\$ 5,435,973	\$ 17,626,241	\$ 1,825,930	\$ 216,286	\$ 25,104,430
Cash payments to suppliers for goods and services	(3,718,441)	(17,749,281)	(1,254,726)	-	(22,722,448)
Cash payments to employees for services	(829,051)	(5,613)	-	(137,917)	(972,581)
Net cash (used) by operating activities	888,481	(128,653)	571,204	78,369	1,409,401
Cash flows from noncapital financing activities:					
Intergovernmental	-	6,416	-	-	6,416
Transfers-out to other funds	(7,893)	(835)	-	-	(8,728)
Net cash provided (used) by noncapital financing activities	(7,893)	5,581	-	-	(2,312)
Cash flows from capital and related financing activities:					
Proceed from sale of capital assets	-	10,468	-	-	10,468
Net cash used for capital & related financing activities	-	10,468	-	-	10,468
Cash flows from investing activities:					
Interest and dividends on investments	7,308	-	5,285	-	12,593
Net cash provided by investing activities	7,308	-	5,285	-	12,593
Net increase (decrease) in cash and cash equivalents	887,896	(112,604)	576,489	78,369	1,430,150
Cash, investments & cash equivalents at beg of year	1,986,219	6,432,640	4,774,662	149,145	13,342,666
Cash, investments & cash equivalents at end of year	\$ 2,874,115	\$ 6,320,036	\$ 5,351,151	\$ 227,514	\$ 14,772,816
Reconciliation of operating income (loss) to cash provided (used) by operating activities:					
Operating income (loss)	\$ 1,406,657	\$ (422,189)	\$ 77,126	\$ 78,369	\$ 1,139,963
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	8,145	-	-	-	8,145
Change in assets and liabilities:					
Increase (decrease) in accounts payable	163,056	293,536	2,922	-	459,514
Increase (decrease) in compensated abs. payable	2,205	-	-	-	2,205
Increase (decrease) in accrued wages payable	1,907	-	-	-	1,907
Increase (decrease) in claims payable	(693,489)	-	491,156	-	(202,333)
Total adjustments	(518,176)	293,536	494,078	-	269,438
Net cash (used) by operating activities	\$ 888,481	\$ (128,653)	\$ 571,204	\$ 78,369	\$ 1,409,401

CITY OF SANTA FE, NEW MEXICO
Internal Service Fund
Schedule of Revenues, Expenses and
Changes in Net Position - Budget and Actual
Risk Management
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Premiums	\$ 5,349,379	\$ 5,338,017	\$ 5,337,523	\$ (494)
Other Revenues	40,000	40,000	98,450	58,450
Investment income	21,075	21,075	6,366	(14,709)
Total revenues	<u>5,410,454</u>	<u>5,399,092</u>	<u>5,442,339</u>	<u>43,247</u>
Expenses:				
Salaries, wages and fringe benefits	875,127	875,127	833,163	41,964
Contractual services and utilities	506,271	981,271	843,053	138,218
Repairs and maintenance	4,500	4,500	1,218	3,282
Supplies	51,984	51,984	42,341	9,643
Capital outlay - inventory exempt items	1,000	1,000	942	58
Insurance premiums	2,552,885	2,552,885	1,884,557	668,328
Claims and judgments	1,167,865	1,167,865	1,108,241	59,624
Other	5,785	5,785	1,145	4,640
Transfers out	-	21,045	7,893	13,152
Total expenses	<u>5,165,417</u>	<u>5,661,462</u>	<u>4,722,553</u>	<u>938,909</u>
Excess (deficiency) of revenue over expenses	<u>\$ 245,037</u>	<u>\$ (262,370)</u>	<u>719,786</u>	<u>\$ 982,156</u>
Revenue (expenses) not budgeted:				
Depreciation expense			(8,145)	
IBNR Claims Reserve Expense			693,489	
Change in net position			<u>\$ 1,405,130</u>	

CITY OF SANTA FE, NEW MEXICO
Internal Service Fund
Schedule of Revenues, Expenses and
Changes in Net Position - Budget and Actual
Santa Fe Health/Dental
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Premiums	\$ 15,514,939	\$ 17,525,288	\$ 17,624,161	\$ 98,873
Investment income	37,754	37,754	9,388	(28,366)
Intergovernmental	-	6,420	6,416	(4)
Total revenues	15,552,693	17,569,462	17,639,965	70,503
Expenses:				
Salaries	-	5,613	5,612	1
Contractual services and utilities	672,813	672,970	719,775	(46,805)
Supplies	-	332	332	-
Insurance premiums	1,261,891	1,261,891	1,176,268	85,623
Claims and judgments	16,428,456	16,428,456	16,146,193	282,263
Other	-	318	250	68
Transfers out	-	835	835	-
Total expenses	18,363,160	18,370,415	18,049,265	321,082
Excess (deficiency) of revenue over expenses	\$ (2,810,467)	\$ (800,953)	(409,300)	\$ 391,585
Revenue (expenses) not budgeted:				
Other revenues			2,080	
Change in net position			\$ (407,220)	

CITY OF SANTA FE, NEW MEXICO
Internal Service Fund
Schedule of Revenues, Expenses and
Changes in Net Position - Budget and Actual
Worker's Compensation
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Premiums	\$ 1,741,011	\$ 1,741,011	\$ 1,706,289	\$ (34,722)
Other revenues	20,000	20,000	119,641	99,641
Investment income	18,880	18,880	5,697	(13,183)
Total revenues	<u>1,779,891</u>	<u>1,779,891</u>	<u>1,831,627</u>	<u>51,736</u>
Expenses:				
Contractual services and utilities	60,000	60,000	35,847	24,153
Claims and judgments	900,000	900,000	1,100,766	(200,766)
Insurance Premium	146,300	146,300	120,712	25,588
Other	390	390	323	67
Total expenses	<u>1,106,690</u>	<u>1,106,690</u>	<u>1,257,648</u>	<u>(150,958)</u>
Excess (deficiency) of revenue over expenses	<u>\$ 673,201</u>	<u>\$ 673,201</u>	573,979	<u>\$ 202,694</u>
Revenue (expenses) not budgeted:				
IBNR Claims Reserve Expense			<u>(491,156)</u>	
Change in net position			<u>\$ 82,823</u>	

CITY OF SANTA FE, NEW MEXICO
Internal Service Fund
Schedule of Revenues, Expenses and
Changes in Net Position - Budget and Actual
Union Sick Leave Bank
Non-GAAP Budgetary Basis
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance With Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Donations	\$ -	\$ 220,000	\$ 216,286	(3,714)
Total revenues	-	220,000	216,286	(3,714)
Expenses:				
Salaries, wages and fringe benefits	-	150,000	137,917	12,083
Total expenses	-	150,000	137,917	12,083
Excess (deficiency) of revenue over expenses	\$ -	\$ 70,000	\$ 78,369	\$ 76,054

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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, 2013 and 2012

	2013	2012
Governmental Funds Capital Assets:		
Land	\$ 169,939,946	\$ 169,939,946
Buildings	57,906,587	57,906,587
Improvements	51,802,658	46,697,665
Equipment and machinery	16,089,250	16,547,667
Furniture and fixtures	785,029	823,157
Vehicles	21,811,027	21,009,753
Data processing and software	10,910,255	11,744,879
Construction in progress	20,354,725	25,876,710
Art	922,920	922,920
Traffic Signals	23,222,048	23,222,048
Streets	200,396,324	191,454,881
Bridges	2,109,269	2,109,269
Total governmental funds capital assets	<u>\$ 576,250,038</u>	<u>\$ 568,255,482</u>
Investment in Governmental Funds Capital Assets by sources:		
General Fund	335,080,672	334,593,483
Special Revenue Funds	21,977,815	21,108,084
Capital Project Funds	210,237,906	201,961,544
Other Sources	8,229,522	9,868,248
Donations	724,123	724,123
Total governmental funds capital assets	<u>\$ 576,250,038</u>	<u>\$ 568,255,482</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 position.

CITY OF SANTA FE, NEW MEXICO
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
June 30, 2013

Function and Activity	Land	Buildings	Improvements	Equipment and Machinery	Furniture and Fixtures	Vehicles
General Government:						
City Manager	\$ 25,668,001	\$ 29,358,090	\$ 5,403,906	\$ 265,495	\$ -	\$ -
City Clerk	-	-	-	274,570	22,241	56,850
Administrative Department	-	175,333	-	2,079,877	6,485	4,676,014
Planning and Land Use	-	-	-	39,347	236,897	357,839
City Services	137,847,376	7,221,775	399,754	1,273,052	95,866	819,217
Total General Government	163,515,377	36,755,198	5,803,660	3,932,341	361,489	5,909,920
Public Safety:						
Police	-	5,570,721	3,184,968	406,059	363,550	7,429,487
Fire	-	10,416,176	-	1,997,100	52,186	3,119,106
Total Public Safety	-	15,986,897	3,184,968	2,403,159	415,736	10,548,593
Public Works:						
Administration	-	104,455	19,748,789	4,564,487	3,026	990,557
Total Public Works	-	104,455	19,748,789	4,564,487	3,026	990,557
Community Welfare:						
Community Development	204,218	1,695,824	-	-	-	-
Affordable Housing	840,000	-	419,140	-	-	-
Human Services	178,225	1,854,998	640,543	2,101,055	-	639,190
Total Community Welfare	1,222,443	3,550,822	1,059,683	2,101,055	-	639,190
Culture and Recreation:						
Parks and Grounds Maintenance	5,202,126	979,484	22,005,558	3,088,208	4,778	3,682,589
Arts Commission	-	-	-	-	-	40,178
Museums and Libraries	-	529,731	-	-	-	-
Total Culture and Recreation	5,202,126	1,509,215	22,005,558	3,088,208	4,778	3,722,767
Total governmental funds capital assets	\$ 169,939,946	\$ 57,906,587	\$ 51,802,658	\$ 16,089,250	\$ 785,029	\$ 21,811,027

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

CITY OF SANTA FE, NEW MEXICO
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
June 30, 2013

Data Processing Equipment and Software	Construction in Progress	Art	Traffic Signals	Streets	Bridges	Total
\$ 32,256	\$ 49,485	\$ -	\$ -	\$ -	\$ -	\$ 60,777,233
23,247	-	-	-	-	-	376,908
7,836,680	418,663	-	-	-	-	15,193,052
254,448	-	-	-	-	-	888,531
1,019,365	1,175,756	-	-	-	-	149,852,161
<u>9,165,996</u>	<u>1,643,904</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>227,087,885</u>
1,156,750	-	-	-	-	-	18,111,535
524,725	-	-	-	-	-	16,109,293
<u>1,681,475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,220,828</u>
6,958	3,002,987	-	22,964,533	200,396,324	2,109,269	253,891,385
<u>6,958</u>	<u>3,002,987</u>	<u>-</u>	<u>22,964,533</u>	<u>200,396,324</u>	<u>2,109,269</u>	<u>253,891,385</u>
-	6,335	-	-	-	-	1,906,377
-	155,250	-	-	-	-	1,414,390
-	128,493	-	-	-	-	5,542,504
<u>-</u>	<u>290,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,863,271</u>
-	15,068,940	-	257,515	-	-	50,289,198
51,698	-	922,920	-	-	-	1,014,796
4,128	348,816	-	-	-	-	882,675
<u>55,826</u>	<u>15,417,756</u>	<u>922,920</u>	<u>257,515</u>	<u>-</u>	<u>-</u>	<u>52,186,669</u>
<u>\$ 10,910,255</u>	<u>\$ 20,354,725</u>	<u>\$ 922,920</u>	<u>\$ 23,222,048</u>	<u>\$ 200,396,324</u>	<u>\$ 2,109,269</u>	<u>\$ 576,250,038</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, 2013

Function and Activity	Governmental Funds Capital Assets July 1, 2012	Additions	Deletions	Governmental Funds Capital Assets June 30, 2013
General Government:				
City Manager	\$ 60,670,152	\$ 155,577	\$ (48,496)	\$ 60,777,233
City Clerk	392,533	-	(15,625)	376,908
Administrative Department	14,708,792	959,500	(475,240)	15,193,052
Planning	850,630	60,648	(22,747)	888,531
City Services	150,047,987	-	(195,826)	149,852,161
Total General Government	<u>226,670,094</u>	<u>1,175,725</u>	<u>(757,934)</u>	<u>227,087,885</u>
Public Safety:				
Police	17,034,186	1,215,616	(138,267)	18,111,535
Fire	17,317,612	248,178	(1,456,497)	16,109,293
Total Public Safety	<u>34,351,798</u>	<u>1,463,794</u>	<u>(1,594,764)</u>	<u>34,220,828</u>
Public Works:				
Administration	251,328,620	4,152,073	(1,589,308)	253,891,385
Total Public Works	<u>251,328,620</u>	<u>4,152,073</u>	<u>(1,589,308)</u>	<u>253,891,385</u>
Community Welfare:				
Community Development	1,906,377	-	-	1,906,377
Affordable Housing	1,414,390	-	-	1,414,390
Human Services	5,421,514	194,799	(73,809)	5,542,504
Total Community Welfare	<u>8,742,281</u>	<u>194,799</u>	<u>(73,809)</u>	<u>8,863,271</u>
Culture and Recreation:				
Parks and Grounds Maint.	45,243,083	5,173,328	(127,213)	50,289,198
Arts Commission	1,017,758	-	(2,962)	1,014,796
Museums and Libraries	901,848	-	(19,173)	882,675
Total Culture and Recreation	<u>47,162,689</u>	<u>5,173,328</u>	<u>(149,348)</u>	<u>52,186,669</u>
Total governmental funds capital assets	<u>\$ 568,255,482</u>	<u>\$ 12,159,719</u>	<u>\$ (4,165,163)</u>	<u>\$ 576,250,038</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 position

Statistical Section

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CITY OF SANTA FE, NEW MEXICO
STATISTICAL SECTION
For the Fiscal Year Ended June 30, 2013

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.

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	170-175
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the city's ability to generate its gross receipts tax.	176-183
Debt Capacity 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.	184-190
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.	191-194
Operating information 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.	195-199

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 POSITION BY COMPONENT
LAST NINE FISCAL YEARS
(UNAUDITED)

	Fiscal Year			
	2004	2005	2006	2008
Governmental Activities				
Net investment in capital assets, net of related debt	\$ 157,113,667	\$ 143,746,053	\$ 166,025,629	\$ 142,109,428
Restricted	4,128,579	3,285,631	3,168,740	2,504,394
Unrestricted	99,594,397	98,610,581	90,576,169	63,338,892
Total governmental activities net position	\$ 260,836,643	\$ 245,642,265	\$ 259,770,538	\$ 207,952,714
Business-type activities				
Net investment in capital assets, net of related debt	\$ 75,547,411	\$ 100,137,996	\$ 100,419,310	\$ 152,636,141
Restricted	9,189,925	9,232,551	1,165,686	2,668,245
Unrestricted	37,983,865	48,735,531	86,526,932	127,184,590
Total business -type activities	\$ 122,721,201	\$ 158,106,078	\$ 188,111,928	\$ 282,488,976
Primary government				
Net investment in capital assets, net of related debt	\$ 232,661,078	\$ 243,884,049	\$ 266,444,939	\$ 294,745,569
Restricted	13,318,504	12,518,182	4,334,426	5,172,639
Unrestricted	137,578,262	147,346,112	177,103,101	190,523,482
Total primary government net position	\$ 383,557,844	\$ 403,748,343	\$ 447,882,466	\$ 490,441,690
Governmental Activities				
Net investment in capital assets, net of related debt	\$ 178,547,796	\$ 188,345,882	\$ 191,538,696	\$ 186,752,403
Restricted	10,290,331	10,693,806	21,643,708	52,596,695
Unrestricted	93,668,312	69,331,327	53,773,476	24,870,716
Total governmental activities net position	\$ 282,506,439	\$ 268,371,015	\$ 266,955,880	\$ 264,219,814
Business-type activities				
Net investment in capital assets, net of related debt	\$ 160,986,556	\$ 174,237,581	\$ 208,210,696	\$ 231,134,448
Restricted	1,232,286	6,961,305	5,960,981	6,483,099
Unrestricted	110,164,825	135,921,927	127,140,990	116,317,368
Total business -type activities	\$ 272,383,667	\$ 317,120,813	\$ 341,312,667	\$ 353,934,915
Primary government				
Net investment in capital assets, net of related debt	\$ 339,534,352	\$ 362,583,463	\$ 399,749,392	\$ 417,886,851
Restricted	11,522,617	17,655,111	27,604,689	59,079,794
Unrestricted	203,833,137	205,253,254	180,914,466	141,188,084
Total primary government net position	\$ 554,890,106	\$ 585,491,828	\$ 608,268,547	\$ 618,154,729

