

2011 DAFR

COMPREHENSIVE ANNUAL FINANCIAL REPORT
JULY 1, 2010 - JUNE 30, 2011



city of albuquerque

Richard J. BERRY - Mayor



CITY OF ALBUQUERQUE, NEW MEXICO

Comprehensive Annual Financial Report

Year ended June 30, 2011

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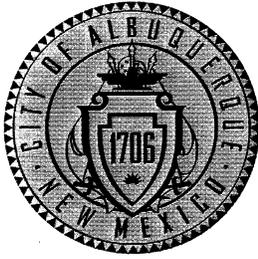
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INTRODUCTORY SECTION



March 16, 2012

Honorable Mayor and City Council
City of Albuquerque, New Mexico

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Albuquerque, New Mexico, (City), for the fiscal year ended June 30, 2011. New Mexico State Statute 12-6-3, NMSA 1978 mandates that the financial affairs of the City's records be thoroughly examined and audited each year by independent public accountants. Federal law also requires that a single audit be performed for federal grant funds in conformance with the provisions of the Single Audit Act of 1984 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". All information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the independent auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in the Single Audit Section.

This report was prepared by the Department of Finance and Administrative Services with the assistance of various other City departments. City management assumes full responsibility for the accuracy of the data presented and the completeness and fairness of presentation, including all disclosures, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. REDW, Certified Public Accountants, have issued an unqualified opinion on the City's CAFR for the year ended June 30, 2011. As indicated by the opinion of our independent auditors, the report fairly presents the financial position and the results of operations of the City as measured by the financial activity of its various funds. The report has been set forth in a manner that will give the reader a broad understanding of the City's financial affairs. It includes disclosures necessary for the reader to gain an understanding of the City's financial activities. The independent auditors' report is located at the front of the financial statements.

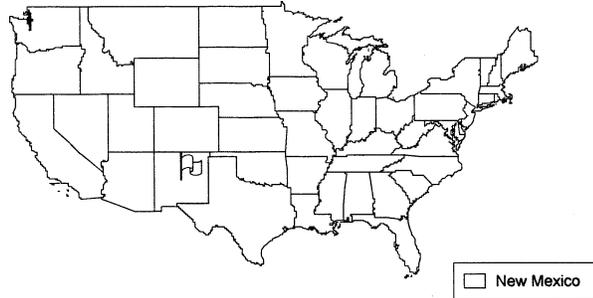
Management's Discussion & Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City

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

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

2003, water and sewer services that used to be provided by the City are now provided by the Albuquerque-Bernalillo County Water Utility Authority, which is operated by the City under the terms of a Memorandum of Understanding with the Authority. The City does not have relationships with any other organizations not included in this CAFR of such nature and significance that exclusion would render the City's financial statements incomplete or misleading.



Summary of Local Economy

Albuquerque is the major commercial, trade, service and financial center of the state. It is located in the central part of the state, at the intersection of two major interstate highways, and served by both rail and air. The Albuquerque Metropolitan Statistical Area (MSA) includes Bernalillo, Sandoval, Torrance and Valencia Counties. The City has a population of approximately 543,000 and the MSA as of the 2010 census has a population of 887,000. The largest employers in the Albuquerque area are the University of New Mexico, Albuquerque Public Schools, Sandia National Labs (SNL), and Kirtland Air Force Base.

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

Albuquerque MSA Employment in Thousands

NAICS CATEGORY	Employment FY/11	Share of FY/11 Employment	Growth FY/10 to FY/11	Compound Annual Average FY/06 FY/11
Total Nonfarm Employment (does not include military)	370.67	100%	-0.9%	-0.8%
Natural Resources and Mining and Construction	20.32	5%	-9.6%	-7.8%
Manufacturing	17.33	5%	-1.0%	-5.9%
Trade, Transportation, and Utilities	62.62	17%	-0.2%	-1.4%
Information	8.20	2%	-9.0%	-1.9%
Financial Activities	17.54	5%	-3.4%	-2.0%
Aggregate of Services	160.25	43%	-0.4%	0.2%
Professional and Business Services	55.91	15%	-3.4%	-2.0%
Educational and Health Services	54.47	15%	0.7%	2.9%
Leisure and Hospitality	38.10	10%	2.4%	0.4%
Other Services	11.78	3%	-0.3%	-0.4%
Government	83.64	23%	0.6%	1.6%

While the U.S. has shown some gains in employment, the Albuquerque MSA continues to lose jobs. Construction, particularly single family construction, has fallen off dramatically. The unemployment rate increased from 3.5% in FY/08 to an average of 8.5% in FY/11, with a maximum of 9.4% in July of 2010. Employment declines continued in FY/11 but at a slower rate than in FY/09 and FY/10. Construction declined nearly 10% in FY/11 and while single family construction activity has reached bottom, growth in commercial and public construction continues to slow. The only sectors that had increases in employment are government, leisure and hospitality, and educational and

health services. One of the strengths for the Albuquerque economy is the national labs. Sandia National Laboratories (SNL) has devoted a great deal of research to terrorism and homeland security and the mission to protect the nuclear weapons arsenal. The micro-systems technology, or nano-technology, for which SNL is well known, may provide many novel and inexpensive answers to medical and materials sciences. The labs expertise and technology is also becoming more readily available to the private sector.

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

Long-term financial planning

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

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

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

Relevant Financial Policies

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

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

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada presented the City of Albuquerque a Distinguished Budget Presentation Award for its annual appropriated budget for the fiscal year beginning July 1, 2010. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications medium.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lou Hoffman". The signature is fluid and cursive, with a large initial "L" and "H".

Lou Hoffman, Director
Department of Finance & Administrative Services



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO
**City of Albuquerque
New Mexico**

Special Performance Measures Recognition

For the Fiscal Year Beginning

July 1, 2010

President

Executive Director

The Government Finance Officers Association Of The United States And Canada (GFOA) Presented A Distinguished Budget Presentation Award To The **City Of Albuquerque, New Mexico** For Its Annual Budget For The Fiscal Year Beginning **July 1, 2010**. In Order To Receive This Award, A Governmental Unit Must Publish A Budget Document That Meets Program Criteria As A Policy Document, As A Financial Plan, As An Operations Guide, And As A Communications Device.

CITY OF ALBUQUERQUE

PRINCIPAL OFFICIALS

June 30, 2011

MAYOR

RICHARD J. BERRY

CITY COUNCIL

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

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

CHIEF ADMINISTRATIVE OFFICER
ROBERT J. PERRY

DEPUTY CHIEF ADMINISTRATIVE OFFICER
GILBERT MONTANO

CHIEF OPERATIONS OFFICER
JOHN SOLADAY

DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES
LOU HOFFMAN, DIRECTOR



City of Albuquerque

The People of Albuquerque

Mayor
Richard J. Berry

City Council
Director of Council Services
Laura Mason

- DST. 1 Ken Sanchez
- DST. 2 Debbie O'Malley
- DST. 3 Isaac Benton
- DST. 4 Brad Winter
- DST. 5 Dan Lewis
- DST. 6 Rey Garduño
- DST. 7 Michael Cook
- DST. 8 Trudy Jones
- DST. 9 Don Harris

Sr. Advisor to the Mayor
Annabelle Romero

Director of Communications
Dayna G. Gardner

Constituent Services
Director
Douglas Lutz

Office of Inspector General
Nefali Carrasquillo

Office of Internal Audit
Carmen Kavelman
Director

City Clerk
Amy B. Bailey

Chief Administrative Officer
Robert J. Perry

Deputy Chief Administrative Officer
Gilbert Montano

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

Chief Operations Officer
John Soladay

Police
Ray Schultz

Fire
James Breen

Legal
David Tourek

Human Resources
Vince Yermal

Economic Development
John Garcia

Finance & Administrative Services
Lou Hoffman

Municipal Development
Michael Riordan, Acting

Administrative Hearing Office
Roberto Albertorio

Office of Police Oversight
William W. Deaton

Emergency Preparedness
Sal Baragiola

Animal Welfare
Barbara Bruin

Aviation
James Hinde

Cultural Services
Beatriz (Betty) Rivera

Environmental Health
Mary Lou Leonard

Family & Community Services
Robin Dozier Otten

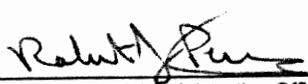
Parks & Recreation
Barbara Baca

Planning
Deborah Stover

Senior Affairs
Jorja Armijo-Brasher

Solid Waste
Jill Hoibert, Acting

Transit
Bruce Rizzieri

Signature: 
Robert J. Perry, Chief Administrative Officer

CITY OF ALBUQUERQUE, NEW MEXICO

CONTRIBUTORS

June 30, 2011

Lou Hoffman, Director
Department of Finance & Administrative Services

Accounting Division Personnel

Pamela Berry, CMA
Accounting Officer
Jesse Muniz
Assistant Accounting Officer
Mari Hughes, MACC
Accounting Manager
Amanda Vigil, MBA
Grant Administrator
Nela Wilkinson, CPA
Accounting Systems Coordinator
Garick Maez
Accounting Systems Coordinator
Michelle Hayden
Principal Accountant
Joseph Griego
Principal Accountant
Denise Ortiz, CPA
Principal Accountant
Yu Liang, CPA
Principal Accountant
V. O. Shynkar, CPA
Principal Accountant
Tracy Milman
Principal Accountant
Enrique Vargas
Principal Accountant
Jason Shaw, CPA
Principal Accountant
John Lopez
Principal Accountant
Elizabeth Junco
Principal Accountant
Dolores Gomez
Grant Accountant
Jean Tenorio
Grant Accountant

Office of Management Budget

Gerald Romero, Budget Officer
Mark Sandoval, Budget Officer
Jacques Blair, PhD, City Economist
Kari Powles, CGFM, Executive Budget Analyst
Patsy Pino, Executive Budget Analyst
Jayne Aranda, Executive Budget Analyst
Dee Dickson, Executive Budget Analyst
Mary McCoy, Executive Budget Analyst

City Fiscal Personnel

Steve Falk, CPA
Solid Waste Management
Debbie Dombroski, CPA, MBA
Aviation Department
Pam White, CM
Aviation Department
Phyllis Keller, CPA
Aviation Department
Aubrey Thompson, CPA
Police Department
Thomas Torres, CPA
Risk Management
Elaine Padilla
Dept. of Family & Community Services
Conni Jones-Vigil
Transit Department
Stephanie Yara, CPA, CGFM, MBA
Council Services

Albuquerque Bernalillo County Water Authority

Stan Allred
Chief Finance Officer
Cliff Wintrode, CPA
Accounting Officer

Treasury Division Personnel

Cilia E. Aglialaro, CTP
Treasurer
Susan H. Biernacki
Assistant Treasurer

FINANCIAL SECTION



CPAs | Business & Financial Advisors

INTEGRITY COUNTS®

Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Albuquerque, New Mexico (the "City"), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service and agency funds and the budgetary comparison schedules for the major capital project and debt service funds, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements and schedules are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements and schedules based on our audit.

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

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

of the City of Albuquerque, New Mexico as of June 30, 2011, and the respective changes in financial position, cash flows, where applicable, thereof, and the respective budgetary comparisons for the major debt service fund, major capital projects fund, nonmajor governmental funds, major enterprise funds, nonmajor enterprise funds, and internal service funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis is supplemental information required by the Governmental Accounting Standards Board and is not a required part of the basic financial statements. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements and the combining and individual fund financial statements and respective budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements. The accompanying Financial Data Schedule, as required by the U.S. Department of Housing and Urban Development, and the other accompanying information identified in the table of contents as supplementary information is presented for purposes of additional analysis and to meet the requirements of the State of New Mexico and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

RBDW LLC

Albuquerque, New Mexico
March 14, 2012

CITY OF ALBUQUERQUE, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2011

This section of the City of Albuquerque's (City) Comprehensive Annual Financial Report (CAFR) presents a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased by \$4.3 million during the year. In addition, a prior period adjustment of \$16.2 million was made. The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$3.8 billion (net assets). Of this amount, \$219.7 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors in subsequent accounting periods.
- As of June 30, 2011, the City's governmental funds reported combined ending fund balances of \$362.7 million. Of the total fund balance, \$14.3 million is fund balance available for spending at the government's discretion (unassigned and assigned).
- Fund balance of the general fund was \$53.2 million. At the close of the current fiscal year, unassigned fund balance for the general fund was \$13.1 million or 3.1% of the total general fund expenditures of \$418.7 million.
- During fiscal year 2011, net assets of the City's proprietary funds increased by \$12.0 million yielding net assets of \$509.6 million as of June 30, 2011.
- The City's governmental activities long-term obligations increased by \$88.1 million during the current year. The key factors in this change were increases in long term debt of \$85.5 million and an increase in accrued vacation and sick leave pay, and claims totaling \$2.6 million.
- During fiscal year 2011, the City implemented the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. As a result, certain fund classifications and governmental fund balance categories are not consistent with those used in prior years.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that 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 public safety and protection, culture and recreation, public works, public health, human services, housing, highways and streets, and special assessments. The business-type activities of the City include an airport, apartments, a baseball stadium, refuse disposal services, golf courses, parking facilities, housing authority, and a transit system.

The Albuquerque Bernalillo County Water Utility Authority (Authority), is a component unit of the City. The provides certain administrative services to the Authority under the terms of a Memorandum of Understanding that will expire on

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June 30, 2012. The Authority's Comprehensive Annual Financial Report as of and for the year ended June 30, 2011 is available by contacting the Authority at the following address: Fifth floor, P.O. Box 1293, Albuquerque, NM 87103.

Fund Financial Statements.

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

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

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

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

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

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

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

Notes to the Financial Statements

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

Required Supplementary Information (RSI)

The Schedule of Funding Progress for the Life Insurance Benefit Plan is presented separately and in the basic financial statements. The City is not required to provide other information in the RSI and, therefore, no additional information is presented there.

Combining Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Below is a comparative analysis of government-wide data for the most recently completed fiscal year and the prior fiscal year:

	NET ASSETS						Total Percent Change
	(in millions)						
	Governmental Activities		Business-type Activities		Total		
	2011	2010	2011	2010	2011	2010	
Assets:							
Current and other assets	\$ 627.5	\$ 599.5	\$ 200.0	\$ 205.6	\$ 827.5	\$ 805.1	2.8%
Capital assets	3,331.4	3,280.7	524.1	540.9	3,855.5	3,821.6	0.9%
Total assets	\$ 3,958.9	\$ 3,880.2	\$ 724.1	\$ 746.5	\$ 4,683.0	\$ 4,626.7	1.2%
Liabilities:							
Long-term liabilities outstanding	\$ 458.6	\$ 370.6	\$ 163.8	\$ 190.4	\$ 622.4	\$ 561.0	10.9%
Other liabilities	178.5	196.2	50.6	58.5	229.1	254.7	-10.1%
Total Liabilities	\$ 637.1	\$ 566.8	\$ 214.4	\$ 248.9	\$ 851.5	\$ 815.7	4.4%
Net assets:							
Invested in capital assets,							
Net of related debt	\$ 2,985.3	\$ 2,955.8	\$ 355.1	\$ 334.3	\$ 3,340.4	\$ 3,290.1	1.5%
Restricted	191.1	180.7	80.3	105.8	271.4	286.5	-5.3%
Unrestricted	145.4	176.9	74.3	57.5	219.7	234.4	-6.3%
Total net assets	\$ 3,321.8	\$ 3,313.4	\$ 509.7	\$ 497.6	\$ 3,831.5	\$ 3,811.0	0.5%

The City's assets exceeded liabilities by \$3.8 billion at the close of the year. The largest portion of the City's net assets (87.2%) reflects its investment of \$3.3 billion in capital assets (i.e. land, buildings, infrastructure, and equipment less any related outstanding debt used to acquire these assets.) The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, resources needed to pay this debt must come from other sources since capital assets cannot be liquidated for these liabilities. Restricted net assets in the amount of \$271.4 million represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$219.7 million, may be used to meet the City's ongoing obligations to its citizens and creditors. At the end of the current fiscal year, the City has positive balances in all three categories of net assets for the government as a whole, as well as for both the governmental and business-type activities.