Note: GASB 34 Implemented 2002

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities:										
General Government	\$ 22,393,020	\$ 31,765,902	\$ 21,318,849	\$ 23,484,442	\$ 27,873,924	\$ 29,566,386	\$ 27,660,875	\$ 26,391,068	\$ 29,053,871	\$ 24,755,660
Public Safety	28,500,025	31,103,547	31,355,147	33,841,007	34,894,206	38,118,398	38,313,141	38,015,879	38,164,145	42,282,708
Public Works	14,621,049	11,639,112	12,020,924	13,570,355	13,577,325	15,718,517	15,869,603	16,553,193	13,982,704	16,759,696
Community Development	10,180,137	10,946,430	10,722,375	11,289,698	11,397,085	12,974,275	15,145,394	12,191,952	10,636,985	11,340,371
Culture and Recreation	9,708,241	10,900,710	11,770,657	13,020,432	13,430,567	13,417,927	13,580,296	12,218,375	11,365,828	13,761,279
Education	2,456,459	2,528,186	2,573,152	2,737,868	2,864,722	2,899,570	2,988,945	2,846,987	2,711,183	2,711,183
Interest on Long Term Debt	5,093,359	5,630,475	5,404,184	9,583,608	4,563,643	5,456,528	5,485,953	4,952,563	5,847,128	5,768,231
Total Governmental activities expenses	92,952,290	104,514,362	95,165,288	107,536,410	108,601,468	118,151,601	119,044,207	113,269,917	111,724,025	117,385,128
Business-type activities:										
Wastewater Management	9,352,601	9,523,908	9,648,572	9,879,594	11,352,274	12,475,625	12,312,850	14,705,132	14,878,988	13,100,203
Water Management	20,258,711	20,647,005	20,115,817	23,608,849	19,074,551	22,882,185	22,369,231	28,452,091	37,026,382	39,530,466
Municipal Recreation Complex	3,302,425	3,263,270	3,634,257	3,021,228	2,975,871	2,408,341	1,803,235	1,336,520	1,781,075	1,825,927
RailYard Center	-	173,224	205,168	608,703	344,959	1,373,796	1,741,983	1,748,903	3,065,480	4,134,223
Genoveva Chavez Community Cntr	3,910,851	3,988,449	4,118,677	4,895,292	4,999,087	5,570,172	4,886,084	4,725,388	4,551,692	5,034,066
Santa Fe Convention Center	789,541	854,946	1,060,315	218,000	2,083,034	4,763,646	5,280,908	2,950,521	4,998,798	5,193,941
Solid Waste Management	8,296,083	8,373,182	8,745,255	8,888,090	9,884,422	9,576,135	9,942,609	10,992,856	11,607,054	11,147,965
College of Santa Fe	-	-	-	-	-	-	2,436,088	1,946,703	1,062,183	922,854
Transit and Airport Systems	6,702,672	6,911,775	7,394,114	8,309,125	10,312,198	11,275,507	12,366,693	10,984,607	11,886,081	11,668,835
Parking Enterprise Fund	3,456,637	3,977,872	4,006,651	4,194,759	4,716,561	5,128,803	5,271,354	4,923,577	5,308,768	5,308,768
Total business-type expenses	56,049,521	57,713,431	58,928,826	63,623,640	66,742,957	75,454,210	78,411,035	82,989,932	95,576,310	97,867,248
Total primary government expenses	\$ 149,001,811	\$ 162,227,793	\$ 154,094,114	\$ 171,160,050	\$ 174,344,425	\$ 193,605,811	\$ 197,455,242	\$ 196,259,849	\$ 207,300,335	\$ 215,252,376
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	\$ 5,350,550	\$ 5,928,430	\$ 6,484,371	\$ 2,729,053	\$ 1,908,694	\$ 2,093,097	\$ 478,959	\$ 1,548,813	\$ 7,595,705	\$ 9,077,668
Public Safety	534,425	671,958	437,873	3,746,109	3,551,192	3,451,045	4,192,344	5,837,000	1,474,567	1,595,823
Public Works	1,158,799	3,052,065	3,101,740	3,420,434	2,246,481	2,094,381	2,379,541	2,782,439	1,807,757	1,927,320
Community Development	146,216	144,195	130,376	321,145	491,313	350,718	373,009	427,889	84,441	59,194
Culture and Recreation	18,900	106,684	114,848	518,602	536,901	578,429	685,743	790,664	133,659	146,037
Operating grants and contributions:										
General Government	119,129	26,578	224,321	400,848	417,614	292,957	660,242	292,957	173,174	175,302
Public Safety	1,140,086	1,201,267	899,851	577,716	1,032,705	832,402	1,286,866	731,000	1,010,879	1,358,585
Public Works	404,971	536,523	740,683	449,214	210,213	286,133	214,293	501,864	1,982,166	1,982,166
Community Development	3,324,270	3,474,113	2,606,880	3,260,771	3,250,551	3,718,589	5,989,952	3,400,765	2,658,918	309,510
Culture and Recreation	342,327	801,047	439,671	297,849	301,646	340,742	182,907	340,742	30,389	2,219,010
Education	-	226,070	-	-	-	-	-	-	-	-
Capital grants and contributions:										
General Government	122,541	10,168,219	184,045	401,529	2,711,654	1,706,164	406,830	1,700,235	81,519	267,360
Public Safety	-	-	283,119	418,952	-	529,270	529,270	340,853	1,206,912	-
Public Works	1,985,617	1,326,180	1,086,433	946,360	2,727,905	6,022,474	3,732,453	1,604,050	5,896,998	1,035,823
Community Development	18,911	120,244	1,436,378	171,251	372,517	673,023	386,267	673,023	92,838	184,162
Culture and Recreation	718,156	324,260	1,901,844	1,215,780	1,042,680	2,536,154	2,193,295	2,536,154	429,170	291,047
Total governmental activities program revenues	15,424,898	28,107,833	20,272,433	18,875,413	20,802,066	25,433,738	23,557,395	23,408,294	23,178,790	20,629,007

(Continued)

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-type activities:										
Charges for services:										
Wastewater Management	\$ 8,088,178	\$ 8,388,757	\$ 8,596,112	\$ 8,718,755	\$ 9,326,934	\$ 9,286,246	\$ 10,299,371	\$ 12,524,483	\$ 12,382,263	\$ 12,335,788
Water Management	29,506,311	26,305,704	36,401,216	29,158,277	30,148,350	27,086,239	30,236,761	35,478,027	37,709,064	41,424,382
Municipal Recreation Complex	1,195,813	1,073,646	1,164,630	1,035,847	1,055,870	1,076,776	1,100,296	1,159,308	1,118,569	1,078,252
Railyard Center	-	737,700	-	273,221	634,874	565,324	561,147	712,325	574,930	432,332
Genoveva Chavez Community Center	1,212,399	1,559,775	1,372,712	1,804,043	1,480,290	1,512,964	1,970,167	1,869,036	1,899,221	1,899,221
Santa Fe Convention Center	-	179,925	3,750	-	-	300,448	408,746	494,117	1,020,386	294,257
Solid Waste Management	8,682,479	8,877,203	8,906,200	9,249,160	9,419,575	9,195,553	9,178,089	10,030,316	10,144,062	10,572,918
College of Santa Fe	-	-	-	-	-	-	-	2,092,884	2,350,000	2,350,000
Transit and Airport Systems	643,268	829,695	673,316	890,065	767,256	888,259	1,918,748	2,312,176	2,424,594	2,519,902
Parking Enterprise Fund	3,626,228	3,559,993	3,661,069	3,726,114	3,693,146	3,715,155	4,498,969	4,419,714	4,627,583	5,075,548
Operating grants and contributions:										
Transit and Airport Systems	215,000	805,979	905,751	935,944	1,260,704	1,120,734	1,021,037	-	1,334,570	2,510,011
Capital grants and contributions:										
Wastewater Management	-	-	18,124	82,458	45,447	55,899	180,749	184,019	-	-
Water Management	10,458,328	1,339,601	6,759,310	3,203,186	1,567,885	1,372,315	8,812,197	3,150,751	487,250	1,542,771
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	-	75,367	140,600
Transit and Airport Systems	1,816,745	943,507	1,416,163	5,230,489	5,438,603	4,012,989	6,620,886	4,276,281	3,787,063	2,858,565
Santa Fe Convention Center	-	-	-	-	-	-	55,532	3,500	11,234	6,167
All other proprietary funds	-	-	-	-	24,515	69,953	-	-	40,000	68,274
Total business-type activities program revenues	\$ 65,444,749	\$ 55,038,572	\$ 70,085,934	\$ 66,840,966	\$ 72,268,337	\$ 61,186,080	\$ 79,155,109	\$ 79,758,598	\$ 79,955,961	\$ 85,108,874
Total government program revenues	\$ 80,869,647	\$ 83,146,405	\$ 90,358,367	\$ 85,716,379	\$ 93,070,403	\$ 86,619,818	\$ 102,712,504	\$ 103,166,892	\$ 103,134,751	\$ 105,737,881
Net (Expenses)/Revenue										
Governmental activities										
General Government	\$ (16,760,800)	\$ (15,642,675)	\$ (14,426,112)	\$ (19,953,012)	\$ (22,835,962)	\$ (25,474,168)	\$ (26,114,844)	\$ (22,849,063)	\$ (21,203,473)	\$ (15,235,330)
Public Safety	(26,825,514)	(29,230,322)	(29,734,304)	(29,098,230)	(30,310,309)	(33,305,681)	(32,511,078)	(30,918,609)	(34,471,787)	(39,328,300)
Public Works	(11,071,662)	(6,724,344)	(7,092,068)	(8,754,347)	(8,392,726)	(7,387,369)	(9,471,475)	(12,052,411)	(5,776,085)	(11,814,387)
Community development	(6,690,740)	(7,207,878)	(6,348,741)	(7,536,531)	(7,282,704)	(8,231,945)	(8,396,166)	(7,690,275)	(7,800,788)	(10,787,505)
Culture and recreation	(8,458,758)	(9,668,719)	(9,314,294)	(10,997,401)	(11,549,336)	(9,962,602)	(10,518,351)	(8,551,815)	(10,772,610)	(11,111,185)
Education	(2,456,459)	(2,302,116)	(2,573,152)	(2,737,868)	(2,864,722)	(2,899,570)	(2,988,945)	(2,846,887)	(2,673,364)	(2,711,183)
Interest on Long term debt	(5,093,359)	(5,630,475)	(5,404,184)	(9,583,608)	(4,563,643)	(5,456,528)	(5,485,953)	(4,952,563)	(5,847,128)	(5,768,231)
Business-type activities										
Wastewater Management	(1,264,423)	(1,135,151)	(1,034,336)	(1,078,381)	(1,979,893)	(3,133,480)	(1,832,730)	(1,996,630)	(2,496,725)	(764,415)
Water Management	19,705,928	6,998,300	23,044,709	8,752,614	12,641,484	5,576,369	16,679,727	10,176,667	1,169,932	3,436,685
College of Santa Fe	-	-	-	-	-	-	(343,204)	428,211	1,287,817	1,427,232
Municipal Recreation Complex	(2,106,612)	(2,189,624)	(2,461,005)	(1,984,066)	(1,846,768)	(1,234,579)	(236,358)	(177,212)	(662,506)	(747,675)
Railyard Center	-	977,135	(39,161)	2,159,776	7,477,159	(271,780)	(1,130,682)	(368,078)	(2,490,550)	(3,701,891)
Genoveva Chavez Community Center	(2,698,452)	(2,404,246)	(2,713,013)	(3,054,415)	(3,374,186)	(3,763,660)	(3,231,122)	(2,755,221)	(2,607,289)	(2,994,245)
Santa Fe Convention Center	(769,541)	(675,021)	(1,056,565)	(218,000)	(2,083,034)	(4,393,730)	(4,816,630)	(2,452,904)	(3,962,178)	(4,899,517)
Solid Waste Management	386,396	504,021	160,945	361,070	(464,847)	(380,582)	(764,520)	(962,340)	(1,422,992)	(506,773)
Transit and Airport Systems	(4,027,659)	(4,332,594)	(4,398,884)	(1,252,627)	(2,845,635)	(5,252,525)	(2,806,022)	(4,396,150)	(4,139,864)	(3,780,357)
Parking Enterprise Fund	169,591	(417,679)	(345,582)	(468,645)	(1,023,415)	(1,413,163)	(772,697)	(296,994)	(233,418)	(233,418)
All other proprietary funds	-	-	-	-	24,515	-	-	-	-	-
Total government expenses	\$ (67,962,064)	\$ (79,081,388)	\$ (63,735,747)	\$ (85,443,671)	\$ (81,274,022)	\$ (106,985,993)	\$ (94,742,736)	\$ (93,092,957)	\$ (104,165,584)	\$ (109,514,495)
										(Continued)

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	\$ 1,545,895	\$ 1,646,328	\$ 1,759,219	\$ 3,584,591	\$ 3,964,867	\$ 3,773,701	\$ 6,658,311	\$ 7,763,486	\$ 8,317,569	\$ 8,082,970
Sales taxes	82,323,111	85,755,995	92,621,304	88,146,566	91,972,070	82,800,905	76,345,815	77,533,815	80,000,069	79,927,194
Lodgers taxes	-	-	-	8,677,392	8,797,321	7,881,259	7,238,114	8,350,150	8,009,032	8,009,032
Franchise taxes	2,269,999	2,308,962	2,418,323	2,391,985	2,549,067	2,646,539	2,589,218	2,226,689	2,535,193	2,992,353
Motor fuel taxes	1,307,593	1,432,826	1,592,130	1,130,555	1,654,875	1,696,868	1,739,763	1,792,433	1,772,322	1,703,819
Cigarette taxes	141,980	145,074	126,683	107,712	113,820	85,597	96,502	8,940	91	1,246,517
Unrestricted investment earnings	840,040	2,049,567	3,570,611	7,187,724	4,383,448	3,264,549	664,354	492,319	515,681	235,245
Miscellaneous revenues	1,463,231	1,984,446	991,112	1,947,896	1,401,382	1,684,015	1,538,546	1,993,112	1,176,732	1,374,606
Gain on sale of capital assets	1,039,062	-	117,180	-	142,601	-	215,508	-	73,295	-
Transfers	(12,103,500)	(13,262,714)	(14,175,434)	(76,331,238)	(29,791,045)	(20,489,446)	(15,734,696)	(11,714,456)	(16,463,102)	(9,149,210)
Special item-transfer of capital asset	-	(20,145,637)	-	-	-	-	-	-	-	-
Total governmental activities	78,827,411	61,914,647	89,021,128	36,843,173	85,188,406	83,315,039	81,351,388	88,446,488	85,809,109	\$ 94,422,526
Business-type activities										
Property taxes	-	-	-	7,123,902	8,800,497	11,055,714	10,451,588	10,615,795	-	-
Sales taxes	1,347,344	1,822,075	2,608,907	6,301,086	7,078,365	3,291,660	1,110,329	775,571	10,955,392	11,138,547
Unrestricted investment earnings	1,567,250	2,793,229	1,650,873	379,523	1,689,593	1,997,611	-	-	840,509	177,928
Miscellaneous revenues	-	-	-	-	-	-	-	-	(57,111)	276,287
Donated land	-	-	-	-	-	-	16,683,838	-	-	-
Gain (loss) on sale of capital assets	(41,889)	35,881	413,528	1,023,973	(24,603)	35,658	12,621	4,317,366	40,705	33,941
Transfers	12,103,500	13,262,714	14,175,434	76,331,238	29,791,045	20,489,446	15,734,696	11,714,456	16,463,102	9,149,210
Special item-transfer of capital asset	-	20,145,637	-	-	-	-	-	-	-	-
Total business-type activities	14,976,205	38,059,736	18,848,742	91,159,722	47,334,897	36,870,089	43,993,072	27,423,188	28,242,597	20,775,913
Total government	\$ 93,803,616	\$ 99,974,383	\$ 107,869,870	\$ 128,002,895	\$ 132,523,303	\$ 120,185,128	\$ 125,344,460	\$ 115,869,676	\$ 114,051,706	\$ 115,198,439
Change in Net Position										
Governmental activities	\$ 1,470,119	\$ (14,491,882)	\$ 14,128,273	\$ (51,817,824)	\$ (2,610,996)	\$ (9,402,824)	\$ (14,135,424)	\$ (1,415,135)	\$ (2,736,126)	\$ (2,333,595)
Business-type activities	24,371,433	35,384,877	30,005,850	94,377,048	53,860,277	22,601,959	44,737,146	24,191,854	12,622,248	801,7539
Total government	\$ 25,841,552	\$ 20,892,995	\$ 44,134,123	\$ 42,559,224	\$ 51,249,281	\$ 13,199,135	\$ 30,607,036	\$ 22,776,719	\$ 9,886,122	\$ 5,683,944

Note: GASB 34 Implemented 2002

TABLE III

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General fund										
Non-spendable										
Restricted										
Committed	1,675,855	1,517,007	1,187,102	1,469,090	3,920,763	2,063,939	1,823,960	1,243,499	1,310,811	1,306,416
Unassigned	19,280,645	19,527,994	25,105,946	26,378,133	16,309,042	12,059,216	7,314,057	8,289,206	10,845,524	8,804,906
Total general fund	\$ 20,956,500	\$ 21,045,001	\$ 26,293,048	\$ 27,847,223	\$ 26,952,671	\$ 20,966,831	\$ 15,671,833	\$ 16,024,659	\$ 17,760,413	\$ 16,595,527
All Other Governmental Funds										
Non-spendable										
Restricted	21,068,096	24,748,085	27,354,805	19,576,314	23,697,756	19,063,112	16,558,006	41,744,396	44,110,480	36,373,892
Committed								2,007,489	5,211,699	2,886,735
Assigned	5,108,988	4,627,065	71,980,338	18,536,628	25,927,119	4,738,444	4,802,848	3,375,086	6,064,720	4,147,913
Unassigned	55,001,474	50,737,536	51,579,609	46,262,108	51,720,722	56,203,130	37,176,386	(413,391)	(382,397)	(48,666)
Total all other governmental funds	\$ 81,178,558	\$ 80,112,686	\$ 150,914,752	\$ 84,375,050	\$ 101,345,597	\$ 80,004,686	\$ 58,537,240	\$ 57,898,125	\$ 66,448,219	\$ 54,686,508

Note: GASB 34 Implemented 2002

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

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 87,588,578	\$ 91,289,185	\$ 98,517,659	\$ 104,038,791	\$ 109,052,020	\$ 98,855,921	\$ 94,667,676	\$ 97,675,513	\$ 100,506,503	\$ 101,961,885
Licenses and permits	2,667,343	2,172,092	2,946,959	2,863,976	2,211,926	2,262,507	1,571,947	1,855,363	2,341,436	2,856,179
Intergovernmental revenues	8,176,008	18,204,501	10,003,225	8,140,070	12,067,485	16,866,068	15,447,798	12,021,489	12,082,661	7,816,549
Fees and charges for services	4,751,647	7,176,240	7,322,849	7,871,367	6,522,655	6,305,163	6,537,650	9,531,442	8,754,693	9,949,863
Sale of capital assets	18,888	79,164	197,052	28,793	42,601	42,204	215,508	35,552	-	-
Fines and forfeitures	319,827	375,497	290,372	304,993	527,173	518,267	526,845	448,621	370,072	412,236
Rents, royalties and concessions	586,737	99,520	79,202	165,995	79,490	130,047	126,043	219,850	205,990	156,741
Investment income	703,634	1,794,068	3,260,419	6,498,985	3,695,071	2,784,697	507,687	378,878	408,800	213,794
Land Sales	520,174	428,823	80,392	267,786	100,000	-	-	-	90,939	260,328
Other revenues	556,667	767,606	541,146	1,209,122	864,065	993,497	885,658	1,288,904	589,225	545,301
Total Revenues	105,889,503	122,941,696	123,238,675	131,389,878	135,162,486	128,758,371	120,486,812	123,455,612	125,350,319	124,172,876
Expenditures										
General government	18,286,525	29,315,163	19,036,303	22,514,387	26,330,509	27,641,394	25,807,820	23,115,451	22,986,525	24,072,339
Public safety	27,719,898	30,499,746	30,740,879	32,864,855	32,809,858	35,979,160	36,856,996	36,797,749	36,273,737	40,060,495
Public works	6,053,746	6,333,134	6,478,166	7,702,612	6,218,207	6,442,473	6,533,194	9,198,763	6,222,086	6,283,527
Community development	10,000,586	10,846,818	10,606,676	11,160,216	11,217,328	12,785,076	14,766,993	12,093,940	10,154,155	11,086,013
Culture and recreation	8,852,562	10,058,953	10,207,370	10,813,076	11,920,461	12,559,894	11,690,820	11,709,686	10,545,655	12,473,946
Education	2,450,329	2,522,707	2,568,199	2,732,739	2,859,578	2,892,938	2,983,188	2,841,615	2,670,215	2,710,895
Capital outlay	13,532,467	10,329,737	17,210,254	18,273,080	20,319,842	24,938,573	16,150,454	13,392,473	18,196,279	17,228,467
Capital outlay/inventory exempt	1,698,664	1,316,442	582,837	3,845,167	5,909,298	6,963,610	4,871,841	-	-	-
Debt Service:										
Principal	7,724,078	7,813,894	8,072,719	22,635,861	7,352,698	30,193,446	7,673,026	23,509,213	23,536,688	33,489,819
Interest and fiscal agent fees	5,681,334	5,505,673	6,050,067	10,603,454	5,361,324	6,301,926	5,784,564	6,562,034	6,202,697	6,727,493
Bond issuance costs	-	-	-	-	-	-	-	420,600	401,987	399,940
Total expenditures	102,000,189	114,542,267	111,553,470	143,146,047	130,299,103	166,698,490	133,118,876	139,641,524	137,192,024	154,532,934
Excess of revenues over (under)	3,889,314	8,399,429	11,685,205	(11,756,169)	4,863,383	(37,940,119)	(12,632,064)	(16,185,912)	(11,841,705)	(30,360,058)
Other Financing Sources (Uses)										
Transfers in	46,999,843	26,708,209	38,270,293	40,684,259	61,064,891	85,030,926	32,228,023	53,075,463	77,138,478	59,160,811
Transfers out	(56,589,827)	(39,687,743)	(52,070,727)	(116,975,199)	(90,855,936)	(104,721,290)	(46,365,517)	(64,789,919)	(92,759,737)	(68,301,293)
HUD loan payments (flow through)	-	-	-	25,656	7,862	58,866	7,113	31,815	30,973	30,095
Other uses	-	-	(300,000)	-	-	-	-	-	-	-
Other sources	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	32,725,000	24,900,000
Premium on issuance of bond	-	133,355	3,548,755	785,088	1,623,540	672,959	-	2,027,264	4,992,779	1,643,848
Payments to refund bond	-	(8,399,860)	-	-	-	-	-	-	-	-
Total other Financing sources (Uses)	10,290,605	(11,059,392)	64,364,908	(50,540,196)	11,975,357	7,411,461	(14,130,381)	15,649,623	22,127,493	17,433,461
Net change in fund balances	\$ 14,179,919	\$ (2,659,963)	\$ 76,050,113	\$ (62,296,365)	\$ 16,838,740	\$ (30,528,658)	\$ (26,762,445)	\$ (536,289)	\$ 10,285,788	\$ (12,926,597)
Debt service as a percentage of noncapital expenditures	15.2%	12.8%	15.0%	26.6%	11.6%	25.7%	11.5%	23.8%	25.0%	29.3%

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
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	188,078	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%
2012	3,669,055	11,018,183	59,346	178,216	72,281	3,656,120	10,979,339	33.3%
2013	3,681,278	11,054,889	59,759	179,456	71,582	3,669,454	11,019,381	33.3%

Note: The New Mexico State constitution regulates areas of property tax. The assessed valuation is estimated and 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
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
2012	1.729	1.360	6.662	7.048	3.292	20.091
2013	2.082	1.360	6.860	7.049	3.386	20.737

NON-RESIDENTIAL

Tax Year Ended June 30	City	State	County	School District	Santa Fe Community College	Total Non- Residential Tax Levy
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
2012	3.381	1.360	13.490	7.420	3.930	29.581
2013	3.693	1.360	13.491	7.416	3.930	29.890

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	2012 *			2002		
	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	\$ 138,957,552	1	3.80%	\$ 97,450,742	1	4.70%
Qwest Corp	49,344,965	2	1.35%	76,997,523	2	3.71%
NM Gas Company	46,512,504	3	1.27%	-	-	-
Truzaf Ltd. Partnership	43,118,920	4	1.18%	-	-	-
La Posada	41,314,844	5	1.13%	-	-	-
Wal-Mart	35,893,344	6	0.98%	-	-	-
Canyon Encantado LLC	26,303,770	7	0.72%	-	-	-
Corporacion De La Fonda Inc	25,920,700	8	0.71%	-	-	-
Eldorado Partnership	23,417,400	9	0.64%	18,294,500	5	0.88%
BNSF Railway Company	23,155,946	10	0.63%	-	-	-
La Fonda Hotel	-	-	-	12,714,390	9	0.61%
San Christobal Ranch	-	-	-	16,859,627	6	0.81%
Chelsea GCA Reality	-	-	-	12,925,337	8	0.62%
Zoro Ranch	-	-	-	18,145,397	4	0.88%
Antonio Baca	-	-	-	13,347,075	7	0.64%
Burlington Northern	-	-	-	11,833,476	10	0.57%
Villa Linda Mall	-	-	-	19,339,678	3	0.93%
Total	\$ 453,939,945		12.42%	\$ 297,907,745		14.35%

Source: Santa Fe County Assessor's Office

* 2013 data not available at time of print.

CITY OF SANTA FE, NEW MEXICO
TOTAL TAXABLE BASE FOR GROSS RECEIPTS BY FISCAL YEAR
(UNAUDITED)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Agriculture, Forestry, Hunting, Fishing	\$ 14,835,226	\$ 14,233,052	\$ 15,543,808	\$ 15,220,498	\$ 14,074,406	\$ 15,377,597	\$ 12,204,888	\$ 9,879,744	\$ 7,055,650	\$ 5,847,839
Mining	28,792	-	-	55,455	8,736	272,856	-	45,695	34,881	105,254
Transportation, Comm., Utilities	126,928,178	132,492,509	134,687,705	88,766,665	99,278,414	94,502,403	76,608,504	96,542,131	99,708,882	93,074,119
Construction	269,352,787	271,432,965	380,430,714	388,417,042	436,060,485	404,777,586	274,052,776	255,458,962	302,263,940	278,676,381
Manufacturing	54,428,710	57,877,054	65,874,819	64,132,851	65,750,198	54,959,608	49,920,425	54,372,037	51,923,598	50,973,424
Wholesale	33,008,529	52,857,424	75,216,827	82,665,311	64,371,974	50,164,427	48,175,711	48,886,043	52,366,170	43,776,255
Retail	1,111,472,486	1,109,047,122	1,174,652,952	989,287,438	987,207,613	948,902,960	891,484,336	884,291,670	899,263,874	876,175,072
Finance, Insurance & Real Estate	90,920,308	101,515,174	112,402,443	111,654,920	108,156,523	89,564,306	80,082,754	81,396,496	88,446,087	100,856,362
Services	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	1,182,173,866	1,224,325,406
Government	19,848	231,693	-	5,802	9,243	-	-	-	15,356	48,326
Unclassified/Misc. Other	61,077,685	104,911,676	5,113,158	13,316,089	38,073,156	13,466,097	19,867,134	7,983,405	10,460,937	7,737,771
Total	\$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	\$ 2,693,713,241	\$ 2,681,596,209

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

TABLE IX

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

	2004	2005	2006 ⁽¹⁾	2007	2008 ⁽²⁾	2009	2010	2011	2012	2013
Agriculture, forestry, hunting	\$ 394,162	\$ 401,436	\$ 455,081	\$ 456,874	\$ 425,121	\$ 462,067	\$ 360,973	\$ 299,657	\$ 209,901	\$ 174,895
Mining	(771)	-	-	1,663	112	8,238	272	3,100	1,043	3,965
Utilities	1,502,911	1,216,904	1,543,145	2,240,231	2,312,988	2,244,517	2,283,430	2,126,883	2,511,000	2,617,159
Construction	7,200,207	7,538,377	9,413,746	11,877,725	13,329,669	11,981,369	8,218,948	7,479,285	8,853,011	8,253,074
Manufacturing	1,557,272	1,582,900	1,839,688	1,954,756	1,972,298	1,655,709	1,461,937	1,581,150	1,581,810	1,444,404
Wholesale	1,811,327	1,453,583	1,726,084	2,541,040	1,923,131	1,483,543	1,342,178	1,451,394	1,584,445	1,330,238
Retail	30,852,659	29,019,897	28,049,244	30,363,839	29,388,707	28,306,999	26,456,316	26,589,033	26,790,310	26,460,409
Transportation & warehousing	150,146	210,111	217,660	389,881	625,939	532,132	514,611	481,208	482,659	206,613
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	3,441,276	3,466,394
Finance & insurance	669,778	775,655	809,785	960,829	1,168,871	982,546	881,891	940,872	944,034	1,173,133
Real estate, rental & leasing	1,853,383	2,019,600	2,474,170	2,450,804	2,094,448	1,639,091	1,474,704	1,442,114	1,673,830	1,848,496
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	7,003,279	7,298,655
Management of companies	241,479	241,936	300,174	376,823	344,512	300,802	228,036	232,026	208,563	215,286
Admin & Support, Waste Mgt	35,204	101,389	203,807	289,906	442,406	445,420	539,050	794,833	885,692	703,779
Educational Services	133,238	185,471	227,896	254,368	254,901	258,390	319,473	491,982	545,237	538,566
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	4,425,757	4,275,389
Arts, Entertainment & Recr	131,952	236,192	271,597	342,073	387,837	364,818	398,593	458,067	422,002	437,735
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	9,925,719	10,470,734
Other Services	15,566,920	10,932,030	10,278,795	10,291,231	9,940,018	9,540,958	8,583,369	8,291,869	8,593,209	9,273,288
Public Administration	472	1,393	491	133	274	-	-	-	1,168	1,444
Unclassified	2,231,658	2,490,505	3,948,493	463,376	1,199,556	402,126	381,402	374,213	209,789	288,399
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	10,374,852	10,842,817
Municipal Equivalent Distribution	-	-	-	-	-	115,947	302,556	318,208	357,337	307,349
Total GRT Revenue Distribution	\$ 75,560,469	\$ 78,304,206	\$ 89,076,953	\$ 94,197,236	\$ 100,507,493	\$ 93,166,880	\$ 86,993,348	\$ 87,468,897	\$ 91,025,923	\$ 91,632,221
City direct Gross Receipts Tax rate	6.69%	7.31%	7.63%	7.63%	7.94%	7.94%	8.06%	8.19%	8.19%	8.19%

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.

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

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

TABLE X

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

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Santa Fe County</u>
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%
2012	8.19%	6.62%
2013	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 2012 AND 2013
 (UNAUDITED)

	Fiscal Year	
	2012	2013
0.05% Municipal Gross Receipts Tax (GRT) revenues	\$ 14,814,638	\$ 15,042,494
MGRT Infrastructure revenues	1,829,904	1,858,226
MGRT Environmental revenues	1,829,904	1,858,137
State shared GRT revenues	37,065,822	37,634,396
TOTAL	\$ 55,540,268	\$ 56,393,253

Source: City of Santa Fe Cash Management and Investment Officer

TABLE XII

CITY OF SANTA FE, NEW MEXICO
 SCHEDULE OF GROSS RECEIPTS TAX REVENUES
 FISCAL YEAR 2012 AND 2013
 (UNAUDITED)

	Fiscal Year	
	2012	2013
Municipal general GRT (Including Capital Improvements)	\$ 29,629,276	\$ 30,084,987
Infrastructure revenues	7,319,616	7,432,905
MGRT revenues	7,407,319	7,521,247
Environmental revenues	1,829,934	1,858,137
State-shared GRT revenues	37,065,822	37,634,396
Water Capital Outlay	7,295,554	7,422,184
Municipal Equivalent Distribution	348,815	302,250
TOTAL	\$ 90,896,336	\$ 92,256,106

Source: City of Santa Fe Cash Management and Investment Officer

TABLE XIII

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 ¹	Assessed Value ²	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
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
2011	68,642	\$ 3,647,208,573	\$ 28,950,000	\$ 3,063,476	\$ 25,886,524	0.79%	377
2012	68,500	\$ 3,656,120,170	\$ 27,710,000	\$ 3,431,635	\$ 24,278,365	0.76%	354
2013	68,800	\$ 3,669,453,816	\$ 26,510,000	\$ 3,210,845	\$ 23,299,155	0.72%	339

¹ Estimated population figures for 2004, 2005, 2006, 2007, 2008 and 2009 were provided by the City of Santa Fe Planning Department staff. Estimated population figures for 2010, 2011 were provided by US Census Bureau. 2012 and 2013 populations is estimated by Santa Fe Planning Department staff.

² 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.

³ 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
2012	\$ 1,240,000	\$ 1,105,258	\$ 2,345,528	\$ 63,207,592	0.0371
2013	\$ 1,200,000	\$ 1,065,870	\$ 2,265,870	\$ 67,822,465	0.0334

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

CITY OF SANTA FE, NEW MEXICO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2013
(UNAUDITED)

	General Obligation as of June 30, 2013	Percentage Applicable to City of Santa Fe	City of Santa Fe Share of Debt
State of New Mexico	\$ 372,700,000	6.44%	\$ 24,001,880
City of Santa Fe	\$ 26,510,000	100.00%	26,510,000
Santa Fe County	\$ 133,455,000	52.78%	70,437,549
Santa Fe Public Schools	\$ 128,075,000	57.03%	73,041,173
Santa Fe Community College	\$ 40,085,000	57.03%	<u>22,860,476</u>
Total Direct and Overlapping Debt			<u><u>\$ 216,851,077</u></u>

Ratios:

Total direct and overlapping debt to assessed valuation for tax year 2013 \$3,669,453,816	5.93%
Direct and overlapping debt to actual valuation of \$11,019,380,829	1.98%
Direct and overlapping debt per capita of 68,800	\$ 3,152

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

Legal Debt Margin Calculation for Fiscal Year 2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	\$ 95,022,312	\$ 104,897,268	\$ 115,557,716	\$ 126,847,421	\$ 138,039,594	\$ 140,214,312	\$ 145,100,287	\$ 145,888,343	\$ 146,244,807	\$ 146,778,153
Total net debt applicable to limit	-	-	-	-	(20,000,000)	(20,000,000)	(19,400,000)	(28,950,000)	(27,710,000)	(26,510,000)
Legal debt margin	\$ 95,022,312	\$ 104,897,268	\$ 115,557,716	\$ 126,847,421	\$ 118,039,594	\$ 120,214,312	\$ 125,700,287	\$ 116,938,343	\$ 118,534,807	\$ 120,268,153
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	14.49%	14.26%	13.37%	19.84%	18.95%	18.06%

Assessed Value	\$ 3,669,453,818
Debt Limit (4% of Assessed Value)	\$ 146,778,153
Debt applicable to limit	(26,510,000)
General obligation bonds	\$ 120,268,153
Legal debt margin	\$ 120,268,153

Note: Under state finance law, the city's outstanding general obligation debt should not exceed 4 percent of total assessed property Value.

Source: State of New Mexico, Department of Finance And Administration General Obligation Capacity Statement of April 30, 2013.