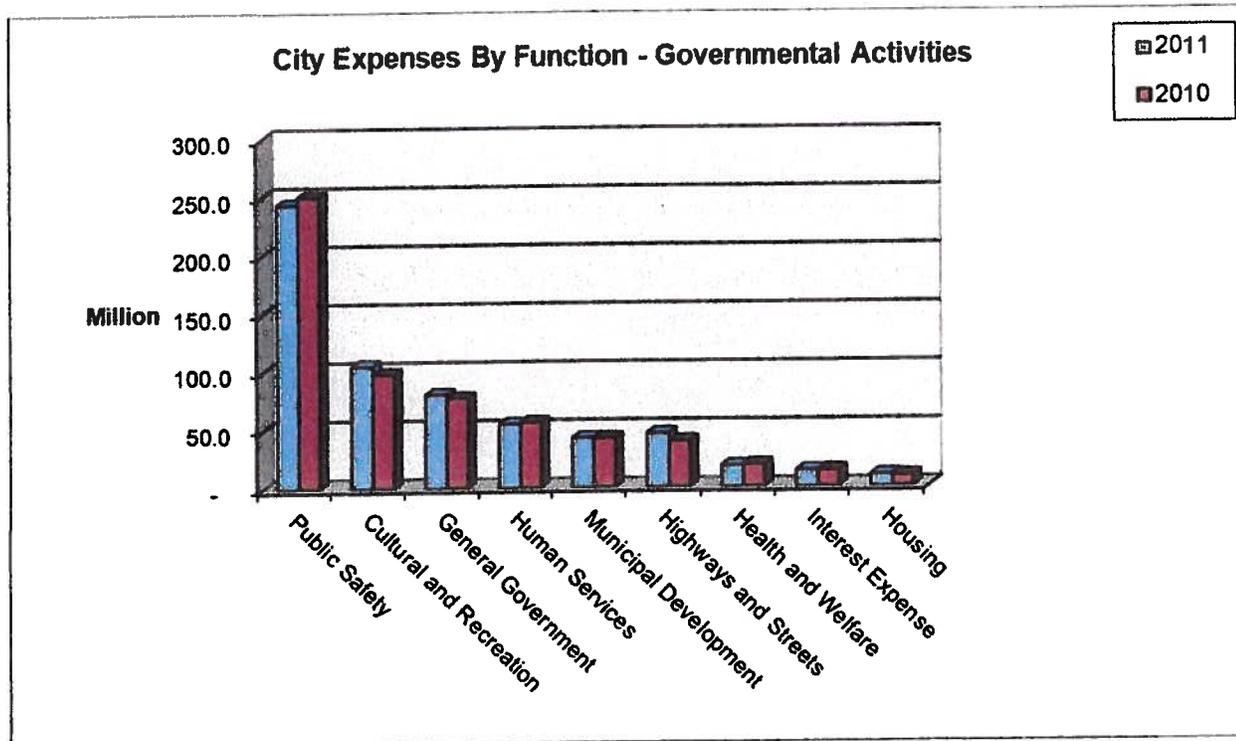
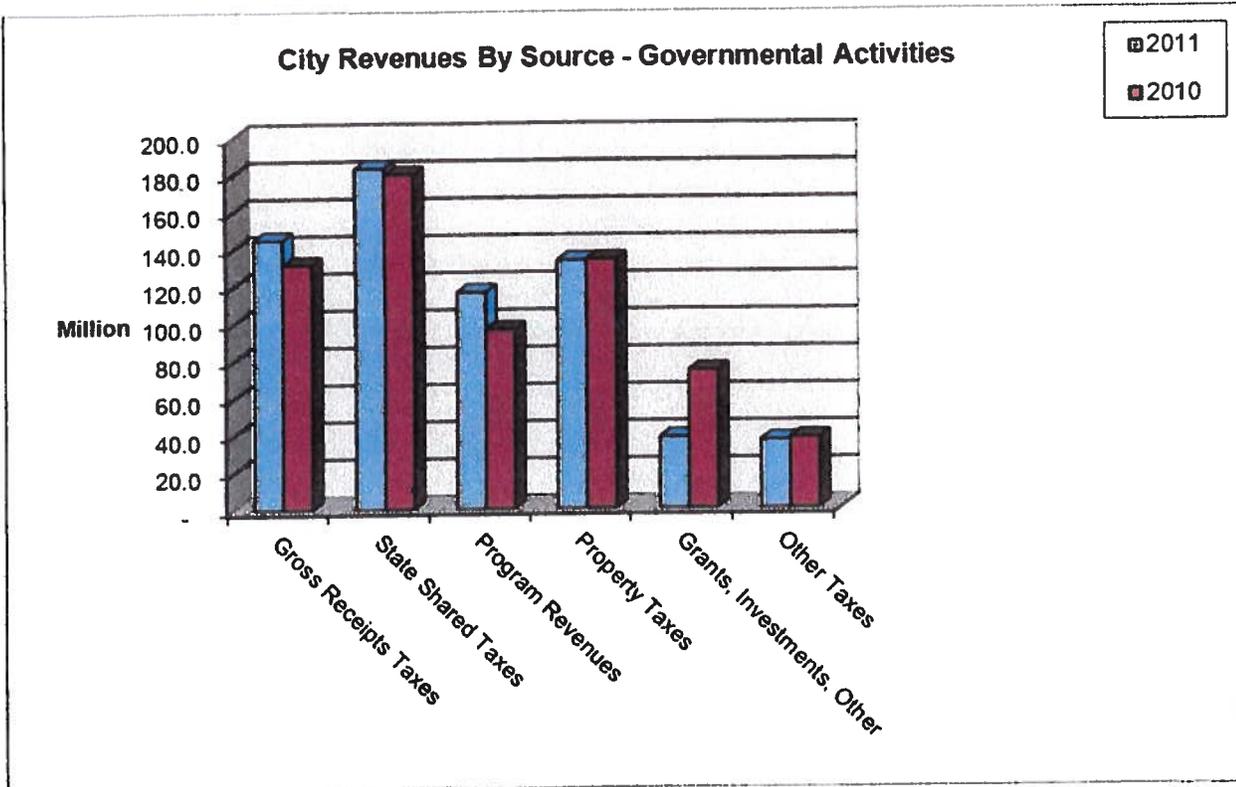
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The City's overall net assets increased by \$20.5 million during the current fiscal year. Net assets July 1 includes a prior period adjustment of \$16.2 million resulting in a net change in net assets of \$4.3 million. The increase in net assets is explained in the governmental and business-type activities discussion.

CHANGE IN NET ASSETS
(in millions of dollars)

	Governmental		Business-type		Total		Total Percent Change
	Activities		Activities				
	2011	2010	2011	2010	2011	2010	
Revenues:							
Program revenues:							
Charges for services	\$ 58.7	\$ 62.3	\$ 154.9	\$ 144.0	\$ 213.6	\$ 206.3	3.55%
Operating grants and contributions	35.0	34.0	30.1	28.5	65.1	\$62.5	4.08%
Capital grants and contributions	22.7	-	7.5	20.5	30.2	\$20.5	47.32%
General revenues:						\$0.0	
Gross receipts taxes	144.9	131.4	-	-	144.9	\$131.4	10.31%
Property taxes	133.2	133.7	-	-	133.2	\$133.7	-0.41%
Other taxes	36.5	37.7	-	-	36.5	\$37.7	-3.15%
State shared taxes and fees	182.9	163.6	-	-	182.9	\$163.6	11.79%
Grants, investment income, and other	38.1	74.0	4.7	4.8	42.8	\$78.8	-45.66%
Total revenues	\$ 652.0	\$ 636.7	\$ 197.2	\$ 197.8	\$ 849.2	\$ 834.5	1.76%
Expenses:							
General government	\$ 80.4	\$ 77.4	\$ -	\$ -	\$ 80.4	\$77.4	3.88%
Public safety	243.4	250.1	-	-	243.4	\$250.1	-2.68%
Cultural and recreation	104.8	98.1	-	-	104.8	\$98.1	6.83%
Municipal Development	42.5	42.4	-	-	42.5	\$42.4	0.24%
Health and welfare	18.3	19.3	-	-	18.3	\$19.3	-5.18%
Human services	54.7	56.4	-	-	54.7	\$56.4	-3.01%
Housing	10.1	9.5	-	-	10.1	\$9.5	6.32%
Highways and streets	46.2	39.7	-	-	46.2	\$39.7	16.37%
Interest expense	14.1	14.2	-	-	14.1	\$14.2	-0.70%
Airport	-	-	66.7	63.5	66.7	\$63.5	5.20%
Refuse disposal	-	-	47.9	48.7	47.9	\$48.7	-1.64%
Transit	-	-	53.9	53.8	53.9	\$53.8	0.19%
Non major enterprise funds	-	-	45.7	48.2	45.7	\$48.2	-5.19%
Total expenses	\$ 614.5	\$ 607.1	\$ 214.2	\$ 214.2	\$ 828.7	\$ 821.3	0.91%
Excess (deficiency) before transfers	\$ 37.5	\$ 29.6	\$ (17.1)	\$ (16.4)	\$ 20.5	\$ 13.2	54.76%
Transfers	\$ (29.1)	\$ (32.4)	\$ 29.1	\$ 32.4	\$ -	\$ -	
Increase (decrease) in net assets	\$ 8.4	\$ (2.8)	\$ 12.1	\$ 16.0	\$ 20.5	\$ 13.2	54.76%
Net Assets July 1	\$ 3,313.4	\$ 3,316.2	\$ 497.6	\$ 481.6	\$3,811.0	\$ 3,797.8	0.35%
Net Assets June 30	\$ 3,321.8	\$ 3,313.4	\$ 509.7	\$ 497.6	\$3,831.5	\$ 3,811.0	0.54%

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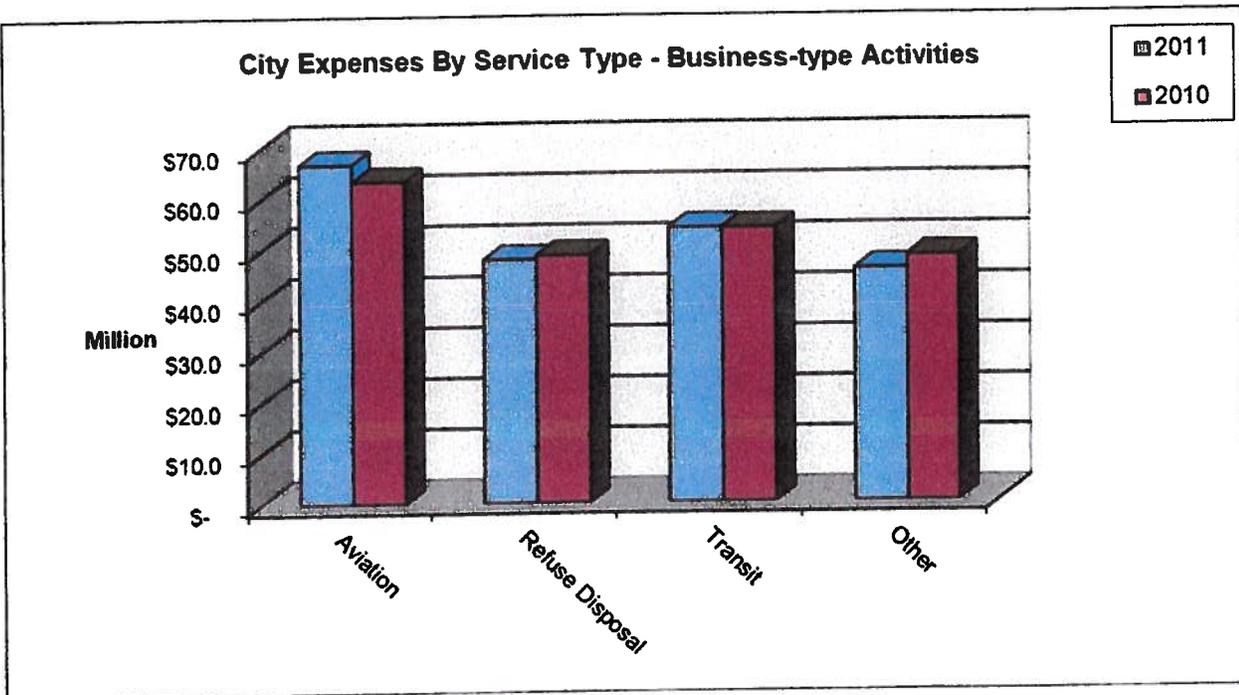
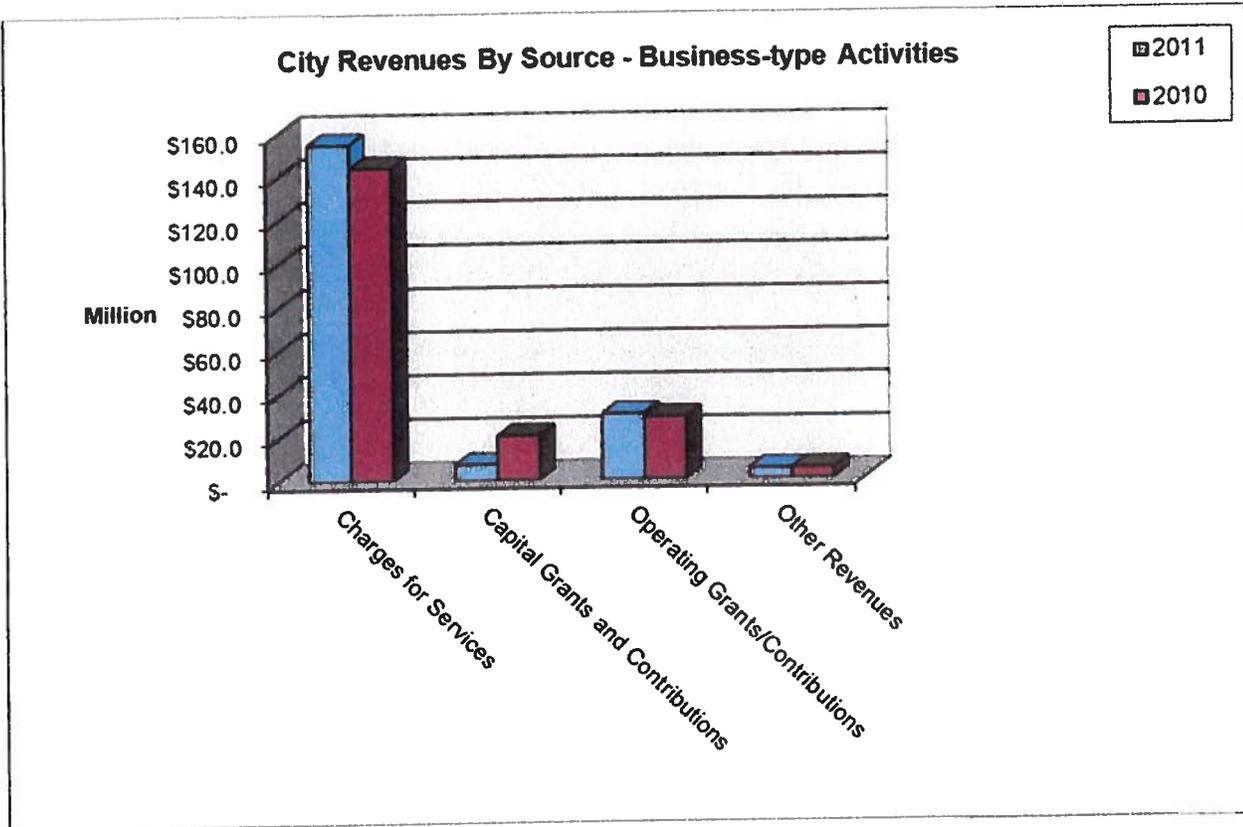
Governmental activities. Governmental activities increased the City's net assets by \$8.5 million. Governmental activities revenue decreased by \$900,000, or .1% from \$652.9 million in fiscal year 2010 to \$652.0 million in fiscal year 2011. Key elements in the change of the City's governmental activities revenues are as follows:

- Gross receipts tax revenue and state shared taxes and fees, which together account for approximately 50% of the City's governmental activities revenue, increased by \$16.6 million, from \$311.2 million to \$327.8 million, or by 5.3% from prior year. This was due to an overall improvement in the economy.

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- Program revenues consisting of charges for services, operating grants, capital grants, and contributions, which account for approximately 17.9% of the City's governmental activities revenues, increased primarily due to a reclassification of capital grant contributions from grants, investments and other revenues to specific programs. Building permit revenues slightly increased from \$1.9 million in 2010 to \$2.1 million in 2011. Building permit revenues declined in fiscal years 2008, 2009 and 2010.
- Property taxes, which account for approximately 20.4% of the City's governmental activities revenues, decreased by less than one million from \$133.7 million to \$133.2 million, or by .4%. In fiscal year 2011 (tax year 2010) taxable assessed property valuations within the City decreased \$378.6 million from \$12.3 billion to \$11.9 billion, or by 3.1%. This change reflects the County Assessor's reassessments and new additions to the tax base and adjustments for yield control. The City's direct property tax mill levy rate increased slightly from 11.11 in fiscal year 2010 to 11.41 in fiscal year 2011.
- Grants, investments, and other revenues, which account for approximately 5.8% of the City's governmental activities revenues, decreased due to the reclassification to program revenues.
- Other taxes such as franchise, hospitality, lodgers, and payments in lieu of taxes decreased by \$1.2 million from \$37.7 million in fiscal year 2010 to \$36.5 million in fiscal year 2011, or by 3.1%. Payment in lieu of taxes fell in fiscal year 2011 by \$5.1 million. More detail comparison of other taxes can be found on Schedule 3 in the Statistical Section of this report.

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Business-type activities. Business-type activities decreased the City's net assets by (\$17.0) million in fiscal year 2011 before operating transfers of \$29.1 million. Business-type activities revenues decreased \$600,000 from \$197.8 million in fiscal year 2010 to \$197.2 million in fiscal year 2011, or by (.3%). Key factors for the increases in the Charges for Services category are on the following page:

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- The Airport fund had an increase in net assets of \$8.8 million in fiscal year 2011 compared to a \$17.1 million increase in 2010. The charges for services decreased from \$63.0 million in fiscal year 2010 to \$62.3 million in fiscal year 2011. Passenger facilities charges (PFCs) decreased from \$7.4 million to \$7.3 million in fiscal year 2011, operating expenses increased from \$58.1 million in fiscal year 2010 to \$60.1 in fiscal year 2011, and capital contributions decreased from \$9.7 million in fiscal year 2010 to \$5.3 million in fiscal year 2011.
- The reported change in net assets of \$11.8 million was significantly higher than the increase of \$3.2 million in fiscal year 2010 for the Refuse Disposal fund. Charges for services increased \$9.1 million during the year while operating cost increased by \$.5 million.
- For the Transit Fund, the current year change in net assets decreased \$11.3 million compared to a \$ 4.0 million decrease for the prior year. The decrease was primarily attributed to a decrease in contributed capital from \$10.6 million in fiscal year 2010 to \$2.1 million in fiscal year 2011, and a decrease in transfers from \$34.0 in fiscal year 2010 to \$30.2 in fiscal year 2011.