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

Solid Waste System Bonds (1)						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2004	8,758,678	7,389,506	1,369,172	830,000	79,800	1.50
2005	9,002,479	7,568,713	1,433,766	775,000	38,750	1.76
2006	9,586,034	8,177,846	1,408,188	-	-	-
2007	9,558,837	8,266,994	1,291,843	-	-	-
2008 (2)	11,425,138	8,435,925	2,989,213	635,000	670,998	2.29
2009	12,276,761	8,141,442	4,135,319	665,000	642,423	3.16
2010	11,041,661	8,341,668	2,699,993	690,000	614,160	2.07
2011	11,861,931	9,609,126	2,252,805	720,000	584,835	1.73
2012	12,027,377	10,297,065	1,730,312	760,000	550,373	1.32
2013	12,443,575	9,773,117	2,670,458	785,000	518,073	2.05

(1) Revenues pledged for 2013 included municipal gross receipts tax infrastructure revenues of \$1,858,226.

(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.

Water System Bonds (1)						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2004	28,068,292	16,399,297	11,668,995	2,935,000	3,942,778	1.70
2005	25,672,488	16,891,351	8,781,137	3,170,000	3,707,978	1.28
2006	27,989,331	16,124,320	11,865,011	3,425,000	3,454,378	1.72
2007	30,092,304	18,063,030	12,029,274	3,695,000	3,549,049	1.66
2008	30,583,912	17,138,584	13,445,328	3,995,000	2,725,818	2.00
2009	26,473,819	18,182,591	8,291,228	2,105,000	2,406,219	1.84
2010	32,456,123	20,144,274	12,311,849	2,345,000	3,852,835	1.99
2011	42,996,211	18,429,596	24,566,615	3,625,594	5,551,724	2.68
2012	45,548,927	30,005,770	15,543,157	4,217,187	5,812,050	1.55
2013	48,938,614	23,671,357	25,267,257	3,922,294	5,597,173	2.65

(1) Revenues pledged for 2013 included water system revenues and the 1/4% municipal capital outlay gross receipts of \$7,422,184.

(2) Debt includes bonds and loans.

Railyard Bonds (1)						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2011 (2)	936,098	107,965	828,133	240,000	223,687	1.79
2012	1,905,015	143,131	1,761,884	293,660	546,300	2.10
2013 (3)	1,082,385	503,933	578,452	301,959	541,711	0.69

(1) Revenues pledged for 2013 include municipal gross receipts tax railyard infrastructure revenues of \$441,338.

(2) The City of Santa Fe Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2010B, were issued December 14, 2010.

(3) The City of Santa Fe Subordinate Line Gross Receipts Tax Improvement Revenue Bonds, Series 2012C, were issued December 19, 2012.

(4) Debt includes the bond and loans.

(continued)

Municipal Recreation Complex Bonds (1)						
Fiscal Year End	Gross Revenues	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2004	2,433,497	817,025	1,616,472	515,000	949,227	1.10
2005	2,392,543	1,740,581	651,962	545,000	923,133	0.44
2006	2,280,039	1,578,402	701,637	580,000	894,988	0.48
2007	2,097,707	1,583,318	514,389	670,000	606,128	0.40
2008	2,382,508	1,533,264	849,244	705,000	579,328	0.66
2009	2,661,658	1,564,447	1,097,211	735,000	554,653	0.85
2010	2,188,038	1,438,896	749,142	760,000	528,928	0.58
2011	2,017,133	1,156,748	860,385	790,000	500,428	0.67
2012	2,218,524	1,186,553	1,031,971	825,000	468,828	0.80
2013	2,375,602	1,172,309	1,203,293	865,000	435,827	0.93

(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 Debt Service	Debt Service		Coverage
				Principal	Interest	
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
2012	5,109,312.00	1,494,863.00	3,614,449.00	1,085,000.00	2,270,413.00	1.08
2013	4,693,690.00	1,693,851.00	2,999,839.00	1,130,000.00	2,230,675.00	0.89

(1) Revenues pledged for 2013 included convention center lodger's tax revenues of \$4,459,867.

(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 Debt Service	Debt Service		Coverage
				Principal	Interest	
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	14,425,862.00	9,427,836.00	4,998,026.00	1,365,000.00	416,510.00	2.81
2012 (3)	13,539,337.00	9,556,158.00	3,983,179.00	1,445,000.00	486,025.00	2.06
2013	14,229,591.00	9,214,164.00	5,015,427.00	1,495,000.00	847,225.00	2.14

(1) Revenues pledged for 2013 include wastewater and municipal gross receipts tax environmental revenues of

(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) The 1997B bonds were refunded March 1, 2012 by the Gross Receipts Tax (Subordinate Lien) Wastewater

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 ¹	Per Capita ¹			
	GRT Bonds	General Oblig. Bonds	NMFA Loans	HUD 108 Loan	SFPS ¹ Loan	Capital Lease	MRC Bonds	Convention Center Bonds	Water Bonds	Wastewater Bonds				Solid Waste Bonds	Railyard Bonds	NMFA Loans
2004	117,210,000	-	-	-	-	462,868	16,575,000	-	62,500,000	-	-	-	1,604,286	198,352,164	10.52%	3,014
2005	109,910,000	-	1,166,667	300,000	-	110,959	16,030,000	-	59,330,000	-	-	-	7,135,548	193,993,174	9.89%	2,917
2006	161,900,000	-	16,021,535	299,000	-	1,033,941	14,515,000	-	55,905,000	-	-	-	5,686,677	255,361,153	12.14%	3,736
2007	164,345,000	-	15,861,674	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	15,739,976	297,000	-	520,046	13,140,000	50,505,000	49,790,000	26,895,000	-	-	28,962,201	312,174,223	13.71%	4,462
2009	85,435,000	20,000,000	19,114,530	279,000	-	261,059	12,405,000	49,610,000	47,685,000	13,710,000	-	-	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	13,145,000	-	-	59,086,893	379,347,397	18.76%	5,583
2011	71,545,000	28,950,000	18,213,291	243,000	280,000	-	10,895,000	47,565,000	102,465,000	12,455,000	-	-	47,505,487	362,526,778	17.57%	5,281
2012	82,630,000	27,710,000	17,572,603	225,000	-	767,600	10,030,000	46,480,000	99,515,000	10,975,000	10,020,000	-	46,515,124	372,545,327	17.91%	5,439
2013	89,625,000	26,510,000	2,965,784	207,000	-	575,700	9,165,000	45,350,000	96,440,000	18,610,000	10,190,000	14,470,000	44,603,487	358,711,971	16.84%	5,214

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. ¹ 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%
2011	68,642	2,172,587	31,651	5.00%

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
2011	68,642	145,648	2,082,224

Source: Estimated population figures for 2001,2002, 2003, 2004, 2005, 2006,2007,2009,2010 and 2011 were provided by the City of Santa Fe Planning Dept. Staff.

Estimates for State for State population for 2000-2011 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)

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	<u>52,481</u>	<u>100%</u>

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
2002	33,971	24,977	31,481
2003	34,454	25,639	32,295
2004	37,207	27,092	33,909
2005	39,690	28,641	35,452
2006	42,276	30,209	37,725
2007	44,268	31,675	39,506
2008	45,130	33,490	40,947
2009	42,467	32,200	38,637
2010	43,389	32,340	39,791
2011	42,928	34,133	41,650

Source: Bureau of Business & Economic Research, UNM-2012 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 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
2011	1,249	7,187	5,361	0	13,797

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
2011	N/A	N/A	N/A	N/A	N/A

Source: New Mexico Department of Education

(Continued)

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	N/A	442
2011	N/A	9,505	490	221	539

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 ¹	CONSTRUCTION PERMITS ²	
		ISSUED	VALUE
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	105,449,986
2012	6,896,495,216	4,751	179,671,299
2013	6,877,915,963	5,068	125,419,309

Utility Connections

CALENDAR YEAR	WATER METERS ³	ELECTRIC METERS ⁴	GAS METERS ⁵
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
2012	39,856	77,338	52,888
2013	40,106	77,588	53,028

Source:

¹ Santa Fe County Assessor: Value of property on which taxes are assessed.

² City of Santa Fe Building Inspectors Office, estimated.

³ Sangre De Cristo Water Division

⁴ Public Service Company of New Mexico

⁵ New Mexico Gas Company

TABLE XXI

CITY OF SANTA FE, NEW MEXICO
TEN LARGEST EMPLOYERS
SANTA FE METROPOLITAN AREA
JUNE 30, 2013
(UNAUDITED)

EMPLOYER	TYPE OF BUSINESS	APPROXIMATE NUMBER OF EMPLOYEES	PERCENTAGE ¹
State of New Mexico	Government	9,443	11.8%
Santa Fe School District	Education	1,850	2.3%
U.S. Federal Government	Government	1,750	2.2%
City of Santa Fe	Government	1,719	2.2%
Christus St. Vincent Hospital	Medical	1,450	1.8%
Santa Fe County	Government	815	1.0%
Santa Fe Community College	Education	717	0.9%
Santa Fe Opera	Entertainment	650	0.8%
Santa Fe University of Art and Design	Education	564	0.7%
Santa Fe Ski Company	Recreation	437	0.5%
Totals		<u>19,395</u>	<u>24.3%</u>

¹ These percentages are based on a total civilian labor force (Santa Fe County) estimated at 79,907 from Santa Fe County Open Public Records and the New Mexico Department of Labor for 2012

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

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government	262	271	271	284	313	313	325	307	309	311
Public safety										
Police										
Officers	151	150	150	150	120	158	162	160	160	160
Civilians	48	49	49	49	80	42	45	42	42	52
Fire										
Firefighters and officers	112	112	112	118	127	126	140	145	145	153
Civilians	12	10	10	9	15	16	19	8	8	9
Highways and streets										
Engineering	65	71	71	77	72	74	83	75	75	75
Maintenance	83	87	87	83	84	80	78	78	78	78
Sanitation	125	135	135	132	131	131	132	132	133	133
Culture and recreation	561	570	570	574	567	570	585	570	572	573
Water	71	74	80	86	86	87	105	95	97	99
Transit	78	84	84	89	101	111	117	116	116	116
Parking	60	59	59	54	56	58	70	64	64	64
Total	1628	1672	1678	1705	1752	1766	1861	1792	1799	1823

Source: City of Santa Fe Budget Office

CITY OF SANTA FE, NEW MEXICO
 SCHEDULE OF INSURANCE IN FORCE
 June 30, 2013
 (Unaudited)

TABLE XXIII

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 \$13,720,946	\$500,000	(Medical and Indemnity)
II. Midwest Employers Casualty Company Excess Worker's Compensation	SP 4048777	July 1 - June 30	Statutory limit	\$95,232	\$600,000	Self-Insured Retention
III. Travelers Insurance Company. Public Entity Package A. Public Building Contents/Pers. Prop B. General Liability	15N80223	July 1 - June 30	\$250,000,000 Aggregate \$3 million, \$1,050,000 tort limit	\$1,694,999	\$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	Self-Insured Retention
E. Auto Physical Damage			Actual Cash Value		\$25,000	Self-Insured Retention
F. Healthcare Professional			\$1,050,000		\$50,000	Self-Insured Retention
G. Inland Marine			Various		\$25,000	
H. Law Enforcement			\$4,000,000	\$385,000	\$50,000	
I. Public Officials & Employment Practices			\$4,000,000	Inc'l in Blanket Policy	\$100,000	
IV. Travelers Indemnity Company Boiler/Machinery Hazardous Substance Water Damage Ammonia Contamination Expediting Expenses Ordinance or Law	BAJ8MC802X8550TL07	July 1 - June 30	\$10,000,000 \$100,000 \$100,000 \$100,000 \$100,000 \$500,000	\$28,458	\$5,000	
V. Starr Aviation A. Ace Property & Casualty Insurance Company Airport General Liability	9959-1934-02	July 1 - June 30	\$20,000,000	\$11,783	\$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	\$661,908 \$71,906 \$442,454		Stoploss
VII. Illinois Union Insurance Company Underground Storage Tank Liability	USPG27064231	July 1 - June 30	\$1,000,000 Total	\$5,237	\$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	\$131,178 \$36,392 \$12,300	\$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. Travelers Insurance Co. Skateboard/Parks	15N80223	July 1 - June 30	\$1,000,000 aggregate	Inc'l in Blanket Policy	\$50,000	Self Insurance Retention

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

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)	46.3
Fire Protection	
Number of stations (Manned and Unmanned)	10
Total employees (Includes 9 Civilians)	158
Police Protection	
Number of stations	3
Total employees (Includes 47 Civilians)	194
Parks	
Acreage (developed, not open space or trails)	923
Number of parks	68
Community centers and recreational buildings	3
Swimming pools	4
Tennis courts	19
Libraries	
Holdings	345,778 items
Circulation	758,856 per year
Municipal Sewer	
Number of sewer accounts	36,305
Miles of sanitary lines	347

Notes:

Data as of June 30, 2013

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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, 2013

	Type of Account	Bank or Cash Balance	Outstanding Checks	Deposits In Transit	Carrying Balance	FAIR VALUE
Change, imprest funds	Petty cash	\$ -	\$ -		\$ 11,555	\$ 11,555
Deposits with financial institutions:						
Wells Fargo Bank - General Liability	Checking	72,666	10,120	-	62,546	62,546
Wells Fargo Bank - Workers' Comp.	Checking	57,564	30,087	17,358	44,835	44,835
Wells Fargo Bank - HUD Loan Repayment	Checking	1,911	-	-	1,911	1,911
Wells Fargo Bank - HUD Debt Service Reserve	Checking	40,057	-	-	40,057	40,057
Wells Fargo Bank - Common	Checking	306,263	-	-	306,263	306,263
Wells Fargo Bank - Overland Sweep	Sweep	10,824,017	2,599,467	415,904	8,640,454	8,640,454
Wells Fargo Bank - Credit Card	Checking	-	-	64,805	64,805	64,805
Wells Fargo Bank - Payroll	Checking	1,775,314	774,208	2,719	1,003,825	1,003,825
Wells Fargo Bank - Business Savings	Savings	38,109,561	-	-	38,109,561	38,109,561
Wells Fargo Bank - Restricted Cash	Savings	11,319,650	-	-	11,319,650	11,319,650
Wells Fargo Bank - NMFA #20 DS Reserve	Savings	1,070,469	-	-	1,070,469	1,070,469
First National Bank of Santa Fe Savings	Checking	9,746,591	-	-	9,746,591	9,746,591
The Huntington National Bank-Redflex Camera	Checking	35,203	-	-	35,203	35,203
New Mexico Finance Auth. - Railyard I Reserve Taxabl	Trust	52,880	-	-	52,880	52,880
New Mexico Finance Auth. - College of Santa Fe	Trust	6	-	-	6	6
New Mexico Finance Auth. - Buckman Diversion Proj.	Trust	44	-	-	44	44
New Mexico Finance Auth.- Other Loan Acnts < \$1	Trust	3	-	-	3	3
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
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	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
First National Bank of Santa Fe	Time Deposit	3,500,000	-	-	3,500,000	3,500,000
First National Bank of Santa Fe	Time Deposit	280,949	-	-	280,949	280,949
Total bank and carrying balances		99,193,148	3,413,882	500,786	96,280,052	96,280,052
Wells Fargo Gov't Money Market - 2009A&B Reserve-Cash	Investment	42,603	-	-	42,603	42,603
Wells Fargo Gov't Money Market - 2009A&B Reserve-Bonds	Investment	5,275,000	-	-	5,275,000	5,221,836
Wells Fargo Government Money Market - Cash	Investment	125,361	-	-	125,361	125,361
NM State Local Government Investment Pool (LGIP)	Investment	682,557	-	-	682,557	682,557
NM State LGIP Reserve Contingency Fund	Investment	20,301	-	-	20,301	20,301
U.S. Government Agency Securities	Investment	110,462,684	-	-	110,462,684	109,815,833
New Mexico Municipal Securities	Investment	7,660,000	-	-	7,660,000	7,859,629
Total investment balances		124,268,506	-	-	124,268,506	123,768,120
Total Accounts		223,461,654	3,413,882	500,786	220,560,113	220,059,727
Less: joint venture share of pooled cash		(23,614,343)	-	-	(23,614,343)	(23,476,062)
TOTAL		\$ 199,847,311	\$ 3,413,882	\$ 500,786	\$ 196,945,770	\$ 196,583,665

CITY OF SANTA FE, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL
(MARKET VALUE)
June 30, 2013

	Bank Balance	Total Unsecured Public Funds	Pledged Securities Market Value	Maturity Date
WELLS FARGO BANK:				
<u>Non-Interest Bearing Accounts</u>				
General Liability Checking	72,666			
Worker's Comp. Checking	57,564			
HUD Debt Service Reserve Checking	1,911			
Common Checking	306,263			
Payroll Checking	1,775,314			
Total Checking Requiring Collateral	2,213,718			
Federal Depository Insurance	(250,000)			
Total Unsecured Public Funds - NIB		1,963,718		
*NIB = Non-Interest Bearing Accounts				
<u>Interest Bearing Accounts</u>				
HUD Debt Service Reserve Checking	40,057			
Savings	38,109,561			
NMFA #20 DS Reserve	1,070,470			
Restricted Cash	11,319,650			
Total Requiring Collateral	50,539,738			
Federal Depository Insurance	(250,000)			
<u>Total Unsecured Public Funds - Interest Bearing</u>		50,289,738		
Total Unsecured Public Funds		52,253,456		
<u>Collateral held by Bank of New York Mellon</u>				
FNMA, CUSIP 3138A2BQ1			(18,649,889)	12/01/40
FNMA, CUSIP 3138A2CB3			(8,089,212)	12/01/25
FNMA, CUSIP 3138AAYX3			(1,666,643)	03/01/41
FNMA, CUSIP 3138AMNY7			(4,059,686)	11/01/41
FNMA, CUSIP 3138ASR53			(8,210,561)	09/01/41
FNMA, CUSIP 3138AXCP4			(4,516,734)	11/01/26
FNMA, CUSIP 3138MSC56			(110,838)	02/01/43
FNMA, CUSIP 3138W7GG3			(5,003,085)	03/01/43
FNMA, CUSIP 3138W7GH1			(2,406,735)	03/01/43
FNMA, CUSIP 31412QYT0			(4,819,594)	12/01/39
FNMA, CUSIP 31419AGZ4			(53,614)	12/01/39
FNMA, CUSIP 31419ANB9			(721,070)	09/01/40
Total Pledged Collateral			(58,307,659)	
Difference Between Pledged Collateral and Unsecured Funds			(6,054,203)	
102% pledged collateral requirement			53,298,525	
Total Pledged Collateral			(58,307,659)	
Pledged collateral (over) under 102% requirement			(5,009,134)	
<u>Sweep Account - Collateralized Separately</u>				
Sweep Repurchase Account	10,824,017			
Total Requiring Collateral	10,824,017			
Federal Deposit Insurance	-			
Total Unsecured Public Funds		10,824,017		
<u>Collateral Held in Wells Fargo Bank Pooled Collateral</u>				
FNMA, CUSIP 31418ATQ1			(11,040,498)	06/01/43
Total Pledged Collateral			(11,040,498)	
Difference between Pledged Collateral and Unsecured Funds			(216,481)	
102% pledged collateral requirement			11,040,497	
Total Pledged Collateral			(11,040,498)	
Pledged collateral (over) under 102% requirement **			(1)	

(continued)

	Bank Balance	Total Unsecured Public Funds	Pledged Securities Market Value	Maturity Date
FIRST NATIONAL BANK OF SANTA FE:				
Certificate of Deposit	1,000,000			
Certificate of Deposit	2,000,000			
Certificate of Deposit	3,000,000			
Certificate of Deposit	2,000,000			
Certificate of Deposit	3,500,000			
Certificate of Deposit	280949			
Savings	9,746,591			
Total Checking Requiring Collateral	21,527,540			
<u>Federal Deposit Insurance</u>	(250,000)			
Total Unsecured Public Funds		21,277,540		
<u>Collateral Held by Federal Reserve Bank of Boston</u>				
FNMA, CUSIP 31418AAK4			(3,292,302)	11/01/21
FHLMC, CUSIP 3128MMPU1			(3,698,292)	05/01/27
FNMA, CUSIP 31419KKY0			(1,398,808)	11/01/25
FHLMC, CUSIP 3128QOR66			(7,883,569)	06/01/27
FHLMC, CUSIP 3134G3R77			(1,016,714)	10/17/17
FHLMC, CUSIP 3134G3R77			(1,016,714)	10/17/14
FHLMC, CUSIP 3134G3PE4			(1,002,382)	02/24/16
FHLMC, CUSIP 31306XEA7			(1,762,179)	08/01/27
FNMA, CUSIP 31418AJK5			(1,385,558)	09/01/32
Total Pledged Collateral			(22,456,517)	
Difference between Pledged Collateral and Unsecured Funds			(1,178,977)	
102% pledged collateral requirement			21,703,091	
Total Pledged Collateral			(22,456,517)	
Pledged collateral (over) under 100% requirement			(753,427)	
LOS ALAMOS NATIONAL BANK				
Certificate of Deposit	10,000,000			
Certificate of Deposit	250,000			
Total Requiring Collateral	10,250,000			
<u>Federal Deposit Insurance</u>	(250,000)			
Total Unsecured Public Funds		10,000,000		
<u>Collateral:</u>				
Letter of Credit issued by Federal Home Loan Bank of Dallas **			(6,250,000)	10/23/13
FHLB, CUSIP 3135G0WH2 held at Federal Home Loan Bank of Dallas			(3,971,398)	10/29/15
Total Pledged Collateral			(10,221,398)	
Difference between Pledged Collateral and Unsecured Funds			(221,398)	
102% pledged collateral requirement			10,200,000	
Total Pledged Collateral			(10,221,398)	
Pledged collateral (over) under 100% requirement			(21,398)	
COMMUNITY BANK				
Certificate of Deposit	2,500,000			
Certificate of Deposit	500,000			
Total Requiring Collateral	3,000,000			
<u>Federal Deposit Insurance</u>	(250,000)			
Total Unsecured Public Funds		2,750,000		
<u>Collateral:</u>				
Letter of Credit issued by Federal Home Loan Bank of Dallas **			(2,500,000)	06/23/13
FHLB, CUSIP 313375RN9 held at Federal Reserve Bank of Boston			(301,518)	03/11/16
Total Pledged Collateral			(2,801,518)	
Difference between Pledged Collateral and Unsecured Funds			(51,518)	
100% and 102% pledged collateral requirements			2,755,000	
Total Pledged Collateral			(2,801,518)	
Pledged collateral (over) under 100% requirement**			(46,518)	

**The 102% requirement is necessary for pledged collateral that changes value. Letters of credit do not change value so 100% is sufficient.

CITY OF SANTA FE, NEW MEXICO
Proprietary Funds
Schedule of Capital Assets and Depreciation
For the Year Ended June 30, 2013

				ALLOWANCE FOR DEPRECIATION			
	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013	Current Fiscal Year Deprec.	Accumulated Balance June 30, 2013	Net Asset Value June 30, 2013
Enterprise funds							
Land	\$ 38,260,558	\$ -	\$ -	\$ 38,260,558	\$ -	\$ -	\$ 38,260,558
Water Rights	932,658	-	-	932,658	-	-	932,658
Buildings and structures	307,927,671	-	(6,875)	307,920,796	6,813,336	47,577,797	260,342,999
Improvements	108,231,951	20,441,272	(50,000)	128,623,223	8,826,406	64,669,480	63,953,743
Sewerlines and Utility Systems	103,021,987	8,495,418	(79,520)	111,437,885	3,874,711	62,957,543	48,480,342
Equipment and machinery	20,491,866	457,610	(277,774)	20,671,702	1,372,740	16,779,767	3,891,935
Furniture and fixtures	684,536	-	(6,070)	678,466	10,516	669,896	8,570
Vehicles	25,166,842	1,424,062	(959,865)	25,631,039	1,932,351	17,049,363	8,581,676
Intangible plant	57,625	-	-	57,625	-	57,625	-
Data processing and software	3,273,551	251,372	(261,388)	3,263,535	256,942	2,293,942	969,593
Art	185,971	-	-	185,971	-	-	185,971
Construction in progress	54,757,998	12,661,589	(29,269,778)	38,149,809	-	-	38,149,809
Total - primary government	662,993,214	43,731,323	(30,911,270)	675,813,267	23,087,002	212,055,413	463,757,854
Total Proprietary funds	\$ 662,993,214	\$ 43,731,323	\$ (30,911,270)	\$ 675,813,267	\$ 23,087,002	\$ 212,055,413	\$ 463,757,854

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, 2013 (Unaudited)

Recipient	Year Issued	Year of Retirement	Interest Rate	Amount of Issue	Purpose
First Interstate Plaza Assoc.	1994	2013	10.25%	400,000	Refunding of 1983 Issue for Commercial Office
St. John's College	1998	2024	4.5-5.5%	6,900,000	Refunding of 1992 Issue and Facilities Construction
Ridgetop Road LLC	2007	2037	15.00%	45,000,000	Commercial Office
St. John's College	2011	2028	4.10%	8,310,000	Facilities Construction

CITY OF SANTA FE, NEW MEXICO
Schedule of Bonds and Loans Payable
Classified by Fund and Purpose
June 30, 2013 (UNAUDITED)

Fund and Purpose	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Outstanding June 30, 2013	
					Issue Remaining	Total
Revenue bonds payable solely from state-shared taxes:						
Series 2006	3.25% - 5.00%	02/14/2006	17,710,000	June 1, 2023	3,045,000	
Series 2008	3.25% - 5.50%	04/07/2008	20,135,000	June 1, 2022	19,840,000	
Series 2010A	2.00% - 5.00%	12/14/2010	15,005,000	June 1, 2015	9,415,000	
Series 2012A	3.00% - 5.00%	03/01/2012	37,725,000	June 1, 2026	32,665,000	
Series 2013A	2.00% - 4.00%	06/18/2013	10,880,000	June 1, 2020	10,880,000	
Series 2013B	2.00% - 5.00%	06/18/2013	13,780,000	June 1, 2036	13,780,000	
Total bonds payable solely from state-shared taxes					<u>89,625,000</u>	
General obligation bonds payable solely from property tax:						
Property tax - Series 2008	3.75% - 5.00%	06/10/2008	20,000,000	June 1, 2028	17,070,000	
Property tax - Series 2010	2.00% - 4.00%	11/01/2010	10,300,000	June 1, 2030	9,440,000	
Total bonds payable solely from property tax					<u>26,510,000</u>	
Total bonds payable from tax revenue (governmental)						\$ 116,135,000
Revenue bonds payable from Enterprise funds (primary government)						
Convention Center - NMFA Series 2006	3.75% - 4.75%	03/28/2006	42,220,000	June 15, 2035	37,625,000	
Series 2008 GRT/Ctr Share	3.25% - 5.50%	04/07/2008	8,570,000	June 1, 2022	7,725,000	
Total bonds payable from Convention Center fund					<u>45,350,000</u>	
Solid Waste - Series 2006B	4.25% - 5.00%	07/31/2006	15,160,000	June 1, 2023	10,190,000	
Total bonds payable from Solid Waste fund					<u>10,190,000</u>	
Municipal Recreation Complex - Series 2005	3.50% - 4.25%	08/30/2005	15,315,000	June 1, 2024	9,165,000	
Total bonds payable from Municipal Recreation Complex fund					<u>9,165,000</u>	
Water Revenue Bonds - Series 2006D	4.25% - 5.00%	08/09/2006	49,790,000	June 1, 2025	38,750,000	
Series 2009A&B	2.00% - 6.20%	12/15/2009	59,970,000	June 1, 2039	57,690,000	
Total bonds payable from Water fund					<u>96,440,000</u>	
Wastewater Bonds - Series 2006C	4.125% - 5.00%	09/29/2006	9,780,000	June 1, 2021	6,070,000	
Series 2012B	2.00% - 5.00%	03/01/2012	14,280,000	June 1, 2022	12,540,000	
Total bonds payable from Wastewater fund					<u>18,610,000</u>	
Railyard Center Refunding Bonds - Series 2010B	3.00% - 5.00%	12/14/2010	10,490,000	06/01/26	9,785,000	
Market Station - Series 2012C	2.00% - 5.00%	12/19/2012	4,685,000	06/01/33	4,685,000	
Total revenue bonds payable from Railyard fund					<u>14,470,000</u>	
Total revenue bonds payable from Enterprise funds (business-type)						<u>194,225,000</u>
TOTAL LONG-TERM BOND INDEBTEDNESS						<u>310,360,000</u>

(continued)

Fund and Purpose	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Outstanding June 30, 2012	
					Issue Remaining	Total
LOANS PAYABLE						
Loans payable from 1/2% Municipal GRT						
NMFA SANTAFE#18 - Land Acquisition	2.20% - 5.04%	08/01/2008	3,610,000	06/01/28	2,965,784	
Total loans payable from 1/2% Municipal GRT					<u>2,965,784</u>	
Loans payable from Municipal GRT - Railyard						
NMFA SANTAFE#8 - Railyard Infra.	1.40% - 5.44%	09/24/2004	579,025	05/01/2024	431,973	
NMFA SANTAFE#15B - Railyard Infra.	5.44% - 6.12%	10/20/2009	892,227	06/01/26	752,444	
Total loans payable from Municipal GRT - Railyard					<u>1,184,417</u>	
Total loans payable from tax revenue						4,150,201
Loans payable from Water Enterprise Fund						
NMFA SANTAFE#16 - Buckman	0.25%	11/02/2007	100,000	06/01/27	144,576	
NMFA SANTAFE#19 - Buckman	0.25%	03/27/2009	400,000	06/01/39	652,748	
NMFA SANTAFE#WPF4 - Buckman	0.25%	05/07/2010	800,000	06/01/30	682,532	
NMFA SANTAFE#WPF6 - Buckman	0.25%	05/06/2011	400,000	06/01/31	360,893	
NMFA SANTAFE#22 - Water Upgrade Project	1.00%	06/04/2010	210,777	06/01/31	191,536	
NMFA SANTAFE#DW-2 - Buckman	2.00%	05/16/2008	15,150,000	06/01/29	12,581,167	
NMFA SANTAFE#DW-3 - Green Energy Effic.	2.00%	08/13/2010	250,000	06/01/32	302,237	
NMFA SANTAFE#WPF3 - Canyon Rd. Treatment Plar	0.25%	06/12/2009	400,000	06/01/39	321,594	
NMFA SANTAFE#WPF5 - Watershed Management	0.25%	05/07/2010	264,892	06/01/20	186,117	
NMFA SANTAFE#WPF7 - Canyon Rd. Reservoir Imp.	0.25%	08/05/2011	300,000	06/01/31	270,670	
Total loans payable from Water Fund					<u>15,694,070</u>	
Total loans payable from Enterprise Funds						15,694,070
Loans payable from third parties						
Laureate Education, Inc. facility lease:						
NMFA SANTAFE#20 - College of Santa Fe	1.81% - 6.07%	09/14/2009	29,615,000	06/01/36	27,725,000	
Santa Fe Business Incubator, Inc. loan payment:						
HUD Section 108 Loan	3.16%	06/30/2004	300,000	08/01/24	207,000	
Total loans payable from third parties					<u>27,932,000</u>	
Total loans payable from Special Sources						<u>27,932,000</u>
TOTAL LONG-TERM LOAN INDEBTEDNESS						<u>47,776,271</u>
TOTAL OUTSTANDING INDEBTEDNESS						<u>\$ 358,136,271</u>

CITY OF SANTA FE, NEW MEXICO
SCHEDULE OF JOINT POWERS AGREEMENTS
FISCAL YEAR ENDED
June 30, 2013

PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	DATES OF AGREEMENT	TOTAL AMOUNT/ CITY SHARE	FY12 AMOUNT	AUDIT RESPONSIBILITY
City of Santa Fe Peak Hospitality LLC / Garrett's Desert Inn, LLC	Both	Agreement to Pay Overdue Lodger's Tax	07/17/2012 07/27/2012	\$46,698	\$46,698	Both
City of Santa Fe Rodeo De Santa Fe	Both	City to Provide Police, Fire, Streets, Parking City Services for the Rodeo De Santa Fe	07/14/2012 06/30/2013	\$10,000	\$10,000	Both
City of Santa Fe Walter Burke Catering	Both	Contractor is Authorized to Use City Facilities to Provide Services to SFCCC Clients	07/17/2012 09/30/2011	10% of Net Sales	10% of Net Sales	Both
City of Santa Fe NM Gay Rodeo Association	Both	The City will Provide Fire Dept, Fire Inspection, Environmental Services	07/26/2012 06/01/2013	\$10,000	\$10,000	Both
City of Santa Fe County of Santa Fe	Both	Agreement for Master Meter Installation in the City Water Distribution System	07/25/2012 08/05/2012	Per Agreement	Per Agreement	Both
City of Santa Fe County of Santa Fe	Both	Collaboration & Operation of Day Reporting Program for Detention of Juvenile Offenders	08/31/2012 12/31/2012	\$37,500	\$37,500	Both
City of Santa Fe Earth Care	Both	Contractor to Provide AmeriCorps Member(s) Volunteers to Address Food Related Health Issues	10/12/2012 Per Agreement	\$7,000	\$7,000	Both
City of Santa Fe NM Department of Transportation	Both	FY 12-13 Santa Fe Trail Ridefinders	11/14/2012 06/30/2013	\$12,231	\$12,231	Both

CITY OF SANTA FE, NEW MEXICO
 SCHEDULE OF JOINT POWERS AGREEMENTS
 FISCAL YEAR ENDED
 June 30, 2013

PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	DATES OF AGREEMENT	TOTAL AMOUNT/ CITY SHARE	FY12 AMOUNT	AUDIT RESPONSIBILITY
City of Santa Fe County of Santa Fe	Both	Rodeo De Santa Fe Economic Development Project Funds Transfer	12/12/2012 06/30/2013	\$19,000	\$19,000	Both
City of Santa Fe County of Santa Fe	Both	The Southside Library to Provide Community Members with Programs That Promote Reading & Literacy	12/17/2012 06/30/2013	\$25,000	\$25,000	Both
City of Santa Fe SF Public Schools	Both	Provide Curriculum Pertaining to the Unique 400 Year History of Santa Fe	01/07/2013 03/31/2013	\$6,127	\$6,127	Both
City of Santa Fe Administrative Office of the Courts	Both	City to Provide SF County Magistrate DWI/Drug Court Bus Passes for Transportation	01/06/2013 06/30/2013	\$1,000	\$1,000	Both
City of Santa Fe Santa Fe Public Schools	Both	SFPS to Establish Provisions for the Family Youth Resource Advocate Program at Cesar Chavez Elem	02/21/2013 06/30/2013	\$14,100	\$14,100	Both
City of Santa Fe SF Solid Waste Mgmt Agency	Both	Consulting Services to Complete Comprehensive Solid Waste Mgmt Assessment and Study	03/13/2013 Per Agreement	\$200,000	\$200,000	Both
City of Santa Fe NM Veterans Services Dept	Both	Provide Terms for Transfer of Funds From Veteran's National Cemetery Fund to the City	05/03/2013 Per Agreement	\$1,070,000	\$1,070,000	Both
City of Santa Fe Santa Fe County	Both	To Improve Availability of Safe, Nutritious Affordable Food at Reasonable Prices to the Public	05/09/2013 12/31/2013	\$8,500	\$8,500	Both