The changes in the net assets of the other business-type activities were not significant.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, assigned and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$362.7 million, an increase of \$53.8 million in comparison with the prior year. Of the total balance at year-end, \$255.0 million is restricted fund balance which primarily consists of funds reserved for capital projects and improvements and \$30.2 is non-spendable, which relates to long term receivables and property held for resale.

Revenues of governmental funds overall totaled approximately \$648.9 million in the fiscal year ended June 30, 2011, which represents an increase of \$18.8 million from the previous year total of \$630.1 million. The major cause is the gross receipts taxes local option revenues increased by \$12.6 million, intergovernmental revenues increased by \$10.5 million of which \$4.7 million was attributed to an increase in the General Fund and an increase in the Capital Acquisition fund of \$5.4 million. Miscellaneous revenue increased by \$6.0 million. The City's governmental funds expenditures of \$709.4 million decreased by \$11.4 million from the previous year's total of \$720.8 million. The primary cause of the decrease is attributed to a decrease in debt service payments of \$24.3 million, and public safety expenditures of \$5.8 million. This was partially offset by an increase in spending in capital outlay expenditures from \$138.0 million to \$161.7 million or by \$23.6 million.

General Fund. This is the City's chief operating fund. At the end of the current fiscal year, the total fund balance was \$53.2 million, of which \$13.1 million is assigned and unassigned fund balance and \$38.7 million is assigned for subsequent years' operations. The remaining fund balance of \$1.4 million is restricted or non-spendable. The net change in fund balance for the current fiscal year was an increase of \$8.1 million. The total revenues of \$446.5 million for the current fiscal year were \$8.0 million more than the previous fiscal year. The increase was a result of increases in franchise tax revenue of \$4.8 million and intergovernmental revenue of \$4.7 million. There were small increases in gross receipts tax of \$1.6 million, and property tax of \$1.9 million. There were offsetting decreases in payment in lieu of taxes of \$5.1 million. Total expenditures of \$418.7 million represent a decrease of \$3.9 million from the previous fiscal year. Decreases in expenditures were attributed to general government of \$.8 million, public safety of \$2.5 million, culture and recreation of \$2.5 million, human services of \$2.1 million and municipal development/public works of \$ 1.0 million. The decreases were offset by increases in capital outlay of \$4.6 million. See the general fund budgetary highlights for an analysis with respect to budgets.

General Obligation Bond Debt Service Fund (GO Bonds). This fund is used to accumulate resources for the repayment of the City's GO Bonds. GO Bonds are backed by the full faith and credit of the City and may be used to finance any capital improvement approved by the voters. GO bonds may be redeemed by any regular City funding, but by policy, are generally redeemed by property taxes paid to the City. Fund balance in the City's General Obligation Debt Service fund increased by \$6.3 million from \$2.3 million in fiscal year 2010 to \$8.6 million in fiscal year 2011. Property tax revenues dedicated to the repayment of GO Bonds decreased by \$1.3 million from \$59.7 million in fiscal year 2010 to \$58.4 million in fiscal year 2011, or by 2.2%. In fiscal year 2011, property tax revenue slightly decreased by .4%. Taxable

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assessed property valuations decreased 3.1% for fiscal year 2011. The City's property tax rates have remained constant for well over a decade and no tax rate increase has been required to fund the GO Bond program of capital improvements.

Capital Acquisition Fund. This fund is used to accumulate resources for the acquisition of Capital. Capital is defined as tangible property with a life beyond a one year budget cycle. Land, infrastructure, equipment, buildings as well as the services required to build or install these assets may be classified as capital. Capital acquisition is primarily funded by bond proceeds, but recurring and non-recurring revenue may be used. Major capital improvements for the City are funded primarily with general obligation and enterprise fund revenue bonds. In many cases, these bond funds are matched with Federal and/or State contributions and private assessments. During the 2011 fiscal year, the Capital Acquisition fund balance increased by \$52.7 million from \$117.3 million in fiscal year 2010 to \$170.0 million. The increase in fund balance during the year is attributed to bond proceeds of \$136.4 exceeding capital outlay of \$115.0 million, revenues of \$32.2 million, and net transfers of \$ (9.1) million. The implementation of GASB 54 modified the classification of fund balance from unreserved to restricted for capital improvements.

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

Airport Fund	\$	37.7
Refuse Disposal Fund		13.5
Transit Fund		1.4
Nonmajor enterprise funds		21.6
Total	\$	<u>74.2</u>

Internal Service Funds. Internal Service Funds are used to account for certain governmental activities and had unrestricted net assets of \$12.1 million in fiscal 2011 as compared to unrestricted net assets of \$17.6 million in fiscal year 2010. In fiscal year 2011, the Employee Insurance fund had unrestricted fund balance of \$1.6 million which decreased from \$5.1 million in fiscal year 2010. The Employee Insurance fund decrease of \$3.5 million is due in part to the recording of inter-agency basic life OPEB annual required contribution (ARC), less net employer contributions. All internal service funds had positive unrestricted net assets as of June 30, 2011.

Fiduciary Funds. The only fund in this category is the City's Trust and Agency fund. This fund is used by the City to account for funds held for third parties. There were no significant changes during the year.

Budgetary Highlights. The original approved FY11 General Fund Budget had an appropriation of \$455.5 million which is significantly reduced from the original FY10 budget of \$474.9 million. This is primarily attributable to the decline in revenues, most notably gross receipt tax (GRT) revenues which had been declining 30 out of the prior 36 months as the FY11 budget was finalized. GRT makes up 64% of the General Fund revenues. Many of the initiatives taken to bring the FY10 budget into balance were carried forward in FY11, including delaying filling vacant positions and the utilization of available fund balance from the risk fund. Even so, the projected shortfall going into FY11 was \$66 million. To close the gap, several steps were taken. First, capital projects scheduled to open in FY11 were either delayed or departments were asked come up with alternate funding sources. The cost of health insurance was negotiated down with our outside carriers. All General Fund subsidized funds were closely examined to minimize the impact on the General Fund. Over 150 vacant positions were deleted and another 88 vacant positions were not funded (but not deleted) generating a savings of \$12 million. The City's portion of health, dental, and vision insurance was reduced from 83% down to 80% saving another \$1.2 million. Finally, pay decreases averaging 2.2% reduced labor costs by another \$7.5 million. As we ended FY11, some adjustments had to be made. Fiscal year 10 encumbrances carried into FY11 were \$2.8 million. Another \$4.4 million was added for mid-year expenditures not anticipated such as additional retirements in the early retirement program, positions created mid-year, and additional subsidies needed for golf and open space funds.

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CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City's capital assets for governmental and business-type activities as of June 30, 2011, amount to \$3.9 billion (net of accumulated depreciation). The total increase in the City's capital assets for the current fiscal year was \$33.0 million or .88% from fiscal year 2010. Capital assets are summarized as follows:

	CAPITAL ASSETS						Total Percent Change
	(net of depreciation, in millions of dollars)						
	Governmental Activities		Business-type Activities		Total		
	2011	2010	2011	2010	2011	2010	
Land	\$ 291.5	\$ 286.5	\$ 63.3	\$ 62.4	354.8	\$ 348.9	1.4%
Right of way	1,145.2	1,145.2	-	-	1,145.2	\$1,145.2	0.0%
Other	-	0.1	1.0	1.0	1.0	\$ 1.1	-9.1%
Buildings and improvements	298.8	286.4	219.3	228.0	518.1	\$ 514.4	0.7%
Runways and improvements	-	-	73.2	82.0	73.2	\$ 82.0	-10.7%
Improvements other than buildings and runways	275.8	271.4	92.8	69.0	368.6	\$ 340.4	8.3%
Equipment	28.0	28.9	61.0	66.7	89.0	\$ 95.6	-6.9%
Infrastructure	1,217.2	1,193.2	4.0	3.0	1,221.2	\$1,196.2	2.1%
Construction in progress	74.8	69.0	9.5	28.7	84.3	\$ 97.7	-13.7%
Total	\$3,331.3	\$3,280.7	\$524.1	\$540.8	\$3,855.4	\$3,821.5	0.9%

Governmental activities. In fiscal year 2011, \$58.6 million of street infrastructure was placed into service along with \$10.2 million of storm infrastructure, of this amount \$7.7 was dedicated street infrastructure and \$4.4 million was dedicated storm infrastructure. The construction work in progress consists of expenditures made in connection with the capital acquisition, infrastructure tax, and impact fees construction funds. The construction work in progress decreased by \$69.0 million. The following were placed in service: \$21.6 million buildings, \$22.0 million non-structural, \$5 million land, and \$68.8 million of infrastructure. Equipment purchases totaled \$12.3 million of which \$5.8 million was for public safety, and \$2.3 million was for culture and recreation.

Business-type activities. In 2011, the Aviation fund placed into service \$3 million in airfield lighting upgrades, \$35.3 million in improvements, which included \$23.6 million in existing terminal optimization, \$4 million in terminal communications center, \$2.9 million in parking structure, and \$1.5 million in pavement improvement and maintenance. The Refuse fund placed into service \$2.6 million in heavy equipment. The construction work in progress increased by \$7.4 million. The construction work in progress consists of expenditures made in connection with the Aviation Fund and Refuse Disposal Funds. More detailed information may be found in Section IV Note C. Capital Assets of the accompanying financial statements.

Debt Administration. At the end of the current fiscal year, the City's governmental activities had total long-term obligations of \$559.1 million, of which \$100.4 million is due or payable within the next fiscal year. The total bonded debt, net of unamortized discounts (\$.9 million) and deferred amounts on refunding (\$4.1 million) and including unamortized premiums of \$11.8 million, is \$445.0 million. The remaining debt is for loans, accrued vacation and sick leave pay, and claims payable. During the fiscal year ended June 30, 2011, the City issued GO Bonds in the amount of \$135.0 million. The GO Bonds were issued to finance projects relating to parks & recreation; \$34.4 million, streets: \$31.4 million, senior, family, community centers, and community enhancement: \$21.7 million, energy conservation, public facilities, and system modernization and housing: \$16.3 million, zoo, biological park museum, and cultural facilities: \$ 9.8 million, public safety: \$8.4 million, public transportation: \$7.8 million, and libraries: \$5.1 million.

The City's business-type activities had long-term obligations of \$194.0 million, of which \$30.2 million is due or payable within the next fiscal year. The ratio of net general obligation bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators to management, citizens and investors of the City's debt position. The State's constitution provides for a legal debt limit of 4% of taxable valuation. The percentage for the City of Albuquerque is

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MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2011

2.72% of the \$11.9 billion taxable value of property within the City's boundaries. The City currently may issue up to an additional \$153.0 million of general obligation bonds and has \$323.805 million of general obligation debt outstanding subject to the legal debt limit at June 30, 2011. The net general bonded debt per capita is \$593. The highest per capita amount in the last ten fiscal years was \$598 in the fiscal year ended June 30, 2005 and the lowest per capita amount was \$338 in the fiscal year ended June 20, 2003. The ratings on the City's uninsured general obligation bonds and gross receipts tax bonds for FY 2011 are as follows:

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City's elected and appointed officials considered many factors when developing the fiscal year 2012 budget. Many of the City's revenues are influenced by the economy. The gross receipts tax revenue forecast, particularly, is highly influenced by economic conditions. The budget anticipated growth of 2.9% in GRT following a similar increase in fiscal year 2011. Construction related revenues such as building permits are also impacted by the economy. For fiscal year 2012 these revenues are expected to remain at fiscal year 2011 levels.

Property tax revenue was flat because of the economy and lower assessments. The two mill shift of property taxes from debt service to general fund operations in fiscal year 2010 makes the property tax a more important source of revenue to the general fund. The general fund share of revenue from property taxes has increased from 8% in fiscal year 2008 to 16.5% in fiscal year 2012.

CITY OF ALBUQUERQUE, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2011

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

Economic Variables Underlying the Forecast for FY/12 Budget

	2010	2011	2012
National Variables			
Real GDP Growth	0.70%	2.20%	2.70%
Federal Funds Rate	0.20%	0.10%	0.30%
10 U.S. Bonds	3.50%	2.50%	2.70%
CPI U	1.00%	1.30%	1.80%
Unemployment Rate(U.S.)	9.80%	9.70%	9.40%
Total Non-Farm Employment	-3.00%	0.50%	1.60%
Manufacturing Employment	-8.20%	1.30%	2.70%
Consumer sentiment index--University of Michigan	71.6	70.8	76.6
Exchange Rates	0.9	0.9	0.9
Current Trade Account (billions of \$)	-430.9	-473.9	-472.6
Change in output per hour	5.20%	1.20%	1.00%
Natural Gas-Henry Hub \$ per MCF	109.8	111.8	114.4
West TX Intermediate (dollars per bbl)	75.2	78.4	86.5
Wage growth	1.40%	1.70%	1.70%

Albuquerque Variables

Employment Growth and Unemployment in Albuquerque MSA

Total Non-Ag ABQ	-2.90%	-0.60%	1.40%
Private-Non Construction	-3.40%	-0.20%	1.70%
Construction Employment (growth)	-11.40%	-3.70%	1.60%
Manufacturing(ABQ)	-13.60%	-0.40%	3.10%
Unemployment Rate (Alb.)	8.40%	8.80%	8.70%

Construction Units Permitted in City of Albuquerque

Single-Family Permits	873	571	1,159
Multi-Family Permits	172	470	555
Total Residential Permits	1,045	1,041	1,714

Source Global Insight and FOR-UNM October 2010 Baseline Forecasts

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

The total original General Fund appropriation for fiscal year 2011 is \$455.5 million. This is a decline of \$19.4 million from the original fiscal year 2010 budget of \$474.9 million. The recession has had impacts on revenue forcing these reductions in appropriations. As the recession continues the City continues to diligently monitor expenditures along with revenues so that it can respond quickly should changes be required.

Request for Information

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

FINANCIAL SECTION
BASIC FINANCIAL STATEMENTS

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CITY OF ALBUQUERQUE, NEW MEXICO

STATEMENT OF NET ASSETS

JUNE 30, 2011

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current Assets:				
Cash, investments, and accrued interest	\$ 325,392,912	\$ 35,586,889	\$ 360,979,801	\$ 21,457,906
Cash held for debt service	63,245,165	29,992,236	93,237,401	35,929,424
Cash held by others	-	1,081,562	1,081,562	-
Taxes receivable	69,126,825	-	69,126,825	-
Accounts receivable, net of allowance for uncollectibles	3,071,345	9,701,247	12,772,592	11,723,252
Notes receivable, current portion	-	-	-	963,280
Due from other governments	30,564,989	2,396,304	32,961,293	1,915,253
Deposits	146,607	-	146,607	-
Internal balances	10,007,255	(10,007,255)	-	-
Inventories	2,977,301	4,548,294	7,525,595	-
Prepaid expenses	646,211	269,366	915,577	-
Total current assets	505,178,610	73,568,643	578,747,253	71,989,115
Noncurrent Assets:				
Long-term accounts and notes receivable	9,173,834	-	9,173,834	4,938,586
Restricted assets:				
Cash, investments and accrued interest	100,657,414	122,062,439	222,719,853	-
Grant receivables	-	160,338	160,338	-
Accounts receivable - developers	-	2,817,061	2,817,061	-
Escrow deposits	-	282,789	282,789	-
Total restricted assets	100,657,414	125,322,627	225,980,041	-
Capital assets:				
Land and construction in progress	1,511,520,819	73,762,425	1,585,283,244	79,085,365
Capital assets depreciated and amortized	2,917,655,378	1,130,330,197	4,047,985,575	2,116,657,464
Accumulated depreciation and amortization	(1,097,768,134)	(679,987,556)	(1,777,755,690)	(856,075,080)
Total Capital Assets	3,331,408,063	524,105,066	3,855,513,129	1,339,667,749
Other:				
Capitalized bond issue costs	2,442,250	1,061,490	3,503,740	3,682,601
Other assets	10,086,398	-	10,086,398	-
Total other	12,528,648	1,061,490	13,590,138	3,682,601
Total noncurrent assets	3,453,767,959	650,489,183	4,104,257,142	1,348,288,936
Total assets	3,958,946,569	724,057,826	4,683,004,395	1,420,278,051

The accompany notes are an integral part of these financial statement

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	30,121,315	3,298,106	33,419,421	4,852,804
Accrued employee compensation and benefits	14,710,500	2,607,692	17,318,192	1,599,945
Accrued vacation and sick leave	24,207,448	4,261,592	28,469,040	3,307,594
Accrued interest payable	8,702,039	-	8,702,039	12,880,851
Customer deposits	1,402,686	1,104,138	2,506,824	734,559
Water rights contract	-	-	-	977,546
Deferred revenue	21,511,905	1,787,175	23,299,080	-
Due to other governments	-	106,698	106,698	-
Contracts, claims, and other payable	-	-	-	8,127,643
Bonds, notes payable, and capital leases	-	-	-	24,130,000
Loan agreements and lines of credit	-	-	-	14,093,477
Payable from restricted assets:				
Contracts, claims, and other payable	1,644,262	6,994,080	8,638,342	-
Current portion:				
Claims payable	22,994,750	-	22,994,750	-
Bonds, notes payable, and capital leases	53,210,000	25,940,762	79,150,762	-
Accrued interest	-	4,525,179	4,525,179	-
Total current liabilities	178,504,905	50,625,422	229,130,327	70,704,419
Noncurrent liabilities:				
Liabilities payable from restricted assets:				
Landfill closure costs	-	1,846,148	1,846,148	-
Other	-	441,428	441,428	-
Total liabilities payable from restricted assets	-	2,287,576	2,287,576	-
Long-term payable:				
Bonds, notes payable, and capital leases, net of current portion, discounts and premiums	395,917,495	159,667,462	555,584,957	455,544,109
Water rights contract and loan agreements	-	-	-	192,561,416
Total long-term payable	395,917,495	159,667,462	555,584,957	648,105,525
Other:				
Accrued vacation, sick leave and claims	53,437,498	1,830,071	55,267,569	108,563
Other post employment benefit obligation	8,372,486	-	8,372,486	-
Other liabilities	875,205	-	875,205	-
Total other	62,685,189	1,830,071	64,515,260	108,563
Total noncurrent liabilities	458,602,684	163,785,109	622,387,793	648,214,088
Total liabilities	637,107,589	214,410,531	851,518,120	718,918,507
NET ASSETS				
Invested in capital assets, net of related debt	2,985,380,232	355,080,860	3,340,461,092	656,043,802
Restricted for:				
Debt service	21,960,745	8,440,225	30,400,970	-
Construction	124,083,293	71,844,298	195,927,591	-
Housing & economic development	7,654,313	3,170,833	10,825,146	-
Federal & state funded programs	6,232,767	-	6,232,767	-
Open space and urban enhancement				
Expendable	2,678,922	-	2,678,922	-
Nonexpendable	28,468,440	-	28,468,440	-
Unrestricted	145,380,268	71,111,079	216,491,347	45,315,742
Total net assets	\$ 3,321,838,980	\$ 509,647,295	\$ 3,831,486,275	\$ 701,359,544