CITY OF SANTA FE, NEW MEXICO
 SCHEDULE OF JOINT POWERS AGREEMENTS
 FISCAL YEAR ENDED
 June 30, 2013

PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	DATES OF AGREEMENT	TOTAL AMOUNT/ CITY SHARE	FY12 AMOUNT	AUDIT RESPONSIBILITY
City of Santa Fe Santa Fe County	Both	Receipt and Processing of Bonds	05/29/2013 07/01/2014	N/A	N/A	Both
City of Santa Fe Santa Fe County	Both	Roadway Improvements	05/08/2013 Per Agreement	Per Agreement	Per Agreement	Both
City of Santa Fe Santa Fe County	Both	Fire Protection and EMS Service	05/08/2013 Per Agreement	Per Agreement	Per Agreement	Both
City of Santa Fe Rodeo De Santa Fe	Both	City to Provide Police, Fire, Streets, Parking City Services for the Rodeo De Santa Fe	06/11/2013 06/30/2014	\$10,000	\$10,000	Both
City of Santa Fe Administrative Office of the Courts	Both	City to Provide SF County Magistrate DWI/Drug Court Bus Passes for Transportation	06/11/2013 06/30/2013	\$800	\$800	Both
City of Santa Fe County of Santa Fe	Both	Day Reporting Program for Juveniles	06/12/2013 06/30/2013	\$37,500	\$37,500	Both
City of Santa Fe County of Santa Fe	Both	Region III Drug Task Force, SF County Sheriff's Dept, Espanola Police Dept, Tesuque Tribal Police Dept, Probation/ Parol Division, NM State Police and City of Santa Fe Police Dept	06/26/2013 Per Agreement	N/A	N/A	Both

CITY OF SANTA FE, NEW MEXICO
SCHEDULE OF OTHER FINANCIAL ASSISTANCE
FISCAL YEAR ENDED
June 30, 2013
(UNAUDITED)

Grantor Program Name Grant Number	State Program or Award Amount	Cash/Accrued or (Deferred) Revenue at July 1, 2012	Cash or Receipts Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2013
N.M. HIGHWAY AND TRANSPORTATION DEPARTMENT					
Click It or Ticket FY 11-12	4,950	3,765	3,765	-	-
Operation Buckle Down FY 11-12	7,740	3,207	7,586	4,379	-
Operation DWI FY 11-12	39,600	16,470	30,576	14,106	-
100 Days and Nights FY 11-12	8,415	1,677	6,602	4,925	-
Pedestrian Safety Law Enforcement Blitzes FY 11-12	4,725	2,394	2,394	-	-
Statewide Expanded Operation DWI-Operation Descansos	18,334	-	5,925	9,093	3,168
NMDOT Consolidated Project Agreement FY 12-13	62,205	-	55,737	70,814	15,077
City Vehicle Seizure Program FY 11-12	150,000	9,545	117,705	126,848	18,688
Cerrillos Road Reconstruction	6,500,000	578,252	578,252	-	-
Airport Road Safety Improvements	870,500	-	101,188	144,291	43,103
Small Drainage	264,814	134,367	134,367	-	-
Camino Rael River	151,352	-	8,430	8,430	-
Paved Street Resurfacing	43,616	-	-	43,616	43,616
Airport Improvements	101,600	13,787	-	(13,787)	-
Airport Improvements	3,947	278	417	139	-
Airport Improvements	450,000	498	455	694	737
Airport Improvements	313,500	6,538	25,931	19,393	-
Airport Improvements	191,900	26,004	35,103	9,099	-
Airport Improvements	71,084	154	-	(112)	42
Airport Improvements	15,000	8,987	8,987	-	-
Airport Improvements	86,408	-	25,292	75,163	49,871
Airport Improvements	26,264	-	11,545	15,002	3,457
Airport Improvements	10,000	3,090	3,090	-	-
TOTAL Highway and Transportation Department	\$ 9,395,954	\$ 809,013	\$ 1,163,347	\$ 532,093	\$ 177,759
N.M. DEPARTMENT OF TOURISM					
Beautification and Litter Control Program	48,000	11,095	26,518	44,301	28,878
TOTAL N.M. Department of Tourism	\$ 48,000	\$ 11,095	\$ 26,518	\$ 44,301	\$ 28,878

CITY OF SANTA FE, NEW MEXICO
SCHEDULE OF OTHER FINANCIAL ASSISTANCE
FISCAL YEAR ENDED
June 30, 2013
(UNAUDITED)

Grantor Program Name Grant Number	State Program or Award Amount	Cash/Accrued or (Deferred) Revenue at July 1, 2012	Cash or Receipts Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2013
N.M. DEPARTMENT OF CULTURAL AFFAIRS					
Historical Preservation	\$ 4,000	\$ 4,000	\$ 16,500	\$ 13,058	\$ 558
TOTAL Department of Cultural Affairs	\$ 4,000	\$ 4,000	\$ 16,500	\$ 13,058	\$ 558
N.M. ENERGY, MINERALS, NATURAL RESOURCES					
Fire Hazard Reduction Grants	\$ 150,000	\$ 70,767	\$ -	\$ (70,767)	\$ -
Community Urban Forest Program	15,731	-	-	12,329	12,329
NM Forest Reforest Program	6,000	-	-	6,000	6,000
TOTAL Energy, Minerals, Natural Resources	\$ 171,731	\$ 70,767	\$ -	\$ (52,438)	\$ 18,329
STATE AGENCY ON AGING					
Senior Companion Program	\$ 137,534	\$ 6,750	\$ 137,470	\$ 137,533	\$ 6,813
Senior Employment Program	34,724	4,578	36,040	34,724	3,262
Foster Grandparent Program	112,576	18,710	113,601	112,576	17,685
Retired Senior Volunteer Program	38,845	-	38,845	38,845	-
HB-2- Nutrition	179,674	6,983	175,199	178,646	10,430
HB-2- In Home Support	153,644	3,711	152,312	153,644	5,043
HB-2- Assisted Transportation	37,148	2,910	39,496	37,148	562
State Area On Aging Capital improvements	267,500	29,490	211,790	182,300	-
Mary Ester Gonzales Senior Center	128,467	40,917	44,447	12,072	8,542
Mary Ester Gonzales Senior Center	73,000	-	41,714	41,714	-
Mary Ester Gonzales Senior Center	273,000	12,719	76,301	63,582	-
TOTAL State Agency on Aging	\$ 1,436,112	\$ 126,768	\$ 1,067,215	\$ 992,784	\$ 52,337
COUNTY OF SANTA FE					
Santa Fe Paratransit	96,011	96,011	-	(96,011)	-
Airport Safety Improvements	313,000	-	180,066	180,066	-
Arroyo Chimiso Trail	205,000	-	6,321	6,321	-
Rodeo de Sfe Arena & Ag. Building	19,000	-	19,000	19,000	-
Trails and Bike Paths	115,678	-	11,634	11,634	-
Trails and Bike Paths	1,762	-	-	1,762	1,762
Gonzales Road Pedestrian Trail	258,330	-	258,330	258,330	-
TOTAL County of Santa Fe	\$ 1,008,781	\$ 96,011	\$ 475,351	\$ 381,102	\$ 1,762

CITY OF SANTA FE, NEW MEXICO
SCHEDULE OF OTHER FINANCIAL ASSISTANCE
FISCAL YEAR ENDED
June 30, 2013
(UNAUDITED)

Grantor Program Name Grant Number	State Program or Award Amount	Cash/Accrued or (Deferred) Revenue at July 1, 2012	Cash or Receipts Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2013
N.M. DEPARTMENT OF FINANCE AND ADMINISTRATION					
400th Anniversary License Plates	7,000	-	3,550	3,550	-
Santa Fe Police Station	435,600	-	106,260	107,766	1,506
La Familia	396,000	-	16,059	22,759	6,700
Interfaith Homeless Shelter	109,890	-	29,218	61,403	32,185
Rodeo de Sfe Arena & Ag. Building	81,000	-	81,000	81,000	-
Santa Fe Boy's and Girls's Club	7,000	-	7,000	7,000	-
Santa Fe Boy's and Girls's Club	32,734	-	-	32,725	32,725
Santa Fe Boy's and Girls's Club	2,500	-	2,500	2,500	-
Genoveva Chavez Community Center	215,000	53,314	110,699	139,600	82,215
TOTAL Dept. of Finance and Administration	\$ 1,286,724	\$ 53,314	\$ 356,286	\$ 458,303	\$ 155,331
NM FINANCE AUTHORITY					
NMFA 171-WTB	1,324,460	75,146	567,427	492,281	-
NMFA 203-WTB	1,500,000	98,383	239,489	184,350	43,244
NMFA 2392-DW	320,138	280,737	305,766	25,029	-
TOTAL NM Mortgage Finance Authority	\$ 3,144,598	\$ 454,266	\$ 1,112,682	\$ 701,660	\$ 43,244
NM ARTS COMMISSION					
Community Gallery FY10-11	7,940	6,794	12,961	6,167	-
TOTAL NM Arts Commission	\$ 7,940	\$ 6,794	\$ 12,961	\$ 6,167	\$ -
OTHER					
New Mexico State University-National Diabetes Program	6,416	-	6,416	6,416	-
TOTAL Other	\$ 6,416	\$ -	\$ 6,416	\$ 6,416	\$ -
US Department of Agriculture					
US Forest Service	7,000	-	7,000	7,000	-
US Department of Agriculture	7,000	-	7,000	7,000	-
GRAND TOTAL	\$ 16,517,256	\$ 1,632,028	\$ 4,244,276	\$ 3,090,446	\$ 478,198

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CITY OF SANTA FE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED
June 30, 2013

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, 2012	C/Y Cash Receipts Recognized	Revenue Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2013
Primary Government							
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Department of Housing and Urban Development Direct Programs:							
CDBG-Entitlement and (HUD-Administered) Small Cities Cluster:							
Community Develop Block Grant	14.218	B11MC350003	524,976	84,644	424,610	339,965	-
Community Develop Block Grant	14.218	B12MC350003	507,262	-	178,873	210,912	32,039
Neighborhood Stabilization Program	14.218	09-0290	30,097	3,810	3,810	-	-
Total CDBG-Entitlement and (HUD-Administered) Small Cities Cluster			1,062,335	88,454	607,293	550,877	32,039
Shelter Plus Care Grants:							
Shelter Plus	14.238	NM0055C6B011003	144,132	24,703	24,703	-	-
Shelter Plus	14.238	NM0034C6B011003	212,304	33,520	331,604	342,030	43,946
Shelter Plus	14.238	NM0029C6B011003	121,440	11,147	131,372	121,688	1,463
Shelter Plus	14.238	NM0026C6B011003	202,944	29,086	215,687	203,535	16,934
Shelter Plus	14.238	NM0073C6B011100	565,140	-	-	11,409	11,409
Shelter Plus	14.238	NM0072C6B011100	173,520	-	18,801	22,855	4,054
Shelter Plus	14.238	NM02C7-01-001	306,660	7,553	93,675	86,122	-
Shelter Plus	14.238	NM0049C6B010900	324,360	4,131	51,384	52,116	4,863
Shelter Plus	14.238	NM0048C6B010900	90,780	1,011	19,405	20,617	2,223
Total Shelter Plus Care Grants			2,141,280	111,151	886,631	860,372	84,892
Department of Housing and Urban Development			\$ 3,203,615	\$ 199,605	\$ 1,493,924	\$ 1,411,249	\$ 116,931
Energy, Mineral and Natural Resources Department							
ARRA - Section 5309	81.128	R1DOE00002-0061	31,060	-	31,060	31,060	-
ARRA - Section 5310	81.128	R1DOE00002-0148	35,000	-	35,000	35,000	-
Energy, Mineral and Natural Resources Department			\$ 66,060	\$ -	\$ 66,060	\$ 66,060	
US DEPARTMENT OF JUSTICE							
Passed-through NM Children Youth and Families:							
Juvenile Justice - Continuum 10/11	16.523	11-690-12431	181,331	32,081	162,216	181,313	51,178
Total passed-through NM Children Youth and Families			181,331	32,081	162,216	181,313	51,178
Passed-through NM Crime Victims Reparation Commission							
ARRA - Cops Hiring Recovery Program	16.710	2009-KRWX0642	1,479,328	262,945	661,282	560,917	162,581
Recovery act STOP Violence Against Women Grant	16.806	2008-WF-AX-0018	31,322	-	197	197	-
Total passed-through NM Crime Victims Reparation Commission			1,510,650	262,945	661,479	561,114	162,581
Domestic Violence and Sexual Assault Probation Officers	16.580	2009-WE-AX-0046	600,000	121,440	177,938	56,498	-
			600,000	121,440	177,938	56,498	-
US Department of Justice			\$ 2,291,981	\$ 416,466	\$ 1,001,633	\$ 798,925	\$ 213,759
DEPARTMENT OF TRANSPORTATION							
Federal Aviation Administration Direct Program:							
Airport Improvement Grant #34	20.106	AIP 3-05-0037-034-2010	450,000	63,369	44,446	42,755	61,678
Airport Improvement Grant #35	20.106	AIP 3-05-0037-035-2010	106,400	10,570	15,853	5,263	-
Airport Improvement Grant #36	20.106	AIP 3-05-0037-036-2010	2,701,187	1,579	-	-	1,579
Airport Improvement Grant #37	20.106	AIP 3-05-0037-037-2012	2,622,232	-	758,757	2,254,882	1,496,125
Airport Improvement Grant #38	20.106	AIP 3-05-0037-038-2012	477,366	-	346,354	450,054	103,700
Total Federal Aviation Administration Direct Program:			6,357,185	75,518	1,165,410	2,752,974	1,663,082
Department of Transportation Direct Program:							
Section 5316 (JARC)	20.516	NM90X100	362,626	60,373	64,356	3,983	-
Section 5316 (JARC)	20.516	NM90X107	173,357	-	131,740	173,721	41,981
Section 5316 (JARC)	20.516	NM37X028	349,498	-	-	26,890	26,890
Interagency Hazardous Materials Public-Sector Training and Planning	20.703	HMHMP0293120100	21,330	-	-	12,526	12,526
Total Department of Transportation Direct Program:			906,811	60,373	196,096	217,120	81,397
(continued)							
Passed-through Department of Transportation:							
Highway and Planning Cluster:							
Section 112	20.205	MOA No. M01038	196,989	83,836	208,908	233,883	108,811
Total Highway and Planning Cluster:			196,989	83,836	208,908	233,883	108,811
ARRA Grants							
ARRA - Pavement Resurfacing	20.xxx	ECO-4726(2)	2,222,022	59,566	708,329	648,763	-
ARRA - Section 5309	81.041	NM-96-X003	797,882	101,730	295,276	354,536	160,990
Total ARRA Grants			3,019,904	161,296	1,003,605	1,003,299	160,990

CITY OF SANTA FE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED
June 30, 2013

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, 2012	FY Cash Receipts Recognized	Revenue Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at June 30, 2013
Section 5303 09/10	20.505	MOA No. M01038	39,177	1,161	18,415	25,484	8,230
Federal Transit Cluster:			39,177	1,161	18,415	25,484	8,230
Section 5317 - Paratransit Operating	20.500	NM90X094	57,126	-	57,126	57,126	-
Section 5317 - Paratransit Operating	20.500	NM57X008	136,167	-	136,167	136,167	-
Total Federal Transit_Capital Investment Grant			193,293	-	193,293	193,293	-
NM Highway and Transportation Department Federal Transit_Formula Grants							
Ridefinders 12/13	20.507	M01223	84,004	22,458	59,325	57,094	20,228
Section 5317 - Paratransit Operating	20.507	NM90X108	154,044	-	133,666	154,044	20,378
Section 5317 - Paratransit Operating	20.507	NM90X099	156,958	-	-	126,206	126,206
Section 5307 - Main Operating	20.507	NM90X113	1,335,413	-	1,333,865	1,333,865	-
Section 5307 - Main Operating	20.507	NM90X110	1,300,335	1,300,336	1,300,336	-	-
Section 5307 - Main Operating	20.507	NM90X101	1,335,413	9,928	9,928	-	-
Section 5309 - Capital Outlay	20.507	NM030056	53,802	-	53,802	53,802	-
Section 5309 - Capital Outlay	20.507	NM040009	588,000	-	11,594	11,594	-
Section 5309 - Capital Outlay	20.507	NM030045	4,016	4,016	4,016	-	-
Total Federal Transit_Formula Grants			5,011,985	1,336,738	2,908,532	1,736,805	166,810
Total Department of Transportation passed-through			\$ 8,461,348	\$ 1,583,031	\$ 4,330,753	\$ 3,192,564	\$ 444,841
Department of Transportation			\$ 15,725,344	\$ 1,718,922	\$ 5,692,259	\$ 6,162,658	\$ 2,189,320
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Passed-through NM State Agency on Aging/NCNMEDD: Aging Cluster:							
NM State Agency on Aging/NCNMEDD Title III-B Total NM State Agency on Aging/NCNMEDD	93.044	2009-10-60026	\$ 108,669	\$ 36,563	\$ 217,379	\$ 183,359	\$ 2,543
			108,669	36,563	217,379	183,359	2,543
NM State Agency on Aging/NCNMEDD Title III-C-1 Title III-C-2 Total NM State Agency on Aging/NCNMEDD	93.045	2009-10-60026	95,099	-	90,517	95,099	4,582
	93.045	2009-10-60026	36,942	2,429	36,607	36,607	2,429
			132,041	2,429	127,124	131,706	7,011
NM State Agency on Aging/NCNMEDD NSIP Total NM State Agency on Aging/NCNMEDD	93.053	2009-10-60026	158,543	-	156,447	158,550	2,103
			158,543	-	156,447	158,550	2,103
Total Passed-through NM State Agency on Aging/NCNMEDD Title III-E	93.052	2009-10-60026	71,340	1,271	1,271	1,650	1,650
Department of Health and Human Services			\$ 470,593	\$ 40,263	\$ 502,221	\$ 475,265	\$ 13,307
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE							
Passed-through NM State Agency on Aging/NCNMEDD: Foster Grandparent Program Retired Senior Volunteer Program Total Passed-through NM State Agency on Aging:	94.011	10-624-4000-0024	25,868	10,560	33,715	25,868	2,713
	94.002	10-624-4000-0065	28,912	-	28,912	28,912	-
			54,780	10,560	62,627	54,780	2,713
Corporation for National and Community Service			\$ 54,780	\$ 10,560	\$ 62,627	\$ 54,780	\$ 2,713
National Endowment for the Humanities Promotion of the Arts	45.024	12-6200-7015	14,000	-	-	14,000	14,000
National Endowment for the Humanities			\$ 14,000	\$ -	\$ -	\$ 14,000	\$ 14,000
US DEPARTMENT OF HOMELAND SECURITY							
Emergency Management Performance	97.042	EMW-2011-EP-00051	63,135	-	39,457	55,866	16,410
Emergency Management Performance	97.067	2009-SS-T9-000030	428,370	-	121,530	121,530	-
Emergency Management Performance	97.067	2010-SS-T0-0011	219,500	4,870	21,540	61,903	45,233
Emergency Management Performance	97.067	EMW-2011-SS-00094-S01	151,124	55,502	65,852	62,437	52,087
Emergency Management Performance	97.067	FEMA-1783-DR-NM	33,750	-	3,651	3,651	-
Emergency Management Performance	97.067	EMW-2012-SS-00097-S01	144,704	-	4,443	46,443	42,000
US Department of Homeland Security			\$ 1,040,583	\$ 60,373	\$ 256,472	\$ 351,830	\$ 155,730
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 22,866,956	\$ 2,446,189	\$ 9,075,196	\$ 9,334,767	\$ 2,705,760