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Indirect Expenses Allocation</u>	<u>Program Revenues</u>	
			<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	80,433,694	(2,459,229)	32,628,136	853,908
Public safety	243,380,110	872,235	10,841,345	5,926,716
Culture and recreation	104,794,499	378,642	8,135,538	-
Public works/Municipal Development	42,541,044	596,291	-	1,074,528
Health and welfare	18,268,736	279,179	4,477,827	1,163,874
Human services	54,737,136	277,313	432,785	23,640,766
Housing	10,080,892	55,569	-	-
Highways and streets	46,158,809	-	2,161,338	2,311,959
Interest and other charges	14,064,988	-	-	-
Total governmental activities	<u>614,459,908</u>	<u>-</u>	<u>58,676,969</u>	<u>34,971,751</u>
Business-like activities:				
Airport	66,720,599	-	69,620,917	-
Refuse disposal	47,902,071	-	61,435,325	-
Transit	53,938,575	-	8,396,800	-
Golf course	4,180,260	-	3,823,844	-
Apartments	3,282,909	-	3,347,935	-
Housing authority	30,159,407	-	2,180,722	30,147,543
Parking facilities	5,468,882	-	4,264,400	-
Stadium	2,622,978	-	1,821,531	-
Total business-like activities	<u>214,275,681</u>	<u>-</u>	<u>154,891,474</u>	<u>30,147,543</u>
Total primary government	<u>\$ 828,735,589</u>	<u>\$ -</u>	<u>\$ 213,568,443</u>	<u>\$ 65,119,294</u>
Component Unit:				
Albuquerque Bernalillo County				
Water Utility Authority	<u>\$ 210,699,472</u>	<u>\$ -</u>	<u>\$ 166,443,592</u>	<u>\$ -</u>

General Revenues:

Taxes:

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

Transfers

Total general revenues and transfers

Change in net assets

Net assets, July 1 (as restated for governmental activities, Note IV. O.)

Net assets, June 30

The accompanying notes are an integral part of these financial statements

Program Revenues, cont. Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Assets			
	Governmental Activities	Business-type Activities	Total	Component Unit
-	(44,492,421)	\$ -	\$ (44,492,421)	
915,264	(226,569,020)	-	(226,569,020)	
3,077,973	(93,959,630)	-	(93,959,630)	
17,866,810	(24,195,997)	-	(24,195,997)	
807,996	(12,098,218)	-	(12,098,218)	
74,294	(30,866,604)	-	(30,866,604)	
-	(10,136,461)	-	(10,136,461)	
-	(41,685,512)	-	(41,685,512)	
-	(14,064,988)	-	(14,064,988)	
<u>22,742,337</u>	<u>(498,068,851)</u>	<u>-</u>	<u>(498,068,851)</u>	
5,266,023	-	8,166,341	8,166,341	
-	-	13,533,254	13,533,254	
2,087,731	-	(43,454,044)	(43,454,044)	
-	-	(356,416)	(356,416)	
-	-	65,026	65,026	
-	-	2,168,858	2,168,858	
174,394	-	(1,030,088)	(1,030,088)	
-	-	(801,447)	(801,447)	
<u>7,528,148</u>	<u>-</u>	<u>(21,708,516)</u>	<u>(21,708,516)</u>	
<u>\$ 30,270,485</u>	<u>(498,068,851)</u>	<u>\$ (21,708,516)</u>	<u>\$ (519,777,367)</u>	
<u>\$ 10,538,027</u>				<u>\$ (33,717,853)</u>
	133,171,398	-	133,171,398	-
	24,296,180	-	24,296,180	-
	2,025,377	-	2,025,377	-
	10,121,445	-	10,121,445	-
	144,932,348	-	144,932,348	-
	59,130	-	59,130	-
	182,903,523	-	182,903,523	-
	6,309,436	-	6,309,436	-
	29,101,131	3,867,217	32,968,348	-
	2,689,722	799,058	3,488,780	208,699
	<u>(29,078,967)</u>	<u>29,078,967</u>	<u>-</u>	<u>-</u>
	<u>506,530,723</u>	<u>33,745,242</u>	<u>540,275,965</u>	<u>208,699</u>
	8,461,872	12,036,726	20,498,598	(33,509,154)
	<u>3,313,377,108</u>	<u>497,610,569</u>	<u>3,810,987,677</u>	<u>734,868,698</u>
	<u>3,321,838,980</u>	<u>\$ 509,647,295</u>	<u>\$ 3,831,486,275</u>	<u>\$ 701,359,544</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2011

	General Fund	GO Bond Debt Service Fund
	<u> </u>	<u> </u>
ASSETS		
Cash, investments, and accrued interest	\$ 44,016,838	\$ 7,694,606
Cash with fiscal agents held for debt service	-	54,254,775
Cash held by others	-	-
Investments with fiscal agents	-	-
Taxes receivable, net of allowance for uncollectible	58,231,506	3,641,197
Other receivables, net of allowance for uncollectible	1,226,120	-
Due from other governments	2,533,214	-
Due from other funds	3,681,278	-
Advances to other funds	-	-
Prepaid items	36,576	-
Land held for sale	-	-
Total assets	<u><u>\$ 109,725,532</u></u>	<u><u>\$ 65,590,578</u></u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 8,268,168	\$ 8,859
Contracts and retainage payable	-	-
Accrued employee compensation and benefits	13,533,652	-
Due to other funds	2,214,303	-
Advances from other funds	-	-
Deferred revenue	31,086,024	2,738,870
Deposits	1,398,186	-
Matured bonds and interest payable	-	54,254,775
Total Liabilities	<u><u>56,500,333</u></u>	<u><u>57,002,504</u></u>
Fund Balances:		
Nonspendable	36,576	-
Restricted	1,339,307	8,588,074
Committed	38,709,667	-
Assigned	-	-
Unassigned	13,139,649	-
Total fund balances	<u><u>53,225,199</u></u>	<u><u>8,588,074</u></u>
Total liabilities and fund balances	<u><u>\$ 109,725,532</u></u>	<u><u>\$ 65,590,578</u></u>

The accompanying notes are an integral part of these financial statements

Capital Acquisition Fund	Nonmajor Funds	Total
\$ 166,516,423	\$ 123,544,964	\$ 341,772,831
-	7,492,235	61,747,010
-	153,309	153,309
-	1,344,846	1,344,846
-	7,254,122	69,126,825
685	11,028,658	12,255,463
14,881,296	13,150,479	30,564,989
-	408,517	4,089,795
-	8,890,000	8,890,000
356,769	-	393,345
-	10,086,398	10,086,398
<u>\$ 181,755,173</u>	<u>\$ 183,353,528</u>	<u>\$ 540,424,811</u>
\$ 9,408,531	\$ 10,151,559	\$ 27,837,117
1,600,795	43,467	1,644,262
106,761	830,002	14,470,415
-	2,972,540	5,186,843
621,000	-	621,000
(1,750)	30,957,228	64,780,372
-	4,500	1,402,686
-	7,488,854	61,743,629
<u>11,735,337</u>	<u>52,448,150</u>	<u>177,686,324</u>
356,769	29,807,358	30,200,703
169,663,067	75,385,969	254,976,417
-	24,556,599	63,266,266
-	1,159,106	1,159,106
-	(3,654)	13,135,995
<u>170,019,836</u>	<u>130,905,378</u>	<u>362,738,487</u>
<u>\$ 181,755,173</u>	<u>\$ 183,353,528</u>	<u>\$ 540,424,811</u>

The accompanying notes are an integral part of these financial statements

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CITY OF ALBUQUERQUE, NEW MEXICO
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011

Reconciliation of Governmental Fund Balance to the Statement of Net Assets:

Total fund balance governmental funds (page 28)	\$ 362,738,487
Capital assets used in governmental activities (except for internal service funds) are not financial resources and, therefore, are not reported in the funds.	3,330,619,133
Long-term obligations applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditures when due. All liabilities are reported in the statement of net assets. (Note II.A)	(427,585,142)
Internal service funds are used by the City to charge the cost of tort liability, workers compensation and employee health insurance to other individual funds. In additions, the cost of providing communications, fleet maintenance and supplies warehousing services are also charged. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	12,839,554
Some of the City's taxes will be collected after year-end and amounts due on real estate contracts are not available soon enough to pay for the current period's expenditures, and therefore, are reported as deferred revenue in the funds. (Note II.A)	<u>43,226,948</u>
Total net assets of governmental activities (page 24)	\$ <u><u>3,321,838,980</u></u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	GO Bond Debt Service Fund
Revenues:		
Taxes:		
Gross receipts taxes, local option	\$ 114,788,703	\$ -
Property taxes	74,578,140	58,391,084
Lodgers' and hospitality taxes	-	-
Franchise taxes	23,508,908	-
Payment in lieu of taxes	59,130	-
Licenses and permits	8,018,843	-
Intergovernmental	178,765,648	-
Charges for services	43,153,670	-
Fines and forfeits	114,192	-
Interest on investments	165,821	84,604
Special Assessments	-	-
Collections on real estate contracts receivable	-	-
Miscellaneous	3,363,468	-
	446,516,523	58,475,688
Total revenues		
Expenditures:		
Current		
General Government	64,189,243	-
Public safety	211,897,946	-
Culture and recreation	65,434,750	-
Municipal Development/Public works	23,686,603	-
Highways and streets	-	-
Health	15,697,141	-
Human services	27,223,520	-
Housing	-	-
Debt service		
Principal	-	48,530,000
Interest	-	9,591,425
Fiscal agent fees and other fees	-	853,324
Capital Outlay	10,526,609	-
	418,655,812	58,974,749
Total expenditures		
Excess (deficiency) of revenues over expenditures	27,860,711	(499,061)
Other financing sources (uses):		
Transfers in	7,255,851	-
Transfers out	(28,384,744)	-
Premiums on bonds issued	-	6,745,795
Bond and notes issued	-	-
	(21,128,893)	6,745,795
Total other financing sources (uses)		
Net change in fund balances	6,731,818	6,246,734
Fund balances , July 1 (restated, Note IV. O.)	46,493,381	2,341,340
Fund balances, June 30	\$ 53,225,199	\$ 8,588,074

The accompanying notes are an integral part of these financial statements

Capital Acquisition Fund	Nonmajor Funds	Total
\$ -	\$ 30,626,389	\$ 145,415,092
-	-	132,969,224
-	12,146,822	12,146,822
720,122	-	24,229,030
-	-	59,130
-	2,391,294	10,410,137
29,051,773	39,125,168	246,942,589
-	4,712,002	47,865,672
-	6,086,200	6,200,392
229,372	1,775,182	2,254,979
-	767,100	767,100
-	476,096	476,096
2,211,768	13,611,673	19,186,909
<u>32,213,035</u>	<u>111,717,926</u>	<u>648,923,172</u>
-	10,162,041	74,351,284
-	11,427,017	223,324,963
-	7,333,118	72,767,868
-	1,149,895	24,836,498
-	5,875,050	5,875,050
-	2,102,764	17,799,905
-	22,136,740	49,360,260
-	10,136,461	10,136,461
-	4,680,000	53,210,000
-	5,617,708	15,209,133
-	6,950	860,274
115,033,450	36,104,643	161,664,702
<u>115,033,450</u>	<u>116,732,387</u>	<u>709,396,398</u>
<u>(82,820,415)</u>	<u>(5,014,461)</u>	<u>(60,473,226)</u>
756,526	17,277,376	25,289,753
(2,151,860)	(23,582,116)	(54,118,720)
-	-	6,745,795
136,403,058	-	136,403,058
<u>135,007,724</u>	<u>(6,304,740)</u>	<u>114,319,886</u>
52,187,309	(11,319,201)	53,846,660
<u>117,832,527</u>	<u>142,224,579</u>	<u>308,891,827</u>
<u>\$ 170,019,836</u>	<u>\$ 130,905,378</u>	<u>\$ 362,738,487</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the year ended June 30, 2011

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Net Activities:

Net change in fund balances – total governmental funds (page 31)	\$ 53,846,660
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation in the current period. This is the amount by which capital outlays exceeded depreciation in the current period. (Note II.B)	50,575,283
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (Note II.B)	(87,387,797)
Internal service funds are used by the City to charge the cost of tort liability, workers compensation and employee health insurance to other individual funds. In addition, the cost of providing communications, fleet maintenance and supplies warehousing services are also charged. The net revenue of the internal service funds is reported with governmental activities.	(5,487,181)
Under the modified accrual basis of accounting used in the governmental funds, revenue is recognized when available to provide financing resources for the current period. Likewise, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, revenues and related receivable and expenses and related liabilities are reported regardless of when financial resources are available. This adjustment combines the net change of balances.	(3,576,986)
Interest earned on loans receivable are not available for collections and are not included in the governmental fund financial statements. However, the accrued interest is reported in the governmental-wide financial statements.	3,950
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.	487,943
Change in net assets of governmental activities (page 26)	\$ <u>8,461,872</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes:				
Gross receipts tax-local option	\$ 113,775,000	\$ 114,335,000	\$ 114,788,703	\$ 453,703
Current property tax	74,134,000	72,419,000	72,446,261	27,261
Delinquent property tax	909,000	2,200,000	2,131,879	(68,121)
Franchise taxes:				
Electric	7,400,000	7,911,000	7,706,640	(204,360)
Gas	3,996,000	4,720,000	3,963,246	(756,754)
Cable television	4,300,000	4,254,000	4,233,002	(20,998)
Telephone	2,300,000	2,088,000	2,055,064	(32,936)
Telecommunications	600,000	266,000	227,585	(38,415)
Water Authority	5,346,000	5,346,000	5,323,371	(22,629)
Payments in lieu of Taxes	-	-	59,130	59,130
Total taxes	212,760,000	213,539,000	212,934,881	(604,119)
Licenses and permits:				
Building permits	1,682,000	1,832,000	2,059,466	227,466
Plan checking permits	1,226,000	1,154,000	1,178,729	24,729
Business registration fees	1,235,000	1,235,000	1,195,903	(39,097)
Plumbing/mechanical permits	624,000	734,000	703,735	(30,265)
Restaurant inspections	650,000	885,000	953,044	68,044
Electrical/refrigeration permits	481,000	541,000	510,831	(30,169)
Other licenses and permits	202,000	232,000	230,747	(1,253)
Right of way usage permits	244,000	189,000	199,368	10,368
Liquor licenses	210,000	210,000	203,539	(6,461)
Animal licenses	250,000	268,000	246,408	(21,592)
Food retailers inspections	163,000	230,000	211,760	(18,240)
Swimming pool inspections	124,000	136,000	128,036	(7,964)
Flood plan certification	65,000	83,000	113,376	30,376
Reroofing permits	36,000	54,000	58,937	4,937
Loading zone permits	5,000	9,000	13,373	4,373
Solicitation permits	6,000	5,000	11,591	6,591
Total licenses and permits	7,203,000	7,797,000	8,018,843	221,843
Intergovernmental:				
State shared:				
Gross receipts tax	172,119,000	170,859,000	171,994,976	1,135,976
Municipal road - gas tax	2,750,000	2,550,000	2,582,675	32,675
Motor vehicle license distribution	1,623,000	1,670,000	1,823,798	153,798
Municipal comp tax	1,545,000	1,498,000	1,592,361	94,361
Cigarette tax	400,000	85,000	85,396	396
DWI Fines	320,000	300,000	265,182	(34,818)
Grants:				
Other	99,000	101,000	113,664	12,664
Bernalillo County-shared operations	326,000	269,000	307,596	38,596
Total intergovernmental	179,182,000	177,332,000	178,765,648	1,433,648

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues (continued):				
Charges for services:				
General government:				
Administrative charges to other funds	24,502,000	25,053,000	23,050,148	(2,002,852)
Legal services	2,994,000	2,411,000	2,141,513	(269,487)
Grounds maintenance	975,000	975,000	975,598	598
Engineering fees	485,000	377,000	541,504	164,504
Engineering inspections	280,000	280,000	200,870	(79,130)
Shooting range fees	250,000	280,000	299,373	19,373
Records search fees	334,000	234,000	245,289	11,289
Filing of plats and subdivisions	100,000	133,000	160,663	27,663
Administrative fees	86,000	46,000	116,057	70,057
Photocopying	54,000	90,000	77,415	(12,585)
Legal services- special council	131,000	131,000	130,171	(829)
Hearing officer charges	90,000	80,000	74,495	(5,505)
Sign fees	66,000	56,000	62,816	6,816
Zoning fence permit fees	71,000	70,000	80,779	10,779
Office services	45,000	35,000	28,992	(6,008)
Planning services	23,000	19,000	19,410	410
Land mediation charges	-	-	14,020	14,020
Industrial revenue bond services	2,000	-	2,000	2,000
Jury duty and witness fees	2,000	2,000	1,710	(290)
Sale of maps and publications	-	-	1,360	1,360
AGIS services	-	-	874	874
Real property services	-	40,000	-	(40,000)
Public safety:				
Police services	3,656,000	3,475,000	3,132,611	(342,389)
Fire services	593,000	750,000	731,663	(18,337)
Culture and recreation:				
Zoo admissions	2,000,000	2,000,000	2,100,844	100,844
Cultural affairs	1,326,000	1,290,000	1,268,902	(21,098)
Albuquerque aquarium and gardens	1,400,000	1,200,000	1,286,465	86,465
Latch key program	650,000	655,000	634,875	(20,125)
Swimming pools	500,000	640,000	645,577	5,577
Sports programs	435,000	435,000	429,310	(5,690)
Other recreation charges	323,000	323,000	352,771	29,771
Museum charges	179,000	173,000	166,551	(6,449)
Other zoo charges	101,000	101,000	91,926	(9,074)
Community centers	100,000	100,000	98,965	(1,035)
Tournament/field rental	53,000	64,000	81,245	17,245

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues (continued):				
Charges for services:				
Highways and streets:				
Other street division charges	1,371,000	1,584,000	1,652,686	68,686
Excavation permits	300,000	280,000	309,284	29,284
Health:				
Animal control charges	897,000	896,000	807,537	(88,463)
Human services:				
Childcare services	800,000	730,000	704,616	(25,384)
Senior center memberships	149,000	190,000	193,441	3,441
Senior meal programs	166,000	148,000	136,448	(11,552)
Other	31,000	38,000	39,359	1,359
Senior dances	42,000	33,000	31,024	(1,976)
DSA Route #2	16,000	15,000	18,325	3,325
Senior coffee	14,000	17,000	14,188	(2,812)
Total charges for services	<u>45,592,000</u>	<u>45,449,000</u>	<u>43,153,670</u>	<u>(2,295,330)</u>
Fines and forfeits:				
Air quality penalties	150,000	120,000	114,192	(5,808)
Total fines and forfeits	<u>150,000</u>	<u>120,000</u>	<u>114,192</u>	<u>(5,808)</u>
Interest:				
Interest on investments	1,000,000	270,000	165,821	(104,179)
Total interest	<u>1,000,000</u>	<u>270,000</u>	<u>165,821</u>	<u>(104,179)</u>
Miscellaneous:				
Community center rentals	315,000	325,000	345,541	20,541
Revenue sharing agreement	-	-	117,971	117,971
Rental of City property	1,429,000	1,329,000	1,370,480	41,480
Other miscellaneous	900,000	863,000	1,431,671	568,671
Sales of real property	-	-	57,834	57,834
Collections from property damage	-	-	8,218	8,218
Contributions and donations	20,000	20,000	31,753	11,753
Total miscellaneous	<u>2,664,000</u>	<u>2,537,000</u>	<u>3,363,468</u>	<u>826,468</u>
Total revenues	<u>448,551,000</u>	<u>447,044,000</u>	<u>446,516,523</u>	<u>(527,477)</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:				
Current:				
General Government:				
Accounting	2,941,000	3,235,000	3,207,259	27,741
Administrative hearing office	1,081,000	1,081,000	983,750	97,250
Chief Administrative Officer	1,784,000	1,785,000	1,490,794	294,206
Citizen Services	3,590,000	3,590,000	3,377,885	212,115
City/County building rental	1,258,000	1,258,000	1,258,000	-
Citywide financial support	1,056,000	1,056,000	909,480	146,520
Community revitalization	1,405,000	1,549,000	1,064,881	484,119
Compensation in lieu of sick leave	350,000	350,000	-	350,000
Council services	3,414,000	3,503,000	2,923,653	579,347
DFAS - strategic support	423,000	423,000	423,930	(930)
Dues and memberships	422,000	422,000	369,965	52,035
Early retirement	6,000,000	7,600,000	7,515,414	84,586
Economic development	1,152,000	1,203,000	1,011,143	191,857
ED - Convention Center	1,583,000	1,583,000	1,542,083	40,917
ERP	1,667,000	1,736,000	1,728,506	7,494
Facilities	7,897,000	7,898,000	7,356,719	541,281
Information services	7,520,000	7,520,000	6,533,173	986,827
International trade	51,000	51,000	4,332	46,668
Joint committee- intergov. legislation	140,000	140,000	110,208	29,792
Legal services	5,190,000	5,190,000	4,883,715	306,285
Mayor's office	913,000	913,000	801,186	111,814
Office of Inspector General	-	220,000	130,316	89,684
Office of Internal Audit	928,000	708,000	678,466	29,534
Office of Management and Budget	1,294,000	1,328,000	1,166,716	161,284
Office of the City Clerk	782,000	782,000	726,019	55,981
One Stop Shop	6,004,000	6,004,000	5,625,521	378,479
Personnel services	1,983,000	1,986,000	1,932,109	53,891
Planning and Development Review	864,000	881,000	833,736	47,264
Planning - strategic support	1,018,000	1,018,000	925,069	92,931
Plaza Del Sol Building Rental	1,888,000	1,888,000	1,888,000	-
Purchasing and office supply	927,000	927,000	809,462	117,538
Real property	559,000	579,000	510,617	68,383
Safe city strike force	822,000	822,000	793,742	28,258
Treasury	1,310,000	1,310,000	1,223,315	86,685
Open and Ethical Elections	2,773,000	1,334,365	179,974	1,154,391
Plaza Del Sol Maintenance	834,000	834,000	751,051	82,949
Total general government	<u>71,823,000</u>	<u>72,707,365</u>	<u>65,670,189</u>	<u>7,037,176</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures (continued):				
Current:				
Public safety:				
Police Department:				
Communications & records	12,487,000	12,487,000	12,546,354	(59,354)
Family advocacy center	8,700,000	8,952,000	8,954,867	(2,867)
Investigative services	21,082,000	21,082,000	18,215,828	2,866,172
Law enforcement protection	431,000	431,000	431,000	-
Neighborhood Policing	88,173,000	88,500,000	88,227,224	272,776
Off duty police overtime	1,825,000	1,825,000	1,414,427	410,573
Officer & department support	17,300,000	17,304,000	17,274,160	29,840
Prisoner transport	1,828,000	1,828,000	1,789,043	38,957
Professional standards	761,000	1,334,000	1,333,587	413
Fire Department:				
AFD headquarters	2,346,000	2,346,000	2,336,428	9,572
Dispatch	3,826,000	3,826,000	3,790,489	35,511
Emergency response	53,396,000	53,396,000	53,372,430	23,570
Fire prevention	3,888,000	3,888,000	3,870,846	17,154
Logistics	1,710,000	1,710,000	1,693,043	16,957
Technical services	926,000	926,000	902,437	23,563
Training and safety	1,994,000	1,994,000	1,989,920	4,080
Total public safety	<u>220,673,000</u>	<u>221,829,000</u>	<u>218,142,083</u>	<u>3,686,917</u>
Culture and recreation:				
Aquatics	3,842,000	3,844,000	3,794,354	49,646
Aviation landscape	961,000	961,000	974,173	(13,173)
Balloon museum	873,000	873,000	875,049	(2,049)
Biopark	11,766,000	11,766,000	11,769,116	(3,116)
CIP Biopark	2,317,000	2,317,000	1,749,015	567,985
CIP library	60,000	60,000	61,772	(1,772)
CIP parks	2,872,000	2,872,000	2,694,520	177,480
Community events	2,279,000	2,301,000	2,328,851	(27,851)
Community recreation	7,968,000	7,968,000	7,514,839	453,161
Cultural services- strategic support	1,323,000	1,323,000	1,330,514	(7,514)
Explora	1,300,000	1,425,000	1,426,831	(1,831)
Library	9,948,000	9,953,000	9,954,077	(1,077)
Museum	2,782,000	2,793,000	2,797,034	(4,034)
Parks and recreation- strategic support	773,000	773,000	773,170	(170)
Parks management	15,763,000	15,674,000	15,180,212	493,788
Promote safe use of firearms	435,000	435,000	454,676	(19,676)
Public Arts and Urban Enhancement	269,000	269,000	252,478	16,522
Quality recreation	2,182,000	2,278,000	2,278,563	(563)
Senior affairs- strategic support	1,511,000	1,511,000	1,346,849	164,151
Special events parking	19,000	19,000	-	19,000
Urban forest management	94,000	94,000	66,576	27,424
Total culture and recreation	<u>69,337,000</u>	<u>69,509,000</u>	<u>67,622,669</u>	<u>1,886,331</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures (continued):				
Current:				
Municipal Development				
Construction	1,692,000	1,692,000	1,592,716	99,284
Design recovered parks & CIP	1,008,000	1,371,000	1,204,264	166,736
Design recovered storm drain	2,301,000	2,383,000	2,264,599	118,401
Storm drainage	2,698,000	2,756,000	2,758,376	(2,376)
Strategic support	1,919,000	1,919,000	1,822,977	96,023
Street CIP	3,267,000	3,621,000	3,256,003	364,997
Street services	11,137,000	11,137,000	11,000,449	136,551
Total municipal development	<u>24,022,000</u>	<u>24,879,000</u>	<u>23,899,384</u>	<u>979,616</u>
Health:				
Animal care and control	9,425,000	9,540,000	9,260,077	279,923
Code enforcement	3,346,000	3,358,000	3,129,266	228,734
Consumer health protection	1,070,000	1,379,000	1,097,902	281,098
Environmental services	1,500,000	1,500,000	1,414,171	85,829
Strategic support	642,000	642,000	567,946	74,054
Vector born & zoonotic disease	409,000	409,000	408,940	60
Heart Ordinance	95,000	95,000	54,536	40,464
Total health	<u>16,487,000</u>	<u>16,923,000</u>	<u>15,932,838</u>	<u>990,162</u>
Human services:				
Access to basic services- seniors	93,000	93,000	81,210	11,790
Develop affordable housing	75,000	80,000	49,845	30,155
Early childhood education	5,247,000	5,247,000	4,809,783	437,217
Emergency shelter	1,031,600	1,031,600	971,480	60,120
Health & social services	3,129,000	3,189,000	3,143,057	45,943
Mental health services	3,106,000	3,106,000	2,823,102	282,898
Partner with public education	5,286,000	5,350,000	4,282,986	1,067,014
Plan and coordinate	1,433,000	1,433,000	1,254,903	178,097
Reduce youth gangs	1,272,000	1,272,000	1,252,252	19,748
Substance abuse treatment and prevention	5,376,000	5,376,000	4,933,869	442,131
Supportive services to homeless	230,550	230,550	230,807	(257)
Provide transitional housing	154,000	154,000	154,850	(850)
Well being- seniors	4,228,000	4,228,000	3,400,505	827,495
Total human services	<u>30,661,150</u>	<u>30,790,150</u>	<u>27,388,649</u>	<u>3,401,501</u>
Total expenditures	<u>433,003,150</u>	<u>436,637,515</u>	<u>418,655,812</u>	<u>17,981,703</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Excess of revenues over expenditures	<u>15,547,850</u>	<u>10,406,485</u>	<u>27,860,711</u>	<u>17,454,226</u>
Other financing sources (uses):				
Transfers in	10,894,000	8,171,000	7,255,851	(915,149)
Transfers out	<u>(26,865,000)</u>	<u>(28,609,000)</u>	<u>(28,384,744)</u>	<u>224,256</u>
Total other financing sources and uses	<u>(15,971,000)</u>	<u>(20,438,000)</u>	<u>(21,128,893)</u>	<u>(690,893)</u>
Net change in fund balance	(423,150)	(10,031,515)	6,731,818	16,763,333
Fund balance, July 1 (restated)	<u>46,493,381</u>	<u>46,493,381</u>	<u>46,493,381</u>	<u>-</u>
Fund balance, June 30	<u>\$ 46,070,231</u>	<u>\$ 36,461,866</u>	<u>\$ 53,225,199</u>	<u>\$ 16,763,333</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2011

ASSETS	<u>Airport Fund</u>	<u>Refuse Disposal Fund</u>
Current assets:		
Cash, investments, and accrued interest	\$ 10,524,762	\$ 12,102,755
Cash with fiscal agents held for debt service	22,532,440	4,712,628
Cash held by others	-	-
Accounts receivable, net of allowance for uncollectible accounts	3,695,572	3,788,897
Due from other funds	-	-
Prepaid expenses	243,802	-
Due from other governments	1,116,481	-
Customer deposits	-	-
Inventories of supplies	558,865	1,085,315
Total current assets	<u>38,671,922</u>	<u>21,689,595</u>
Noncurrent assets:		
Restricted assets:		
Cash, investments, and accrued interest	92,446,719	14,210,346
Account receivable - developers	-	-
Grant receivables	160,338	-
Escrow deposits	-	-
Total restricted assets	<u>92,607,057</u>	<u>14,210,346</u>
Capital assets:		
Land	36,664,784	5,165,506
Land and improvements acquired from U.S. Air Force	7,630,077	-
Buildings and improvements	185,619,240	43,166,977
Runways and other improvements	289,427,522	-
Infrastructure	-	4,549,533
Improvements other than buildings	218,925,305	-
Machinery and equipment	13,160,050	45,378,282
Other	854,296	-
Total	<u>752,281,274</u>	<u>98,260,298</u>
Less accumulated depreciation and amortization	<u>463,924,720</u>	<u>47,084,452</u>
Capital assets, net of depreciation	<u>288,356,554</u>	<u>51,175,846</u>
Construction work in progress	<u>4,786,787</u>	<u>4,012,768</u>
Total capital assets	<u>293,143,341</u>	<u>55,188,614</u>
Other:		
Capitalized bond issuance costs	735,892	7,008
Advance to other funds	-	-
Total other assets	<u>735,892</u>	<u>7,008</u>
Total noncurrent assets	<u>386,486,290</u>	<u>69,405,968</u>
Total assets	<u>\$ 425,158,212</u>	<u>\$ 91,095,563</u>

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds

Transit Fund	Other Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ -	\$ 12,959,372	\$ 35,586,889	\$ 84,277,495
1,582,521	1,164,647	29,992,236	-
-	1,081,562	1,081,562	-
1,315,321	901,457	9,701,247	31,237
1,004,033	-	1,004,033	2,214,303
-	25,564	269,366	252,866
1,279,823	-	2,396,304	-
-	-	-	146,607
2,741,225	162,889	4,548,294	2,977,301
<u>7,922,923</u>	<u>16,295,491</u>	<u>84,579,931</u>	<u>89,899,809</u>
1,298,438	14,106,936	122,062,439	-
-	2,817,061	2,817,061	-
-	-	160,338	-
-	282,789	282,789	-
<u>1,298,438</u>	<u>17,206,786</u>	<u>125,322,627</u>	<u>-</u>
4,930,660	8,875,432	55,636,382	283,842
-	-	7,630,077	-
75,630,164	144,975,863	449,392,244	1,278,230
-	-	289,427,522	-
-	-	4,549,533	-
-	-	218,925,305	-
103,808,307	5,688,954	168,035,593	1,845,440
-	100,904	955,200	-
<u>184,369,131</u>	<u>159,641,153</u>	<u>1,194,551,856</u>	<u>3,407,512</u>
74,597,313	94,381,071	679,987,556	2,618,583
<u>109,771,818</u>	<u>65,260,082</u>	<u>514,564,300</u>	<u>788,929</u>
-	741,211	9,540,766	-
<u>109,771,818</u>	<u>66,001,293</u>	<u>524,105,066</u>	<u>788,929</u>
16,068	302,522	1,061,490	-
-	-	-	621,000
<u>16,068</u>	<u>302,522</u>	<u>1,061,490</u>	<u>621,000</u>
<u>111,086,324</u>	<u>83,510,601</u>	<u>650,489,183</u>	<u>1,409,929</u>
\$ 119,009,247	\$ 99,806,092	\$ 735,069,114	\$ 91,309,738

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

LIABILITIES	<u>Airport Fund</u>	<u>Refuse Disposal Fund</u>
Current liabilities:		
Accounts payable	\$ 345,229	\$ 1,592,932
Accrued payroll	569,785	854,913
Accrued vacation and sick leave pay	1,152,019	1,581,239
Accrued fuel cleanup costs	-	-
Fare tokens outstanding	-	-
Deposits	863,686	60,954
Due to other funds	-	-
Due to other governments	-	-
Current portion of claims and judgments payable	-	-
Liabilities payable from restricted assets:		
Construction contracts and miscellaneous payable	3,159,763	3,317,397
Deferred revenue	1,670,811	-
Current portion - revenue bonds and notes payable	19,161,667	4,437,720
Accrued interest	3,571,606	343,594
Total current liabilities	<u>30,494,566</u>	<u>12,188,749</u>
Noncurrent liabilities:		
Liabilities payable from restricted assets:		
Accrued landfill closure costs	-	1,846,148
Other	-	-
Total	<u>-</u>	<u>1,846,148</u>
Revenue bonds, notes payable and capital leases, net of current portion and unamortized discounts	<u>118,385,479</u>	<u>8,027,699</u>
Other:		
Claims and judgments payable	-	-
Accrued vacation and sick leave pay	561,606	437,446
Other post employment benefit obligation	-	-
Advances from other funds	-	-
Total	<u>561,606</u>	<u>437,446</u>
Total noncurrent liabilities:	<u>118,947,085</u>	<u>10,311,293</u>
Total liabilities	<u>149,441,651</u>	<u>22,500,042</u>
NET ASSETS		
Invested in capital assets, net of related debt	176,123,767	47,205,335
Restricted for:		
Debt service	4,094,864	353,347
Construction	57,766,997	7,496,926
Housing vouchers	-	-
Unrestricted	37,730,933	13,539,913
Total net assets	<u>\$ 275,716,561</u>	<u>\$ 68,595,521</u>