CITY OF SANTA FE, NEW MEXICO
 NOTES TO SUPPLEMENTAL SCHEDULE OF
 EXPENDITURES OF FEDERAL AWARDS
 JUNE 30, 2013

General

The following is a reconciliation of the total Federal Awards of the City of Santa Fe for the year ended June 30, 2013:

City of Santa Fe Federal Expenditures as reported on page 214:	\$ 9,334,767
Total Federal Expenditures of the Primary Government	\$ 9,334,767

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.

Relationship to the Comprehensive Annual Financial Report:

	<u>CFDA #</u>	<u>AMOUNT</u>
U.S. Department of Housing and Urban Development		
Special Revenue Funds		
Community Development Grants		
Community Development Block Grants	14.218	\$ 550,877
Shelter Plus	14.238	342,030
Shelter Plus	14.238	121,688
Shelter Plus	14.238	203,535
Shelter Plus	14.238	11,409
Shelter Plus	14.238	22,855
Shelter Plus	14.238	86,122
Shelter Plus	14.238	52,116
Shelter Plus	14.238	20,617
Energy, Mineral and Natural Resources Department		
ARRA - Section 5309	81.128	31,060
ARRA - Section 5310	81.128	35,000
U.S. Department of Justice		
Special Revenue Grants		
Law Enforcement Grants		
Juvenile Justice - Continuum	16.523	181,313
ARRA - Cops Hiring Recovery Program	16.710	560,917
Recovery Act STOP Violence Against Women Grant	16.806	197
Domestic Violence and Sexual Assault Probation	16.580	56,498
U.S. Department of Transportation		
Enterprise Fund - Airport		
Airport Improvement Grants		
Airport Improvement	20.106	2,752,974

CITY OF SANTA FE, NEW MEXICO
 NOTES TO SUPPLEMENTAL SCHEDULE OF
 EXPENDITURES OF FEDERAL AWARDS
 JUNE 30, 2013

Special Revenue Fund		
Transportation Grants		
Section 5316	20.516	204,594
Sector Training and Planning	20.516	12,526
Section 112	20.205	233,883
ARRA - Pavement Resurfacing	20.xxx	648,763
ARRA - Section 5309	18.041	354,536
Section 5303	20.505	25,484
Section 5317	20.500	193,293
Federal Transit	20.507	1,736,605
U.S. Department of Health and Human Services		
Special Revenue Funds		
Senior Citizens Grants		
Title III B	93.044	183,359
Title III C-1	93.045	95,099
Title III C-2	93.045	36,607
NSIP	93.053	158,550
Title III E	93.052	1,650
Corporation for National and Community Service		
Special Revenue Funds		
Senior Citizens Grants		
Foster Grandparent Program	94.002	25,868
Retired Senior Volunteer Program	94.002	28,912
National Endowment for the Humanities		
Promotion of the Arts	45.024	14,000
U.S. Department of Homeland Security		
Special Revenue Funds		
Emergency Management Grants		
Emergency Management Performance	97.042	55,866
Emergency Management Performance	97.067	295,964
		<u>9,334,768</u>
	TOTAL	<u>\$ 9,334,768</u>



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**INDEPENDENT AUDITOR'S 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**

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund, of City of Santa Fe, New Mexico, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise City of Santa Fe, New Mexico's basic financial statements, and the combining and individual funds and related budgetary comparisons presented as supplementary information and have issued our report thereon dated December 2, 2013.

Internal Control Over Financial Reporting

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

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 13-01, 13-02, 13-04, 13-05 and 13-06 that we consider to be significant deficiencies.

Compliance and Other Matters

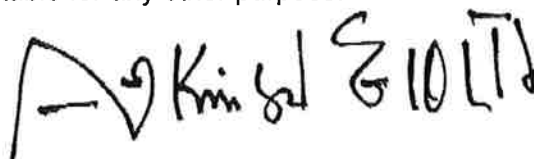
As part of obtaining reasonable assurance about whether City of Santa Fe, New Mexico's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 06-06, 11-04, and 13-03.

City of Santa Fe, New Mexico's Response to Findings

City of Santa Fe, New Mexico's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Santa Fe, New Mexico's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in black ink, appearing to read "Atkinson & Co., Ltd.", with a stylized initial "A" on the left.

Atkinson & Co., Ltd.

Albuquerque, New Mexico
December 2, 2013



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

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

Report on Compliance for Each Major Federal Program

We have audited City of Santa Fe, New Mexico's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have direct and material effect on each of City of Santa Fe, New Mexico's major federal programs for the year ended June 30, 2013. City of Santa Fe, New Mexico's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Santa Fe, New Mexico's major federal programs based on our audit of the types of compliance requirements referred to above. 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 City of Santa Fe, New Mexico's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Santa Fe, New Mexico's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Santa Fe, New Mexico complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 11-04. Our opinion on each major federal program is not modified with respect to these matters.

City of Santa Fe, New Mexico's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Santa Fe, New Mexico's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

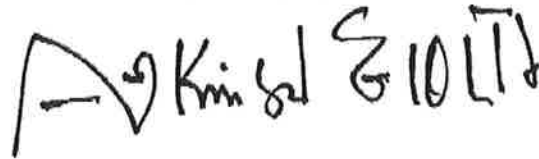
Management of City of Santa Fe, New Mexico, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of Santa Fe, New Mexico's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 City of Santa Fe, New Mexico'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. *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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 11-06, 12-03, 13-07, and 13-08 that we consider to be significant deficiencies.

City of Santa Fe, New Mexico's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Santa Fe, New Mexico's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Atkinson & Co., Ltd.", with a stylized initial "A" on the left.

Atkinson & Co., Ltd.

Albuquerque, New Mexico
December 2, 2013

City of Santa Fe

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2013

I. Summary of Audit Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? Yes

Noncompliance material to financial statements noted? Yes

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: Unmodified

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	Community Development Block Grants/Entitlement Grants
16.710	Public Safety Partnership and Community Policing Grants
20.Unknown	Pavement Resurfacing
20.516	Job Access/Reverse Commute
93.various	Aging Cluster (93.044, 93.045, 93.053)
20.106	Airport Improvement Grants

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, 2013

I. Summary of Audit Results – Continued

Auditee qualified as low-risk auditee? No

II. Status of Prior Audit Findings

06-05	Due Date of Audit Report	Cleared
06-06	Budgetary Compliance	Repeated and Modified
11-01	Improper Cutoff	Cleared
11-04	Federal Grant Cost Principles (Time Certification)	Repeated and Modified
11-06	Federal Grant Procurement (Suspension and Debarment)	Repeated and Modified
12-01	Professional Services Procurement	Cleared
12-02	Purchase Order Authorizations	Cleared
12-03	Federal Grant Cash Management	Repeated and Modified
12-04	Data Collection Form Submission	Cleared

III. Current Audit Findings

Financial Statement Findings Required by *Government Auditing Standards*

13-01 Capital Asset Management (Significant Deficiency)
 13-02 Financial Close and Reporting (Significant Deficiency)
 13-03 Bond Covenant Violation (Non-Compliance)
 13-04 Entity-level General Computer Controls (Significant Deficiency)
 13-05 Information Technology Access Controls (Significant Deficiency)
 13-06 Information Technology Segregation of Duties (Significant Deficiency)

Findings in Accordance with 2.2.2. NMAC

06-06 Budgetary Compliance (Repeated and Modified) (Non-Compliance)

Findings in Accordance with OMB Circular A-133

11-04 Federal Grant Cost Principles (Time Certification) – Public Safety Partnership and Community Policing Grants 16.710 (Repeated and Modified) (Non-Compliance)
 11-06 Federal Grant Procurement (Suspension and Debarment) – Airport Improvement Program 20.106 (Repeated and Modified) (Significant Deficiency)
 12-03 Federal Grant Cash Management – Airport Improvement Program 20.106 and Public Safety Partnership and Community Policing Grants 16.710 (Repeated and Modified) (Significant Deficiency)
 13-07 Federal Grant Reporting – Airport Improvement Program 20.106 and Aging Cluster (Significant Deficiency)
 13-08 Federal Davis-Bacon Act – Airport Improvement Program 20.106 (Significant Deficiency)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINANCIAL STATEMENT FINDINGS REQUIRED BY GOVERNMENT AUDITING STANDARDS

13-01 CAPITAL ASSET MANAGEMENT (SIGNIFICANT DEFICIENCY)

Condition:

During our audit we noted several deficiencies in capital asset accounting and management to include:

- Assets are not removed from the asset listing and general ledger upon disposal.
- An adjustment in excess of \$1.4 million was made to update records for information technology (IT) and the information technology and telecommunications department (ITT) assets that had been disposed of over many years and were not previously removed from asset records or the general ledger.
- A significant ITT asset was purchased and never used, but was still capitalized and depreciated (see also finding 13-04).
- The construction in progress (CIP) schedule is not well-maintained with several projects lacking information on the percent of completion.

Criteria:

Accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities specify that capital assets should be derecognized when the entity no longer has rights to the asset.

Cause:

There is inadequate follow-up on discrepancies noted as a result of capital asset inventories.

Effect:

Beginning capital assets were overstated by approximately \$1.6 million.

Recommendation:

We recommend that management re-evaluate the process of inventorying capital assets to ensure that transactions are being disposed of in the proper period and are being properly accounted for in accordance with GAAP.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and recommendation by the external auditors. The Finance Department is in the process of hiring a fulltime capital assets financial analyst and is reevaluating its policies and procedures for capital assets and CIP management. Management has required directors to manage and assist Finance with its procedures and accountability for capital additions, deletions and procedures to remove assets from city inventory.

The ITT Department is currently evaluating several inventory control systems, and anticipates requesting approval for one by February 2014. At a minimum the system will include barcode scanning and database capabilities to record and track all IT equipment (capital/fixed assets and inventory exempt) from acquisition to replacement/disposal. In conjunction with the inventory control system, ITT will implement an inventory control policy that will consist of the following requirements:

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINANCIAL STATEMENT FINDINGS REQUIRED BY GOVERNMENT AUDITING STANDARDS - CONTINUED

13-01 CAPITAL ASSET MANAGEMENT (SIGNIFICANT DEFICIENCY) - CONTINUED

Views of Responsible Officials and Planned Corrective Action - Continued:

- End users are required to sign for equipment at issuance. ITT will scan and save signature forms into the inventory control system.
- ITT will update the inventory control system whenever departments request relocation or reassignment of IT equipment.
- ITT will coordinate with departments to conduct an annual inventory of all IT equipment, and provide inventory reports to Department and Division Directors. The report will highlight any equipment that is missing, damaged, non-operational or disposed.
- Following the completion of the annual inventory, a report will be provided to the City Manager of all missing, damaged, non-operational or disposed IT equipment throughout the City.

This policy and procedure will be in addition to capital asset management procedures issued and maintained by the Finance Department.

The significant asset, a Storage Attached Network (SAN) system, has been partially in use since May 2013. One of the two main storage components is located at the Police Department Data Center, and providing real time offsite replication for of the City's file servers and departmental shares.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director
Lisa Martinez, Interim ITT Director

13-02 FINANCIAL CLOSE AND REPORTING (SIGNIFICANT DEFICIENCY)

Condition:

As a result of audit procedures there were several adjustments that were required to be made to the financial statements due to revenues being recorded in the wrong account, transfers and repayments of notes receivable being recorded incorrectly and a net position category not agreeing to supporting data. Finally, we noted that bank reconciliations for the City's major bank accounts are not performed timely (several were not completed until October) and two of the six reviewed contained no indication that the reconciliation was reviewed by a supervisor.

Criteria:

Strong internal controls over financial reporting include monthly reconciliations of balance sheet accounts to subsidiary ledgers and periodic reviews of income statement accounts against budgeted amounts and trend analysis.

Cause:

The City does not reconcile balance sheet accounts (except for cash and investments) throughout the year, only at fiscal year-end.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINANCIAL STATEMENT FINDINGS REQUIRED BY GOVERNMENT AUDITING STANDARDS - CONTINUED

13-02 FINANCIAL CLOSE AND REPORTING (SIGNIFICANT DEFICIENCY) - CONTINUED

Effect:

Significant adjustments were made to the statements based on audit procedures (though some of the adjustments were caught by management after they had been submitted to the auditors) which slows down the year-end reporting process which in the past has resulted in a late submission of the audit to the Office of the State Auditor. The untimely reconciliation of accounts slows down the closing and financial reporting process.

Recommendation:

We recommend that management at a minimum should select certain accounts that have a higher risk of misstatement to reconcile on a regular basis and possibly prepare the financial statements at an interim date to enhance the City's ability to identify issues or misstatements prior to year-end.

Views of Responsible Officials and Planned Corrective Action:

The City of Santa Fe finance department agrees that the reconciliation of balance sheet accounts should be completed at least a twice a year if not quarterly. Even though the bank reconciliations are completed within 30 days of receiving the statements, the supervisor should verify that the outstanding items have been posted to the general ledger and approved in a timely manner.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director

13-03 BOND COVENANT VIOLATION (NON-COMPLIANCE)

Condition:

During the audit we noted that there was no cash restricted in the Municipal Recreation Complex Fund (MRC) at June 30th for the next required principal and interest payments as required under the revenue bond agreement.

Criteria:

The bond agreement requires the city to accumulate one-sixth of the amount necessary to pay the next maturing installment of interest and one-twelfth of the amount necessary to pay the next maturing installment of principal which amounts to \$108,704.

Cause:

The deficit in cash was due to the City not transferring enough money into the fund to meet the requirement and a lack of timely monitoring of bond covenants.

Effect:

Failure to comply with debt covenants could result in the debt becoming due and payable in advance of scheduled retirement dates. As a result of the violation, the bank may have certain remedies under the terms of the bond agreement.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINANCIAL STATEMENT FINDINGS REQUIRED BY GOVERNMENT AUDITING STANDARDS - CONTINUED

13-03 BOND COVENANT VIOLATION (NON-COMPLIANCE) - CONTINUED

Recommendation:

The City should ensure timely identification of violations of debt agreements, continue to monitor this bond covenant violation, and seek remedies from the bondholders involved.

Views of Responsible Officials and Planned Corrective Action:

The City agrees with the auditor's assessment of the City not complying with the bond covenants. The City has identified this need in the current fiscal year and appropriate funds have been identified. In addition the MRC debt for both principal and interest was identified by the City's investment officer; however the transfer of cash for the MRC was not part of the responsibilities of the investment officer. The City's investment officer will now identify the funding required for the MRC debt service but will also ensure funds are identified and transferred on an annual basis. As a point of fact, the City annually ensures all debt principal and interest is paid.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director

13-04 ENTITY-LEVEL GENERAL COMPUTER CONTROLS (SIGNIFICANT DEFICIENCY)

Condition:

During the audit, the following deficiencies were noted in the Information Technology function:

- Review procedures performed by internal audit staff of the City in relation to certain general IT controls concluded that for controls tested, most were not in place, were not effective or were otherwise unsatisfactory. These controls were previously considered to be substantially in place, effective or otherwise satisfactory based on IT division communications to external parties.
- It was self-reported by the City that certain IT network devices, costing \$500,000 were not implemented as intended in 2007 (see also finding 13-01).
- Inquiries in relation to general controls revealed design deficiencies in the areas of steering committee, user rights, security policy, risk assessment procedures and evaluation of outside contractors.
- Additional testing of certain general IT controls resulted in noted deficiencies. See findings 13-05 and 13-06 in this report.
- There is a lack of communication between IT and finance in relation to the accounting for IT assets.