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Transit Fund	Other Enterprise Funds	Totals	
\$ 727,183	\$ 632,762	\$ 3,298,106	\$ 2,284,198
903,774	279,220	2,607,692	240,085
1,202,837	325,497	4,261,592	451,485
-	-	-	168,410
163,098	-	163,098	-
-	16,400	941,040	-
1,121,157	1,000,131	2,121,288	-
-	106,698	106,698	-
-	-	-	22,994,750
516,920	-	6,994,080	-
60,600	55,764	1,787,175	-
1,092,975	1,248,400	25,940,762	-
-	609,979	4,525,179	-
<u>5,788,544</u>	<u>4,274,851</u>	<u>52,746,710</u>	<u>26,138,928</u>
-	-	1,846,148	-
-	441,428	441,428	-
<u>-</u>	<u>441,428</u>	<u>2,287,576</u>	<u>-</u>
<u>10,943,418</u>	<u>22,310,866</u>	<u>159,667,462</u>	<u>-</u>
-	-	-	43,907,786
527,511	303,508	1,830,071	50,984
-	-	-	8,372,486
-	8,890,000	8,890,000	-
<u>527,511</u>	<u>9,193,508</u>	<u>10,720,071</u>	<u>52,331,256</u>
<u>11,470,929</u>	<u>31,945,802</u>	<u>172,675,109</u>	<u>52,331,256</u>
<u>17,259,473</u>	<u>36,220,653</u>	<u>225,421,819</u>	<u>78,470,184</u>
97,897,209	33,854,549	355,080,860	788,929
434,642	3,557,372	8,440,225	-
2,033,011	4,547,364	71,844,298	-
-	3,170,833	3,170,833	-
1,384,912	18,455,321	71,111,079	12,050,625
<u>\$ 101,749,774</u>	<u>\$ 63,585,439</u>	<u>\$ 509,647,295</u>	<u>\$ 12,839,554</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
Year ended June 30, 2011

	Airport Fund	Refuse Disposal Fund
Operating revenues:		
Charges for services	\$ 62,332,944	\$ 61,435,325
Operating expenses:		
Salaries and fringe benefits	\$ 15,831,521	\$ 23,245,204
Professional services	672,209	77,751
Utilities	2,768,620	370,055
Supplies	484,843	1,425,633
Travel	19,128	4,196
Fuels, repairs and maintenance	2,935,097	10,129,223
Contractual services	5,037,330	2,851,582
Claims and judgments	-	-
Insurance premiums	-	-
Other operating expenses	2,402,744	6,224,095
Depreciation	29,968,906	3,761,788
Bad debt expense	-	262,183
Total operating expenses	60,120,398	48,351,710
Operating income (loss)	2,212,546	13,083,615
Non-operating revenues (expenses):		
Interest on investments	680,839	54,620
Federal housing grants	-	-
Housing assistance payments	-	-
Passenger facilities charges	7,287,973	-
Gain (loss) on disposition of property and equipment	2,870	469,303
Interest and other debt service expenses	(6,355,198)	21,227
Bond issue costs	(247,873)	(40,891)
Other	-	967,229
Total non-operating revenues (expenses)	1,368,611	1,471,488
Income (loss) before capital contributions and transfers	3,581,157	14,555,103
Capital contributions	5,266,023	-
Transfers in	-	-
Transfers out	-	(2,714,073)
Change in net assets	8,847,180	11,841,030
Net assets, July 1	266,869,381	56,754,491
Net assets, June 30	\$ 275,716,561	\$ 68,595,521

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds

Governmental
Activities -
Internal
Service
Funds

Transit Fund	Other Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ 8,396,800	\$ 15,438,432	\$ 147,603,501	\$ 116,978,174
25,591,871	8,134,849	72,803,445	6,422,266
161,805	66,697	978,462	975,862
1,084,155	3,166,226	7,389,056	201,743
489,034	116,046	2,515,556	1,468,995
7,131	865	31,320	3,050
8,736,647	2,820,442	24,621,409	9,446,910
1,217,416	1,795,703	10,902,031	6,183,815
-	-	-	33,803,818
-	-	-	62,256,330
5,326,943	2,082,929	16,036,711	1,822,666
10,464,848	4,310,402	48,505,944	103,618
277,859	252,066	792,108	-
<u>53,357,709</u>	<u>22,746,225</u>	<u>184,576,042</u>	<u>122,689,073</u>
<u>(44,960,909)</u>	<u>(7,307,793)</u>	<u>(36,972,541)</u>	<u>(5,710,899)</u>
16,252	47,347	799,058	430,790
-	30,147,543	30,147,543	-
-	(21,063,697)	(21,063,697)	-
-	-	7,287,973	-
4,534	(14,020)	462,687	2,877
(579,301)	(1,817,747)	(8,731,019)	-
(6,099)	(72,747)	(367,610)	-
2,237,003	662,985	3,867,217	40,051
<u>1,672,389</u>	<u>7,889,664</u>	<u>12,402,152</u>	<u>473,718</u>
<u>(43,288,520)</u>	<u>581,871</u>	<u>(24,570,389)</u>	<u>(5,237,181)</u>
2,087,731	174,394	7,528,148	-
30,238,070	2,609,000	32,847,070	-
(340,320)	(713,710)	(3,768,103)	(250,000)
<u>(11,303,039)</u>	<u>2,651,555</u>	<u>12,036,726</u>	<u>(5,487,181)</u>
<u>113,052,813</u>	<u>60,933,884</u>	<u>497,610,569</u>	<u>18,326,735</u>
<u>\$ 101,749,774</u>	<u>\$ 63,585,439</u>	<u>\$ 509,647,295</u>	<u>\$ 12,839,554</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

Year ended June 30, 2011

	<u>Airport Fund</u>	<u>Refuse Disposal Fund</u>
Cash flows from operating activities:		
Cash received from customers	\$ 61,054,966	\$ 60,551,961
Cash received from other funds for goods and services	-	-
Cash payments to employees for services	(15,691,304)	(23,378,061)
Cash payments to suppliers for goods and services	(13,275,402)	(17,150,826)
Cash payments to other funds for goods and services	(2,768,620)	(370,055)
Cash payments to claimants and beneficiaries	-	-
Miscellaneous cash received	-	-
Net cash provided by (used for) operating activities	<u>29,319,640</u>	<u>19,653,019</u>
Cash flow from noncapital financing activities:		
Operating grants received	-	-
Housing assistance payments	-	-
Principal paid on advance from other funds	-	-
Interest paid on advance from other funds	-	-
Other income (expense)	-	967,229
Transfers-in from other funds	-	-
Transfers-out to other funds	-	(2,714,073)
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>(1,746,844)</u>
Cash flows from capital and related financing activities:		
Proceeds from bonds or notes payable	16,167,744	-
Principal paid on revenue bond maturities and refunded bonds	(44,383,833)	(4,270,580)
Interest and other expenses paid on revenue bond maturities	(5,840,403)	(67,218)
Acquisition and construction of capital assets	(22,839,311)	(10,840,910)
Capital grants received	5,266,023	-
Passenger facilities charges	7,287,973	-
Proceeds from sale (retirement) of property and equipment	-	3,720,779
Net cash provided by (used for) capital and related financing activities	<u>(44,341,807)</u>	<u>(11,457,929)</u>
Cash flows from investing activities:		
Interest received on investments	<u>680,839</u>	<u>54,620</u>
Net cash provided by investing activities	<u>680,839</u>	<u>54,620</u>
Net increase (decrease) in cash and cash equivalents	(14,341,328)	6,502,866
Cash and cash equivalents, July 1	<u>139,845,249</u>	<u>24,522,863</u>
Cash and cash equivalents, June 30	<u>\$ 125,503,921</u>	<u>\$ 31,025,729</u>

The accompanying notes are an integral part of these financial statements

Transit Fund	Other Enterprise Funds	Totals	Internal Service Funds
\$ 7,903,369	\$ 14,774,588	\$ 144,284,884	\$ 3,389,127
-	-	-	116,741,222
(25,380,633)	(8,092,707)	(72,542,705)	(6,507,093)
(16,247,523)	(6,791,367)	(53,465,118)	(79,780,278)
(17,384,127)	(6,594,976)	(27,117,778)	(459,070)
-	-	-	(31,249,068)
2,237,003	333,538	2,570,541	40,051
<u>(48,871,911)</u>	<u>(6,370,924)</u>	<u>(6,270,176)</u>	<u>2,174,891</u>
-	30,147,543	30,147,543	-
-	(21,063,697)	(21,063,697)	-
-	(2,705,000)	(2,705,000)	-
-	(555,674)	(555,674)	-
-	343,470	1,310,699	-
30,329,866	2,609,000	32,938,866	-
<u>(340,320)</u>	<u>(713,710)</u>	<u>(3,768,103)</u>	<u>(250,000)</u>
<u>29,989,546</u>	<u>8,061,932</u>	<u>36,304,634</u>	<u>(250,000)</u>
-	-	16,167,744	-
(2,118,196)	(1,189,669)	(51,962,278)	-
(579,301)	(1,281,284)	(7,768,206)	-
(495,802)	(758,312)	(34,934,335)	(195,573)
2,026,614	174,394	7,467,031	-
-	-	7,287,973	-
4,534	(14,020)	3,711,293	2,877
<u>(1,162,151)</u>	<u>(3,068,891)</u>	<u>(60,030,778)</u>	<u>(192,696)</u>
<u>16,252</u>	<u>47,347</u>	<u>799,058</u>	<u>430,790</u>
<u>16,252</u>	<u>47,347</u>	<u>799,058</u>	<u>430,790</u>
(20,028,264)	(1,330,536)	(29,197,262)	2,162,985
<u>22,909,223</u>	<u>30,925,842</u>	<u>218,203,177</u>	<u>82,114,510</u>
<u>\$ 2,880,959</u>	<u>\$ 29,595,306</u>	<u>\$ 189,005,915</u>	<u>\$ 84,277,495</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

Year ended June 30, 2011

	<u>Airport Fund</u>	<u>Refuse Disposal Fund</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ 2,212,546	\$ 13,083,615
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	29,968,906	3,761,788
Miscellaneous income (expense)	-	-
Bad debt expense	-	262,183
Provision for landfill liability	-	41,039
Corrections	-	-
Decrease (increase) in assets:		
Receivables	1,242,619	(882,218)
Due from other governments	(897,070)	-
Due from other funds	-	-
Inventories of supplies	(147,683)	(218,389)
Prepaid expenses	89	19,050
Deposits	-	-
Increase (decrease) in liabilities:		
Accounts payable	(2,799,310)	693,785
Customer deposits	12,862	(1,146)
Accrued landfill closure costs and fuels cleanup	-	-
Accrued employee compensation and benefits	140,217	(132,857)
Due to other funds	-	-
Construction and miscellaneous accounts payable	1,222,853	3,026,169
Claims and judgements payable	-	-
Other liability	-	-
Deferred revenue	(1,636,389)	-
Due to other governments	-	-
Net cash provided by (used for) operating activities	<u>\$ 29,319,640</u>	<u>\$ 19,653,019</u>
Cash and cash equivalents at June 30 consist of:		
Current assets:		
Cash, investments, and accrued interest	\$ 10,524,762	\$ 12,102,755
Cash with fiscal agents	22,532,440	4,712,628
Cash held by others	-	-
Restricted assets:		
Cash, investments, and accrued interest	92,446,719	14,210,346
Repairs and replacement funds	-	-
Escrow deposits	-	-
Total cash and cash equivalents, June 30	<u>\$ 125,503,921</u>	<u>\$ 31,025,729</u>
Non cash transactions:		
Unrealized gains (losses) on investments	\$ (145,787)	\$ (28,191)
Transfer of capital assets from the other funds	\$ -	\$ -
Amortization of bond issue costs	\$ (247,873)	\$ -
(Loss) on disposition of fixed assets	\$ 1,277	\$ 469,303
Increase in accrued land fill closure liability	\$ -	\$ 41,039

The accompanying notes are an integral part of these financial statements

Transit Fund	Other Enterprise Funds	Totals	Internal Service Funds
\$ (44,960,909)	\$ (7,307,793)	\$ (36,972,541)	\$ (5,710,899)
10,464,848	4,310,402	48,505,944	103,618
2,237,003	333,538	2,570,541	40,051
277,859	252,066	792,108	-
-	-	41,039	-
-	-	-	-
(1,429,727)	(552,411)	(1,621,737)	4,652
1,191,672	-	294,602	-
(1,004,033)	-	(1,004,033)	(236,952)
(373,805)	9,380	(730,497)	184,524
-	1,860	20,999	526,887
-	-	-	(46,607)
(93,554)	11,281	(2,187,798)	(955,087)
-	(162,038)	(150,322)	-
211,238	-	211,238	-
-	42,142	49,502	(84,827)
(15,295,939)	(3,428,750)	(18,724,689)	-
158,812	-	4,407,834	-
-	-	-	5,939,225
-	-	-	2,410,306
(255,376)	50,605	(1,841,160)	-
-	68,794	68,794	-
<u>\$ (48,871,911)</u>	<u>\$ (6,370,924)</u>	<u>\$ (6,270,176)</u>	<u>\$ 2,174,891</u>
\$ -	\$ 12,959,372	\$ 35,586,889	\$ 84,277,495
1,582,521	1,164,647	29,992,236	-
-	1,081,562	1,081,562	-
1,298,438	14,106,936	122,062,439	-
-	-	-	-
-	282,789	282,789	-
<u>\$ 2,880,959</u>	<u>\$ 29,595,306</u>	<u>\$ 189,005,915</u>	<u>\$ 84,277,495</u>
\$ (10,030)	\$ (9,072)	\$ (193,080)	\$ (106,594)
\$ 61,117	\$ -	\$ 61,117	\$ -
\$ -	\$ (19,811)	\$ (267,684)	\$ -
\$ -	\$ -	\$ 470,580	\$ -
\$ -	\$ -	\$ 41,039	\$ -

The accompanying notes are an integral part of these financial statements

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CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2011

	<u>Agency Funds</u>
ASSETS	
Cash, investments, and accrued interest	\$ 4,556,700
Receivables	<u>244,887</u>
Total assets	<u><u>\$ 4,801,587</u></u>
LIABILITIES	
Accounts payable	\$ 246,931
Funds held for others	<u>4,554,656</u>
Total liabilities	<u><u>\$ 4,801,587</u></u>

The accompanying notes are an integral part of these financial statements

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CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

I. Summary of significant accounting policies

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

A. Reporting entity

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

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

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

The City has determined that Albuquerque Bernalillo County Water Utility Authority (Authority) is a component unit of the City and is discretely presented in the component unit column of the government-wide financial statements. The Authority's governing board is composed of three members of the City Council, three members of the County of Bernalillo Commission and the Mayor of the City. The Authority uses a simple majority to adopt a budget, set rates, and issue bonded debt, therefore the City has the potential to impose its will. The Authority's Comprehensive Annual Financial Report as of and for the year ended June 30, 2011 is available by contacting the Authority at the following address; Fifth floor, P.O. Box 1293, Albuquerque, NM 87103. See Note IV P.

The City has determined that certain other organizations meet the definition of component units; however, such organizations have not been included in the accompanying financial statements because their nature and significance is such that exclusion does not render the financial statements incomplete or misleading.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. 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 primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or a segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The agency fund is reported on the accrual basis of accounting and has no measurement focus. Under accrual accounting, revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include gross receipts and property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes, net of estimated refunds and uncollectible amounts, is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

The City reports the following major governmental funds:

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

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

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

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

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

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

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

The City reports the following fund types:

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

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

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

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

Permanent Funds. These funds account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support specific programs. The expendable trust funds account for the investment earnings from proceeds of the sale of certain properties.

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

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

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

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

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

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

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

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

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

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

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

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

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

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

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

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

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

Checking accounts - at insured financial institutions.

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

2. Receivables and payables

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

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

3. *Inventories and prepaid items*

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

4. *Land held for sale*

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

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

5. *Capital assets*

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

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

Capital outlay is recorded as expenditures of the General, Special Revenue, and Capital Projects Funds and as assets in the government-wide financial statements to the extent the City's capitalization threshold is met. Interest incurred during the construction phase of capital assets of the business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

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

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

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

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

6. *Deferred charges and other assets*

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

7. *Risk Management*

Risk management activities are reported in the City's Risk management fund, a non-major internal service fund. Liabilities for workers' compensation, tort and other claims as of June 30, 2011 are accrued based on actuarial estimates and on a case-by-case evaluation of the probable outcome of claims filed against the City, as well as an estimate of claims incurred but not reported. The long-term portion of the liability is discounted at 3.0% over the estimated payment period. Revenues consist primarily of charges to other funds, the amounts of which approximate the cost of claims and other risk management costs arising from the activities of those funds.

8. *Compensated absences*

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

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

9. *Deferred revenue*

The City defers tax revenue from non-exchange transactions. The amount deferred results from the difference between the receivable recognized on an accrual basis and the related revenue recognized on the modified accrual basis. The City also defers revenue on rehabilitation loans, construction loans, economic development loans and special assessments. Revenue is recognized as the receivables are collected. In addition, deferred revenue includes moneys collected for food service and license fees, not yet earned.

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10. Special assessments

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

11. Long-term obligations

Long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Long-term obligations used to finance proprietary fund capital acquisitions and payable from revenue of proprietary funds are recorded in the applicable proprietary fund. Long-term obligations of governmental funds payable from general revenues of the City and special assessment levies are reported in the government-wide financial statements.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

12. Net assets

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

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

Restricted net assets – Restricted net assets result from constraints placed on the use of net assets when externally imposed by creditors, grantors, laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Net assets are restricted for debt service, construction, housing and economic development, federal and state funded programs, and open space and urban enhancement. The government-wide statement of net assets reports \$271,363,003 of restricted net assets, of which \$31,509,973 is restricted by enabling legislation.

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

13. Fund Balance

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

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

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

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

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commit those amounts. The City includes funds that have been appropriated for various purposes by City Council and have been contractually obligated.

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

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

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

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

<u>Fund Balance Category</u>	<u>General Fund</u>	<u>GO Bond Debt Service Fund</u>	<u>Capital Acquisition Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Nonspendable:					
Prepaid Expenses	\$ 36,576	\$ -	\$ 356,769	\$ -	\$ 393,345
Long Term Receivables	-	-	-	1,338,918	1,338,918
Land Held for Resale	-	-	-	7,886,398	7,886,398
Permanent Fund Principal Investment	-	-	-	20,582,042	20,582,042
Total nonspendable fund balances	36,576	-	356,769	29,807,358	30,200,703
Restricted for:					
General Government	1,339,307	-	15,634,944	3,305,634	20,279,885
Public Safety	-	-	38,705,407	1,392,410	40,097,817
Culture and Recreation	-	-	53,335,581	55,817	53,391,398
Municipal Development/Public Works	-	-	16,802,810	2,951,132	19,753,942
Highways and Streets	-	-	41,789,428	52,544,523	94,333,951
Health	-	-	-	384,947	384,947
Human Services	-	-	3,394,897	2,696,364	6,091,261
Housing	-	-	-	8,601	8,601
Debt Service	-	8,588,074	-	12,046,541	20,634,615
Total restricted fund balances	1,339,307	8,588,074	169,663,067	75,385,969	254,976,417
Committed to:					
Capital Projects	-	-	-	1,020,896	1,020,896
Culture and Recreation	-	-	-	2,052,956	2,052,956
Housing	-	-	-	11,068,329	11,068,329
Public Safety	-	-	-	5,780,192	5,780,192
General Government	38,709,667	-	-	3,308,096	42,017,763
Debt Service	-	-	-	1,326,130	1,326,130
Total committed fund balances	38,709,667	-	-	24,556,599	63,266,266
Assigned to:					
Capital Projects	-	-	-	1,159,106	1,159,106
Total assigned fund balances	-	-	-	1,159,106	1,159,106
Unassigned:					
	13,139,649	-	-	(3,654)	13,135,995
Total Fund Balances	\$ 53,225,199	\$ 8,588,074	\$ 170,019,836	\$ 130,905,378	\$ 362,738,487

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14. Statement of cash flows

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

15. Estimated amounts reported in financial statements

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

16. Bond premiums/issuance costs

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

17. Inter-fund transactions

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

18. New accounting pronouncements

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2011:

- GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*.
- GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*
- GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*
- GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements*

The City will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The City believes that the above listed new GASB pronouncements will not have a significant financial impact to the City or in its ability to issue its financial statements

19. Reclassifications

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

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II. Reconciliation of government-wide and fund financial statements

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

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

General obligation bonds payable	\$ (275,275,000)
Sales tax revenue bonds and notes payable	(112,485,000)
Fire fund loan	(1,403,058)
Deferred refunding costs	4,096,351
Unamortized bond discounts	928,137
Unamortized bond premiums	(11,778,925)
Deferred bond issue costs	2,442,249
Accrued rebatable arbitrage payable reported as deferred credit	(875,205)
Compensated absences	<u>(33,234,691)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ (427,585,142)</u>

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

Gross receipts tax	\$ 26,187,249
Property taxes	5,772,501
Franchise taxes	1,293,632
Gasoline taxes	748,409
Motor Vehicle taxes	165,545
Cigarette taxes	153
Rehab and developer loans	7,552,625
Special assessments	1,288,214
Amounts due on real estate contracts	4,741
Miscellaneous revenue	<u>213,879</u>
Net adjustment to governmental fund balance to arrive at net assets of governmental activities	<u>\$ 43,226,948</u>

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

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

Capital additions, depreciated and non-depreciated	\$ 204,365,009
Construction work in process and other reclassified to fixed assets	(69,044,048)
Depreciation expense	(84,470,244)
Net gain (loss) on disposition of capital assets	<u>(275,434)</u>
Net adjustment to decrease net changes in fund balances – total Governmental funds to arrive at changes in net assets of Governmental activities	<u>\$ 50,575,283</u>

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

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (143,148,853)
Deferred bond issue costs	765,492
Amortization:	
Deferred refunding costs	(209,822)
Bond discount	(204,293)
Bond premium	2,603,363
Bond issue costs	(403,684)
Principal repayments:	
General obligation bonds	48,530,000
Gross receipts tax revenue bonds	4,120,000
Gross receipts tax revenue note	560,000
Net adjustment to decrease net changes in fund balances –	
Total governmental funds to arrive at changes in net assets of governmental activities	<u>(87,387,797)</u>

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

Gross receipts taxes	\$ (748,812)
Franchise taxes	67,150
Property taxes	202,174
Gasoline taxes	78,508
Motor vehicle taxes	38,455
Cigarette taxes	(57,108)
Collections on real estate contracts, Rehab and Developer loans, net of deferred gains	(2,697,567)
Special Assessments	(678,644)
Other deferred revenues	218,858
Net adjustment to decrease net changes in fund balances – total	
Governmental funds to arrive at changes in net assets of Governmental activities	<u>\$ (3,576,986)</u>

III. Stewardship, compliance and accountability

A. Budgetary information

Annual budgets for the General Fund, the following Special Revenue Funds: Community Development; Fire; Recreation; Lodger’s Tax; Hospitality Tax; Culture and Recreation Projects; Albuquerque Biological Park; City Housing; Air Quality; Corrections and Detention; Operating Grants; Metropolitan Redevelopment; Housing and Neighborhood Economic Development; Law Enforcement Protection; Photo Enforcement Red Light; Gas Tax Road; City/County Facilities; Acquisition and Management of Open Space Expenditures; and Urban Enhancement Expenditures; certain Debt Service Funds are departmental appropriations by program, the level at which expenditures may not legally exceed appropriations. The annual budget approved by the City Council also includes proprietary funds. Budgets are adopted consistent with the basis of accounting described in Note I. C. As required by the home rule City charter, the annual budget is formulated by the Mayor and submitted to the City Council by April 1 for the fiscal year commencing July 1. When there is a proposal for a change in rates or fees, City ordinances provide that the Mayor shall submit the operating budget for the Refuse

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Disposal, Golf, and Aviation enterprise funds to the City Council no later than March 1. Public hearings are conducted to obtain citizen comments on the proposed budget. By June 1, the budget is adopted through passage of an appropriation resolution by the City Council.

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

B. Deficit fund equity

As of June 30, 2011, the Impact Fees Construction capital projects fund has a fund balance deficit of \$3,654. The deficit is a result of a change in accounting for unspent impact fees (see note IV. O) and a change in market value of interest on investments. The deficit may change in future years due to fluctuations in the market value of investments.

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IV. Detailed notes on all funds

A. Cash and investments

The total cash, investments and accrued interest and cash with fiscal agents at June 30, 2011, consist of the following:

(In thousands of dollars)

	Governmental Activities	Business- type Activities	Fiduciary Funds	Total	Component Unit
Cash, investments accrued interest and cash with fiscal agents, net of unamortized discounts and premiums:					
Repurchase agreements	\$ 22,627	\$ 14,405	\$ 145	\$ 37,177	\$ 1,230
U.S. Treasury obligations	18,223	5,636	117	23,976	990
Obligations of federal agencies or instrumentalities	195,447	60,447	1,253	257,147	10,622
State of New Mexico local government investment pool	586	8,218	4	8,808	32
Held in trust by Wells Fargo Bank in U.S. Treasury Fund	499	1,956	-	2,455	-
Held in trust by Bank of Albuquerque in U.S. Treasury Fund	1,345	1,583	-	2,928	-
Total investments	238,727	92,245	1,519	332,491	12,874
Certificates of deposit	172,988	53,501	1,109	227,598	9,402
Demand deposits	76,957	42,803	1,926	121,686	35,083
Total bank deposits	249,945	96,304	3,035	349,284	44,485
Accrued interest receivable	513	159	3	675	28
Imprest cash funds	111	15	-	126	-
Escrow deposits	-	283	-	283	-
Total cash, investments, accrued interest and cash with fiscal agents	\$ 489,296	\$ 189,006	\$ 4,557	\$ 682,859	\$ 57,387
Financial statement presentation:					
Unrestricted cash, investments and accrued interest:					
Cash, investments and accrued interest	\$ 325,547	\$ 54,587	\$ 2,763	\$ 382,897	\$ 21,458
Cash, investments held for debt service	63,092	29,992	-	93,084	35,929
Cash held by others	-	1,082	-	1,082	-
Total unrestricted cash, investments and accrued interest	388,639	85,661	2,763	477,063	57,387
Restricted noncurrent cash, investments and accrued interest:					
Cash, investments and accrued interest	100,657	103,062	1,794	205,513	-
Escrow deposits	-	283	-	283	-
Total restricted cash, investments, accrued interest	100,657	103,345	1,794	205,796	-
Total cash, investments, accrued interest and cash with fiscal agents	\$ 489,296	\$ 189,006	\$ 4,557	\$ 682,859	\$ 57,387

Custodial credit risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's funds may not be returned to it. The City is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to one half of the public money in each account (Section 6-10-17 NMSA 1978). No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2011, none of the City's bank balances of \$402,975,000 was exposed to custodial credit risk.

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

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Credit risk. Credit risk is the risk that in the event an issuer or other counterparty to an investment does not fulfill its obligations, the City will not be able to recover the value of its principal. As a home rule city, the City's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. The City's Investment Committee annually reviews its asset allocation strategies and guidelines for the percentage of its total portfolio that may be invested in securities other than repurchase agreements, U.S. Treasury bills and notes or insured/collateralized certificates of deposit. As part of the City's allocation evaluation, these guidelines are reviewed periodically, considering the probability of market and default risk in various investment sectors. The City's investment policy describes permitted investments as those permitted for municipalities with a population in excess of 65,000 per Section 10-10-10 of the Statutes of the State of New Mexico. Among permitted investments, the investment policy requires that 1) repurchase agreements have a collateralized value of 102% of the par value of the agreement, and 2) certificates of deposit with local banks be fully insured by the FDIC. Investments in direct obligations of the U.S. Treasury are permitted as are securities of the U.S. Government agencies denoted in Section 6-10-10 F (2) of the State Statutes. At June 30, 2011, the City's internal investment pool held investments in fully-collateralized overnight repurchase agreements (repos), a fully-insured certificates of deposit and money market accounts, U.S. Treasury Securities, and U.S. Government agency notes.

In previous years, the City's internal investment pool liquidated its position in the New Mexico State Treasurers Office (STO) Local Government Investment Pool (LGIP). However, at June 30, 2011 the City continued to hold \$803,067 held in the STO's ledger in a "Reserve Contingency Fund" that had not been returned to the City. This amount represents the City's portion of the LGIP's investment in the Reserve Primary Money Market Fund (Reserve). The City does not expect any further recoveries from the reserve and has accrued the remaining balance as a loss. The City's Housing Authority Fund continued to hold a non-pooled position in the STO LGIP Fund of \$8,013,601 and a balance in the Reserve Contingency Fund of \$23,198.

Concentration of credit risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states the City will develop diversification strategies to avoid incurring concentration risk. The following general policies and constraints shall apply: With the exception of collateralized repos, U.S. Treasury securities, and authorized pools (comprising the "liquidity segment" of the portfolio), no more than 50% of the residual investment portfolio (the "core segment") will be invested in a single issue or at a single maturity. At June 30, 2011, the City's core segment is invested in debt securities issued by four Government Sponsored Entities (GSEs): the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Farm Credit Bank and the Federal Home Loan Mortgage Corporation. These investments comprise 16%, 28%, 9%, and 47% respectively, of the core segment residual. Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity range. At June 30, 2011, liquidity and core segment maturities are allocated as follows: 0-12 months – 17%; 1-2 years – 26%; 3-5 years – 57%.

Summarized information concerning the GSE investments is as follows:

U.S. Agency Investments (summarized by GSE)	Wtd. Avg. Days to Maturity	Weighted Average Days to Call	Standard & Poors Rating	Moody's Rating
Federal Home Loan Banks	826	118	AAA	Aaa
Federal National Mortgage Association	469	55	AAA	Aaa
Federal Home Loan Mortgage Corporation	777	120	AAA	Aaa
Federal Farm Credit Bank	1,051	321	AAA	Aaa

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

The City's investments held outside of its internal investment pool in the State of New Mexico Investment Council Core Bond Pool were not rated.

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Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the City's investments. The City's investment policy limits the City's exposure to interest rate risk by requiring that no less than 80% of the funds invested in the core segment of the internal investment pool or in other discretionary funds be in maturities of no more than three years from date of purchase. No more than 20% of the funds may be invested in maturities between three and five years. Investment of non-discretionary assets, including funds to be held in trust, may be committed to maturities up to ten years from the date of purchase. The weighted average maturity of the investments in the internal investment pool's core segment at June 30, 2011 was 694 days. The weighted average days to call of the core segment was 153 days.

Pledged Collateral by Bank. The City is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to one half of the public money in each account (Section 6-10-17 NMSA 1978). No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). The FDIC provides insurance of \$250,000 per depositor, per insured bank. Effective December 31, 2010 through December 31, 2012, at all FDIC-insured institutions, deposits held in noninterest bearing transaction accounts are fully insured regardless of the amount in the account, according to the Dodd-Frank Wall Street Reform and Consumer Protection Act. FDIC deposit insurance and pledged collateral by bank (in thousands) at June 30, 2011 were as follows:-

	First Community	Bank of America	Bank of the West	Wells Fargo Bank	NM Bank & Trust
Total amount on deposit	\$ 1,959	\$ 161,013	\$ 237,060	\$ 2,043	\$ 899
Less FDIC coverage	1,959	161,013	250	2,043	899
Total uninsured public funds	-	-	236,810	-	-
50% collateral requirement	-	-	118,405	-	-
Pledged securities, fair value	-	-	354,278	-	-
Pledged in excess of Requirement	\$ -	\$ -	\$ 235,873	\$ -	\$ -

B. Receivables

Taxes receivable at June 30, 2011 are from the following sources:

Gross receipts tax	\$ 55,902,443
Property tax	7,741,138
Lodgers tax	1,222,213
Hospitality tax	179,784
Other taxes	4,081,247
Total	\$ 69,126,825

The property taxes above include a receivable of \$3,641,197 in the General Obligation Debt Service Fund and \$4,099,941 in the General Fund.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied each year on July 1 on the taxable valuation of property located in the City as of the preceding January 1. The Bernalillo County Assessor and the State of New Mexico Department of Taxation and Revenue determine the taxable valuations for the various classes of property at one-third of assessed valuation. Property in the City for the fiscal year 2011 tax levy had a taxable value of \$11,920,466,310. The State Constitution limits the rate of taxes for operating purposes for all taxing jurisdictions to 20 mills (\$20 per \$1000 assessed valuation), of which the City's portion, by state regulation, is limited to 7.650 mills for operations and 12.0 mills for each debt service obligation. The general obligation bond debt service levy for Tax Year 2010 (Fiscal Year 2011) is 4.976 mills and the operational levy is 6.389 mills on residential property and 6.544 mills on commercial property. Taxes are payable in two equal installments on November 10 and April 10 and become delinquent after 30 days.

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Accounts receivable and allowance for uncollectible accounts

Included on page 24, "Statement of Net Assets", are balances of receivables which are reported net of allowances for uncollectible accounts. The amounts of these receivables and allowances as of June 30, 2011, are as follows:

	<u>Total Receivables</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivables</u>
Current Portion of Accounts and Notes Receivable:			
Governmental activities:			
Major funds:			
General Fund	\$ 1,621,577	\$ 396,907	\$ 1,224,670
Capital Acquisition Fund	686	-	686
Nonmajor governmental funds	23,773,807	21,959,055	1,814,752
Internal Service Funds	115,233	83,996	31,237
Total governmental activities	\$ 25,511,303	\$ 22,439,958	\$ 3,071,345
Business-type activities:			
Major funds:			
Airport	\$ 4,724,161	\$ 1,028,589	\$ 3,695,572
Refuse Disposal	5,241,250	1,452,353	3,788,897
Transit	1,788,632	473,311	1,315,321
Nonmajor enterprise funds	1,058,647	157,190	901,457
Total business-type activities	\$ 12,812,690	\$ 3,111,443	\$ 9,701,247
	<u>Total Receivables</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivables</u>
Long-term Accounts and Notes Receivable:			
Governmental activities:			
Nonmajor funds:			
Rehabilitation loans	\$ 1,970,046	\$ 126,062	\$ 1,843,984
Developer loans	5,699,389	41,521	5,657,868
Special assessments debt service	1,667,241	-	1,667,241
Real estate contracts	4,741	-	4,741
Total governmental activities	\$ 9,341,417	\$ 167,583	\$ 9,173,834
Restricted assets – Accounts Receivable – Developers:			
Business-type activities:			
Nonmajor funds:			
Developer loans	\$ 2,931,623	\$ 114,562	\$ 2,817,061
Major funds:			
Grant receivables	160,338	-	160,338
Total business-type activities	\$ 3,091,961	\$ 114,562	\$ 2,977,399

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C. Capital assets

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

Primary Government

<u>Governmental Activities</u>	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets not being depreciated:				
Land	\$ 286,507,679	\$ 5,022,351	-	\$ 291,530,030
Construction in progress	69,044,048	74,799,122	69,044,048	74,799,122
Right of way	1,145,191,667	-	-	1,145,191,667
Other	142,809	-	142,809	-
	<u>1,500,886,203</u>	<u>79,821,473</u>	<u>69,186,857</u>	<u>1,511,520,819</u>
Assets being depreciated:				
Buildings	360,793,125	21,601,375	-	382,394,500
Infrastructure	1,765,618,652	68,812,978	-	1,834,431,630
Improvements	522,578,216	22,016,173	-	544,594,389
Machinery and equipment	149,710,443	12,308,586	5,784,170	156,234,859
	<u>2,798,700,436</u>	<u>124,739,112</u>	<u>5,784,170</u>	<u>2,917,655,378</u>
Less accumulated depreciation:				
Buildings	74,350,471	9,254,986	-	83,605,457
Infrastructure	572,432,072	44,789,743	-	617,221,815
Improvements	251,225,642	17,523,945	-	268,749,587
Machinery and equipment	120,837,634	13,005,188	5,651,547	128,191,275
	<u>1,018,845,819</u>	<u>84,573,862</u>	<u>5,651,547</u>	<u>1,097,768,134</u>
Capital assets being depreciated, net	<u>1,779,854,617</u>	<u>40,165,250</u>	<u>132,623</u>	<u>1,819,887,244</u>
Total capital assets, net	<u>\$ 3,280,740,820</u>	<u>\$ 119,986,723</u>	<u>\$ 69,319,480</u>	<u>\$ 3,331,408,063</u>

In fiscal year 2011, \$58.6 million of street infrastructure was placed into service along with \$10.2 million of storm infrastructure. Of this amount, \$7.7 million was dedicated street infrastructure and \$4.4 million was dedicated storm infrastructure. The construction in progress consists of expenditures made by the capital acquisition, infrastructure tax, and impact fee funds. The construction work in progress decreased by \$69.0 million. The following was placed in service: \$21.6 million buildings, \$22.0 million non-structural, \$5 million land, and \$68.8 million of infrastructure. Machinery and equipment purchases totaled \$12.3 million, of which \$7.4 million was for public safety, and \$2.3 million was for culture and recreation.