Criteria:

The COSO (Committee of Sponsoring Organizations of the Treadway Commission), the generally accepted framework for internal controls, specifies the elements of a strong internal control system which includes IT controls. These elements include the specific control activities themselves which protect the IT system itself and help prevent, or detect and correct errors in the system. General IT control activities are essential to ensure efficient, reliable, protected performance of an IT system. Risk assessment and monitoring activities are additional elements that evaluate the inherent risks contained in IT systems and monitors relevant controls for effectiveness.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINANCIAL STATEMENT FINDINGS REQUIRED BY GOVERNMENT AUDITING STANDARDS - CONTINUED

13-04 ENTITY-LEVEL GENERAL COMPUTER CONTROLS (SIGNIFICANT DEFICIENCY) - CONTINUED

Cause:

There had been no effective external monitoring or testing of the existence and effectiveness of IT division policies and procedures since the implementation of E-1(Enterprise One) system which is used for accounting, payroll, HR, and financial reporting processes. The IT department had no consistent steering committee in place to consider the overall operations, projects, objectives and challenges of the IT system. The IT department appears to need additional resources to perform its duties.

Effect:

The City is unknowingly assuming increased risk in connection with its IT system and operations due to lack of certain effective control activities, risk assessments, policies, and monitoring of IT general controls. There could be unanticipated and detrimental effects in the City's ability to accurately record and process data, to operate reliably and to protect data from unauthorized access.

Recommendation:

The City should establish an effective steering committee to manage and evaluate all IT activities and planned actions. The City should monitor the controls of the IT department on a more frequent basis based on current circumstances and identified risks involved. The IT department should establish a compliance reporting schedule to report control effectiveness and project status to City management. The City should consider additional resources for the IT department.

Views of Responsible Officials and Planned Corrective Action:

The ITT Department re-implemented the ITT Steering Committee on October 17, 2013. The Committee's work will include evaluation, recommendations and consent in the areas of policies & procedures; purchasing; recruitment, training & development; IT projects; IT staffing levels; capital & maintenance plan; IT Strategic Plan; and general organization and management.

The ITT Department recently approved a Risk Assessment Policy. ITT staff will be trained on the policy in December 2013 so that formal assessments on key technological systems can begin in January 2014. This policy includes evaluation of user rights and outside contractors, and will be reviewed and modified, annually, as required. The ITT Department also approved various other policies recently as part of an overall effort to formalize various controls and procedures. The ITT Department is also currently undergoing a Network & Application Security Assessment. The firm contracted for this work, began onsite penetration testing on November 18, 2013, and will complete its work on or around December 2, 2013. The key deliverables of this effort include comprehensive written findings & reports; technical & executive briefings to technical and senior management staff; and a comprehensive draft security policy. The ITT Department will implement a final security policy by March 2014.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director
Lisa Martinez, Interim ITT Director

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINANCIAL STATEMENT FINDINGS REQUIRED BY GOVERNMENT AUDITING STANDARDS - CONTINUED

13-05 INFORMATION TECHNOLOGY ACCESS CONTROLS (SIGNIFICANT DEFICIENCY)

Condition:

Atkinson applied procedures to cross-check terminated employees (those with a "pay status" of 8, 9, or T) against users with an "enabled user" status of "01" (enabled). A list of 397 terminated employees was found who still have enabled status. IT personnel were unable to explain why any employees would still have access as was found.

Criteria:

Per state of New Mexico Guidelines Enterprise IT Security Policy, S-GUIDE-00.003, the state of New Mexico shall securely and economically protect its business functions including public access to appropriate information and resources, while maintaining compliance with legal requirements established by existing federal and state statutes pertaining to confidentiality, privacy, accessibility, availability and integrity.

Cause:

There has been no consideration of the effectiveness of the City's IT procedures in requesting establishing, issuing, suspending, modifying and closing user accounts in E-1. The deficiency may be in the design of the control procedures or in monitoring the control for effectiveness.

Effect:

The risk of unauthorized access to City data and information is not minimized through proper access rights control procedures.

Recommendation:

We recommend that management institute improved procedures for ensuring that all E-1 access is removed immediately when an employee is terminated, and periodic checks are run to ensure that no terminated employees still have access.

Views of Responsible Officials and Planned Corrective Action:

The ITT Department recently approved a Termination Policy, which summarizes the process for disabling computer access for terminated employees. ITT personnel will be trained on the new policy in December 2013. Historically, this process has been done informally by directive from the ITT Division Director based upon termination lists provided by the Payroll Division for each pay period. This directive included instructions to various ITT staff to disable access in the areas of E1, cell phones, long distance access, teleworker access, land mobile radios, etc. The 397 terminated employees found to still have access in E1 (accounting system) were the result of two different employees in the Systems & Programming Division believing that the other was terminating access. To mitigate this deficiency, the ITT Division Director now requires assigned staff to confirm via email that access has been terminated as required. Additionally, the Systems & Programming Manager will perform quarterly audits (beginning December 2013) of E1/IBM system to verify that they have been deactivated; the results will be recorded and saved for inspection.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director

Lisa Martinez, Interim ITT Director

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINANCIAL STATEMENT FINDINGS REQUIRED BY GOVERNMENT AUDITING STANDARDS - CONTINUED

13-06 INFORMATION TECHNOLOGY SEGREGATION OF DUTIES (SIGNIFICANT DEFICIENCY)

Condition:

There appears to be inadequate segregation of duties in the administration of IT security related to the abilities to make application changes and performance of transaction and accounting duties.

Per testwork performed, those with IT security access automatically have access to all areas including financial functions and, therefore there is no segregation of duties between IT security and transaction and accounting duties. This situation may be difficult to control due to the internet set up of E-1.

The relevant IT personnel were unable to confirm whether alternative controls are in place (e.g. periodic review of general ledger entries in E-1 to ensure that no non-finance staff creates financial transactions).

We also tested to ensure that there was segregation between the following pairs of duties which are considered incompatible, including accounts payable to accounts receivable and accounts payable to restricted fund grants and contractual billings (a category which includes the ability to generate invoices). Segregation of duties appeared appropriate in this area.

Criteria:

The COSO framework for internal controls specifies the elements of a strong internal control system which includes IT controls. These elements include the specific control activities themselves which protect the IT system itself and help prevent, or detect and correct errors in the system. Segregation of duties is a foundational control principle universal in its application to internal control systems.

Cause:

Additionally, there has not been a comprehensive review of IT controls, including appropriate segregation of duties since implementation of E-1.

Effect:

The lack of segregation of duties as described could lead to unauthorized changes and misstatements to data in the accounting system, whether due to error or fraud.

Recommendation:

We recommend that staff outside IT (e.g. finance staff) periodically query transaction data for any transactions created by a non-finance user. Whether or not other users have logical access to create such entries, this control would reveal quickly whether such entries have actually been created.

Views of Responsible Officials and Planned Corrective Action:

The City agrees with the assessment of the external auditors in that there is a need for review and query of transaction data for possible entries created by a non-finance user within the E-1 financial system. The finance staff will periodically review and document this query, focusing on developer/system admin and accounting management roles. The City is in the process of compiling a listing of all users within the E-1 system and their permissions. Once complete, the appropriate management staff will review to determine if permissions and roles within the financial system are appropriate and necessary by user.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINANCIAL STATEMENT FINDINGS REQUIRED BY GOVERNMENT AUDITING STANDARDS - CONTINUED

13-06 INFORMATION TECHNOLOGY SEGREGATION OF DUTIES (SIGNIFICANT DEFICIENCY) - CONTINUED

Point of Contact:

Marcos A. Tapia, Finance Director
 Teresita Garcia, Assistant Finance Director
 Lisa Martinez, Interim ITT Director

FINDINGS IN ACCORDANCE WITH 2.2.2. NMAC

06-06 BUDGETARY COMPLIANCE (NON-COMPLIANCE)

Condition:

During our testwork over budgetary compliance for the year ended June 30, 2013, we noted the following budget overages for the City.

Reporting Unit	Budgetary Level	Final Budget	Actual Amount	Overage Amount
CIP Special Projects fund—expenditures	Fund Level	145,854	156,580	10,726
SR Franchise Fee fund—expenditures	Fund Level	13,333	20,241	6,908
Worker's Compensation fund—expenses	Division Level	1,106,690	1,257,648	150,958

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: Economic Development Fund budgeted shortfall was \$775,444; City Drainage Projects Fund budgeted shortfall was \$231,189; Quality of Life Project Fund budgeted shortfall was \$9,912. The capital projects funds that were non-compliant: Building Renovations Fund budgeted shortfall was \$18,450; Special Projects Fund budgeted shortfall was \$366,488. The enterprise fund that was non-compliant: Municipal Recreation Complex budgeted shortfall was \$158,243.

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.

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.

Cause:

Adjustments of budgeted and actual expenditures were not completed during the year for certain funds.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINDINGS IN ACCORDANCE WITH 2.2.2. NMAC - CONTINUED

06-06 BUDGETARY COMPLIANCE (NON-COMPLIANCE) - CONTINUED

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.

Views of Responsible Officials and Planned Corrective Action:

The City will continue to train and review the budget process with staff and work vendors to submit invoices on a timely manner.

Point of Contact:

Marcos A. Tapia, Finance Director
Cal Probasco, Budget Director

FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133

11-04 FEDERAL GRANT COST PRINCIPLES (TIME CERTIFICATION) (NON-COMPLIANCE)

Funding Agency: U.S. Department of Justice

Title: Public Safety Partnership and Community Policing Grants

CFDA Number: 16.710

Award Period: 7-1-2009 to 12-31-2013

Condition:

For all applicable items tested for compliance with cost principle requirements with respect to the Federal American Recovery and Reinvestment Act grant used to fund the Cops Hiring Recovery program, we identified a lack of time certification. The City did not require certifications signed by the employee or their respective supervisors certifying that each employee worked solely on this program for those instances where employees were dedicated to a particular federal program.

Criteria:

Per OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, 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 and there is an increased possibility the program will not be able to continue to receive funding if compliance requirements are not met.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED

11-04 FEDERAL GRANT COST PRINCIPLES (TIME CERTIFICATION) (NON-COMPLIANCE) - CONTINUED

Cause:

The City believes that time sheets are sufficient for time certification as 100% of the employee's time relates to the grant. As such, they do not believe time certifications are necessary; however, the cost circular specifically requires time certifications to be completed and kept on file.

Questioned Costs: None.

Recommendation:

Program management should establish a policy that requires all employees working under federal programs to certify their time worked related to the applicable program on a semi-annual basis.

Views of Responsible Officials and Planned Corrective Action:

The finance department will continue to work with the police department to have employees certify and document by signature that their time was attributed to a specific grant.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director
Police Department

**11-06 FEDERAL GRANT PROCUREMENT (SUSPENSION & DEBARMENT)
(SIGNIFICANT DEFICIENCY)**

Funding Agency: U.S. Department of Transportation

Title: Airport Improvement Program

CFDA Number: 20.106

Award Period: 10-20-2010 to 12-31-2013

Condition:

For 2 of 2 transactions tested for procurement requirements with respect to the Airport Improvement Program, we identified a lack of verification that contracted parties are not excluded, suspended, or debarred as documented in the federal System for Award Management (SAM) (www.sam.gov). 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 verification to ensure the vendors were not excluded, suspended, or debarred.

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 SAM, or by receiving a certification from the entity.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED

**11-06 FEDERAL GRANT PROCUREMENT (SUSPENSION & DEBARMENT)
(SIGNIFICANT DEFICIENCY) - CONTINUED**

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 questioned costs or a loss of funding.

Cause:

Program managers are not retaining documentation to evidence that the required verification was performed.

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 SAM and include such documentation in the procurement file.

Views of Responsible Officials and Planned Corrective Action:

The finance department will continue to train the Airport staff on the procedures regarding grant compliance.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director
Robert Rodarte, Purchasing Director
Airport Department

12-03 FEDERAL GRANT CASH MANAGEMENT (SIGNIFICANT DEFICIENCY)

Funding Agency: U.S. Department of Transportation

Title: Airport Improvement Program

CFDA Number: 20.106

Award Period: 10-20-2010 to 12-31-2013

Funding Agency: U.S. Department of Justice

Title: Public Safety Partnership and Community Policing Grants

CFDA Number: 16.710

Award Period: 7-1-2009 to 12-31-2013

Condition:

For 11 of 11 transactions tested for cash management requirements with respect to the Airport Improvement Program and the Federal American Recovery and Reinvestment Act grant used to fund the Public Safety Partnership and Community Policing Program, we identified that there are no review or approval procedures in place for the reimbursement request process.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED

12-03 FEDERAL GRANT CASH MANAGEMENT (SIGNIFICANT DEFICIENCY) - CONTINUED

Criteria:

Per the OMB Circular A-133 Compliance Supplement, the individual State/local departments or agencies are responsible for the performance or administration of Federal awards. It is the responsibility of the local government to be sure that there are procedures in place to ensure the accuracy and validity of reimbursement requests.

Effect:

Noncompliance with cash management requirements may occur and not be detected and corrected in a timely manner.

Cause:

Management has not established appropriate internal controls over cash management.

Questioned Costs: None

Recommendation:

Program management should establish a policy that requires all reimbursement requests to be reviewed and approved by an individual working in the program other than the individual who submits the reimbursement request.

Views of Responsible Officials and Planned Corrective Action:

The finance department will reemphasize and repeat the policy that requires all reimbursement requests to be reviewed and approved by at least one individual working in the program other than the individual who submits the reimbursement request.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director
Airport Department
Police Department

13-07 FEDERAL GRANT REPORTING (SIGNIFICANT DEFICIENCY)

Funding Agency: U.S. Department of Transportation

Title: Airport Improvement Program

CFDA Number: 20.106

Award Period: 10-20-2010 to 12-31-2013

Funding Agency: U.S. Department of Health and Human Services

Title: Aging Cluster

CFDA Number: 93.044, 93.045, 93.053

Award Period: 7-1-2011 to 6-30-2012

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED

13-07 FEDERAL GRANT REPORTING (SIGNIFICANT DEFICIENCY) - CONTINUED

Condition:

During our testing of controls over reporting for the Airport Improvement program, we noted that no controls were in place over the reporting requirements for the program, and therefore, control risk could not be assessed.

During our testing of reporting requirements for the Aging Cluster, we were unable to obtain evidence to determine whether 4 of the 8 required reports tested were reviewed and approved by someone other than the person who prepared the report.

Criteria:

Per the OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations, auditees (i.e. grantees) must maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Effect:

Noncompliance with program requirements may occur and not be detected and corrected in a timely manner.

Cause:

Program management does not have a formal process in place for the effective review and approval of data submitted in required reports.

Questioned Costs: None

Recommendation:

Program management and those charged with the responsibility of preparing and submitting the reporting package should ensure that another authorized individual reconciles the reporting information to the accounting records and reviews the accuracy of the reporting information prior to submission.

Views of Responsible Officials and Planned Corrective Action:

The finance department will work with program management and those charged with the responsibility of preparing and submitting the reporting package should ensure that another authorized individual reconciles the reporting information to the accounting records and reviews the accuracy of the reporting information prior to submission.

Point of Contact:

Marcos A. Tapia, Finance Director
Teresita Garcia, Assistant Finance Director
Airport Department

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

FINDINGS IN ACCORDANCE WITH OMB CIRCULAR A-133 - CONTINUED

13-08 FEDERAL DAVIS-BACON ACT (SIGNIFICANT DEFICIENCY)

Funding Agency: U.S. Department of Transportation

Title: Airport Improvement Program

CFDA Number: 20.106

Award Period: 10-20-2010 to 12-31-2013

Condition:

During our testing of controls over compliance with the Davis-Bacon Act for the Airport Improvement Program, we noted that no controls were in place to ensure that all certified payroll reports are submitted by contractors.

Criteria:

Per the OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations, auditees (i.e. grantees) must maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Effect:

Noncompliance with program requirements may occur and not be detected and corrected in a timely manner.

Cause:

Program management does not have a formal process in place to ensure that all required certified payroll reports are received by the City.

Questioned Costs: None

Recommendation:

Program management should design and implement procedures to ensure that all required certified payroll reports are received each week.

Views of Responsible Officials and Planned Corrective Action:

The finance department will assist the program management to design and implement procedures to ensure that all required certified payroll reports are received each week.

Point of Contact:

Marcos Tapia, Finance Director

Teresita Garcia, Assistant Finance Director

Airport Department

City of Santa Fe

EXIT CONFERENCE

For the year ended June 30, 2013

An exit conference was held on November 26, 2013, as required by state law. The following individuals were in attendance:

City of Santa Fe

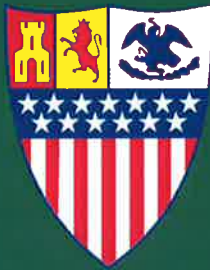
Ronald Trujillo
Marcos Tapia
Teresita Garcia
Brian Snyder
Erica Martinez
Maurice Lierz
Liza Kerr

City Councilor
Finance Director
Assistant Finance Director
City Manager
Senior Financial Analyst
Audit Committee Chair
Internal Auditor

Independent Auditor

Martin Mathisen, CPA, CGFM
Sarah Brack, CPA, CGFM, CGMA

Audit Director
Audit Manager



Finance and Budget Department
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