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Business-type activities

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011
Assets not being depreciated:				
Land	\$ 54,749,344	887,040	-	\$ 55,636,384
Land and improvements acquired from the U.S Air Force	7,630,077	-	-	7,630,077
Other	955,200	-	-	955,200
Construction work in progress	28,700,965	7,483,109	26,643,310	9,540,764
Total assets, not being depreciated	<u>92,035,586</u>	<u>8,370,149</u>	<u>26,643,310</u>	<u>73,762,425</u>
Assets being depreciated:				
Buildings and improvements	446,620,687	2,473,608	1,067,249	448,027,046
Runways and improvements	286,233,517	3,194,003	-	289,427,520
Infrastructure	3,452,744	1,096,789	-	4,549,533
Improvements other than buildings and runways	184,124,347	36,166,131	-	220,290,478
Machinery and equipment	161,305,202	8,183,462	1,453,042	168,035,622
Total assets, being depreciated	<u>1,081,736,497</u>	<u>51,113,993</u>	<u>2,520,291</u>	<u>1,130,330,199</u>
Less accumulated depreciation:				
Buildings and improvements	218,583,550	10,191,533	-	228,775,083
Runways and improvements	204,201,240	12,040,975	-	216,242,215
Infrastructure	409,475	120,034	-	529,509
Improvements other than buildings and runways	115,109,162	12,342,270	-	127,451,432
Machinery and equipment	94,586,104	13,834,375	1,431,160	106,989,319
Total accumulated depreciation	<u>632,889,531</u>	<u>48,529,187</u>	<u>1,431,160</u>	<u>679,987,558</u>
Capital assets being depreciated, net	448,846,966	2,584,806	1,089,131	450,342,641
Total capital assets, net	<u>\$ 540,882,552</u>	<u>10,954,955</u>	<u>27,732,441</u>	<u>\$ 524,105,066</u>

In 2011, the Aviation fund placed into service \$3 million in airfield lighting upgrades, \$35.3 million in improvements, which included \$23.6 million in existing terminal optimization, \$4 million related to terminal communications center, \$2.9 million related to the airport parking structure, and \$1.5 million in pavement improvement and maintenance. The Refuse fund placed into service \$2.6 million in heavy equipment.

The construction work in progress increased by \$7.4 million. The construction work in progress consists of expenditures made in connection with the Aviation Fund and Refuse Disposal Fund.

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

Governmental activities:

General government	\$ 3,363,097
Public Safety:	
Corrections	76,021
Fire protection	2,918,062
Police protection	7,702,710
Culture and recreation	19,646,995
Public works	277,160
Highways and streets	30,334,649
Health	529,839
Human services	2,715,202
Municipal Development	16,906,509
Capital assets held by the City's internal service funds charged to the various functions on a prorated basis based on their usage of the assets	103,618
Total depreciation expense – governmental activities	<u>\$ 84,573,862</u>

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Business-type activities:

Major funds:			
Airport	\$	29,968,906	
Refuse Disposal		3,761,788	
Transit		10,464,848	
Nonmajor fund		4,310,402	
Transfer of assets from governmental to business-type		23,243	
Total depreciation expense – business-type activities	\$	<u>48,529,187</u>	

Capitalized interest

Changes to the capital assets for the business-type activities for 2011 include the following amounts of capitalized interest:

	Total Interest	Interest Related to Tax-Exempt Borrowing	Net
Interest expense	\$ 9,276,011	\$ 544,992	\$ 8,731,019
Interest income	873,657	74,599	799,058
Capitalized interest		<u>\$ 470,393</u>	

Discretely Presented Component Unit

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

	Balance July 1	Increases	Decreases	Balance June 30
Assets not being depreciated:				
Land	\$ 25,644,811	\$ 13,153	\$ -	\$ 25,657,964
Construction work in progress	37,482,194	34,721,589	18,776,382	53,427,401
Total assets, not being depreciated	<u>63,127,005</u>	<u>34,734,742</u>	<u>18,776,382</u>	<u>79,085,365</u>
Assets being depreciated:				
Buildings	2,210,836	-	-	2,210,836
Improvements other than buildings	1,962,956,597	55,368,896	-	2,018,325,493
Machinery and equipment	53,464,211	3,045,332	832,062	55,677,481
Total assets, being depreciated	<u>2,018,631,644</u>	<u>58,414,228</u>	<u>832,062</u>	<u>2,076,213,810</u>
Less accumulated depreciation:				
Buildings	1,666,141	44,216	-	1,710,357
Improvements other than buildings	733,277,831	77,542,366	-	810,820,197
Machinery and equipment	26,737,452	5,860,484	554,667	32,043,269
Total accumulated depreciation	<u>761,681,424</u>	<u>83,447,066</u>	<u>554,667</u>	<u>844,573,823</u>
Capital assets being depreciated, net	<u>1,256,950,220</u>	<u>(25,032,838)</u>	<u>277,395</u>	<u>1,231,639,987</u>
Assets being amortized:				
Purchased water rights	39,962,117	481,537	-	40,443,654
Less amortization	11,099,887	401,370	-	11,501,257
Capital assets being amortized, net	<u>28,862,230</u>	<u>80,167</u>	<u>-</u>	<u>28,942,397</u>
Total capital assets, net	<u>\$ 1,348,939,455</u>	<u>\$ 9,782,071</u>	<u>\$ 19,053,777</u>	<u>\$ 1,339,667,749</u>

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Changes to capital assets of the Authority for the fiscal year ended June 30, 2011, include the following amounts of capitalized interest:

	Total Interest	Interest Related to Tax-Exempt Borrowing	Net
Interest expense	\$ 28,946,304	\$ 3,622,166	\$ 25,324,138
Interest income	536,814	328,115	208,699
Capitalized interest		\$ 3,294,051	

D. Interfund receivables, payables, and transfers

The interfund receivable and payable accounts have primarily been recorded when funds overdraw their share of pooled cash. The composition of interfund balances as of June 30, 2011, consists of the following:

	Due from other funds	Due to other funds
Major governmental funds	\$ 3,681,278	\$ 2,214,303
Nonmajor governmental funds	408,517	2,972,540
Major proprietary funds	1,004,033	1,121,157
Nonmajor proprietary funds	-	1,000,131
Internal Service Funds	2,214,303	-
Total	\$ 7,308,131	\$ 7,308,131

Interfund advances not expected to be repaid within one year are to be repaid from revenues or proceeds from the sale of assets are as follows as of June 30, 2011:

Receivable Fund	Payable Fund	Amount
Risk Management Fund	Capital Acquisition Fund	\$ 621,000
Nonmajor governmental fund*	Nonmajor proprietary fund*	8,890,000
Total advances		\$ 9,511,000

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

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Interfund transfers for the year ended June 30, 2011 were as follows:

<u>From</u>	<u>To</u>	
General Fund	Capital Acquisition Fund	\$ 249,568
General Fund	Transit Fund	16,837,000
General Fund	Nonmajor Proprietary Funds	2,609,000
General Fund	Nonmajor Governmental Funds	8,689,176
Capital Acquisition Fund	Transit Fund	2,145,570
Refuse Disposal Fund	General Fund	2,714,073
Transit Fund	General Fund	340,320
Nonmajor Governmental Funds	General Fund	3,721,627
Nonmajor Governmental Funds	Capital Acquisition Fund	506,957
Nonmajor Governmental Funds	Nonmajor Governmental Funds	8,104,322
Nonmajor Governmental Funds	Transit Fund	11,255,500
Nonmajor Proprietary Funds	General Fund	229,832
Nonmajor Proprietary Funds	Nonmajor Governmental Funds	483,878
Internal Service Funds	General Fund	250,000
Total transfers		<u>\$ 58,136,823</u>

Transfers are summarized as follows:

<u>Description</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	\$ 25,289,753	\$ 54,118,720
Statement of Revenues, Expenses, and Changes in Net Fund Assets – Proprietary Funds		
Enterprise funds	32,847,070	3,768,103
Internal Service funds	-	250,000
Total transfers	<u>\$ 58,136,823</u>	<u>\$ 58,136,823</u>

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

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

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

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E. Leases

The City has various lease commitments for real property. The lease commitments are for one to ten years, with most leases being for five years. About half of the leases have renewal options; the others do not. Lease expenses of \$3,860,778 were incurred for the year ended June 30, 2011. Lease commitments for future years are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2012	\$ 3,103,625
2013	2,597,583
2014	2,278,651
2015	1,891,446
2016	1,022,117
2017-2021	5,001,100
2022-2026	5,001,100
2027-2031	5,000,520
2032-2036	<u>2,958,332</u>
Total	<u>\$ 28,854,474</u>

The Housing Authority has also entered into a lease agreement as lessee for financing the acquisition of equipment and improvements. This lease agreement is treated as a capital lease for accounting purposes and, therefore, has been reported at the present value of the future minimum lease payments as of the inception of the lease. At June 30, 2011, the outstanding balance of the capital lease is \$395,077. Amortization is included with depreciation expense on the Statement of Revenues, Expenses and Changes in Fund Net Assets.

The assets acquired through capital leases are as follows:

Equipment and Improvements	\$ 944,458
Less: Accumulated amortization	<u>(604,597)</u>
Total	<u>\$ 339,861</u>

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

<u>Year Ending June 30</u>	<u>Principal and Interest</u>
2012	\$ 107,108
2013	116,842
2014	116,842
2015	<u>87,632</u>
Total minimum lease payment	428,424
Less amount representing interest	<u>(33,347)</u>
Present value of minimum lease payments	<u>\$ 395,077</u>

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F. Restricted assets

Restricted assets arise principally from legal restrictions on expenditures of proceeds from general obligations bonds or sales tax revenue bonds in the governmental activities, or on expenditures of proceeds from revenue bonds of the enterprise funds. Restricted assets also include the investments restricted for use held in the City's permanent funds. The amount of restricted assets reported in the statement of net assets at June 30, 2011 is as follows:

Primary Government

<u>Governmental Activities</u>	
Capital Acquisition Fund	\$ 100,657,414
<u>Business-type activities</u>	
Airport Fund	\$ 92,607,057
Refuse Disposal Fund	14,210,346
Transit Fund	1,298,438
Non-major Enterprise Funds	17,206,786
Totals	\$ <u>125,322,627</u>

G. Short-term and long-term obligations

Governmental activities of the primary government:

Short Term Obligations: The changes in the short-term obligations of the governmental activities for the year ended June 30, 2011, are as follows:

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Short-term General Obligation Bonds	\$24,940,000	-	\$24,940,000	-

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Long Term: Bonded obligations of the City consist of various issues of general obligation, revenue, and special assessment bonds. Also included in long-term obligations are notes payable, claims and judgments, deferred credits, other post-employment benefits, and accrued vacation and sick leave pay. The City has complied with all revenue bond ordinances and bond covenants requirements for maintaining specific reserves for future debt service as of June 30, 2011.

The changes in the long-term obligations of the governmental activities for the year ended June 30, 2011, are as follows:

	Outstanding				Payable in one year
	July 1	Increases	Decreases	June 30	
General Obligation Bonds	\$ 232,940,000	\$ 135,000,000	\$ 44,135,000	\$ 323,805,000	\$ 48,530,000
Sales Tax Revenue Bonds	118,380,000	-	3,920,000	114,460,000	4,120,000
Sales Tax Revenue Notes	3,245,000	-	540,000	2,705,000	560,000
NMFA - Fire Fund Loan	-	1,403,058	-	1,403,058	-
Special Assessment Bonds and Notes					
With Governmental Commitment	2,239,093	-	2,239,093	-	-
Accrued vacation and sick leave pay	34,331,304	27,000,206	27,594,350	33,737,160	24,207,448
Accrued claims payable	60,963,311	33,803,818	27,864,593	66,902,536	22,994,750
Other post employment obligation	5,989,231	2,383,255	-	8,372,486	-
Deferred credits and other liabilities	1,094,060	-	218,855	875,205	-
Less deferred amounts:					
Deferred refunding costs	(4,306,173)	-	(209,822)	(4,096,351)	-
Unamortized bond discounts	(1,132,430)	-	(204,293)	(928,137)	-
Unamortized bond premiums	7,636,493	6,745,795	2,603,363	11,778,925	-
	461,379,889	206,336,132	108,701,139	559,014,882	100,412,198
Current portion of long-term obligations	(90,912,733)	-	9,499,465	(100,412,198)	-
Total	\$ 370,467,156	\$ 206,336,132	\$ 118,200,604	\$ 458,602,684	\$ 100,412,198

Total interest cost incurred for governmental activities for the year ended June 30, 2011 was \$15,209,133, all of which was charged to expense.

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General Obligation bonds are direct obligations of the City for which its full faith and credit are pledged and are payable from taxes levied on property located within the City. The sick leave and vacation pay obligations are being liquidated primarily by the following funds: General, Air Quality, Operating Grants, and Gas Tax Road. Limited amounts are being liquidated by other funds. The City's Risk Management Fund (an internal service fund) liquidates all claims payable. General obligation bonds outstanding at June 30, 2011, are as follows:

<u>Issue</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Call Provisions</u>
September 1, 2001 Storm Sewer	\$ 4,310,000	4.375%	July 1, 2011	100% beginning July 1, 2009
February 1, 2002 Storm Sewer	2,700,000	4.50%	July 1, 2011	100% beginning July 1, 2010
July 1, 2003 General Purpose	12,565,000	2.50/5.00%	July 1, 2012	100% beginning July 1, 2011
July 1, 2003 Storm Sewer	9,440,000	3.00/4.50%	July 1, 2013	100% beginning July 1, 2011
June 30, 2005 General Purpose	33,830,000	4.00/5.00%	July 1, 2013	Not callable
June 30, 2005 Storm Sewer	11,575,000	4.00/4.25%	July 1, 2014	100% beginning July 1, 2013
September 11, 2007 General Purpose	26,995,000	4.50/5.00%	July 1, 2016	Not callable
September 11, 2007 Storm Sewer	5,080,000	4.25/5.00%	July 1, 2016	100% beginning July 1, 2015
June 26, 2008 General Purpose	29,450,000	3.25/4.00%	July 1, 2017	100% beginning July 1, 2016
June 26, 2008 Storm Sewer	4,000,000	4.50%	July 1, 2017	100% beginning July 1, 2016
June 24, 2009 General Purpose	48,860,000	2.00/4.00%	July 1, 2018	Not callable
February 24, 2011 General Purpose	135,000,000	3.00/4.375%	July 1, 2023	100% beginning July 1, 2020
	<u>\$ 323,805,000</u>			

The Constitution of the State of New Mexico limits the amount of general-purpose general obligation bonds that may be issued by a municipality to four percent of the taxable valuation of property located within the City. At June 30, 2011 based on the most recent assessed taxable valuation of \$11,920,466,310, the City may issue an additional \$190,118,652 of general-purpose general obligation bonds. Included in the general obligation bonds outstanding at June 30, 2011 are Storm Sewer bonds in the amount of \$37,105,000 that are not subject to the legal debt limit.

On February 24, 2011 the City issued \$135,000,000 of General Obligation Bonds, Series A with an average coupon rate of 3.88%. The proceeds of these bonds were deposited into the Capital Acquisition Funds and will be used for the purchase of equipment, materials, and various construction projects (including renovation and repair) for public safety, citizens' centers, parks and recreation facilities, libraries, transit, cultural facilities, and streets. The bonds require annual principal payments and semi-annual interest payments through July 1, 2023.

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Sales Tax Revenue Bonds and Notes of the City are secured by a pledge of gross receipts tax (sales tax) revenues. In addition, the 1996 Refunding issue is secured by limited amounts of parking and airport revenues. Sales tax revenue bonds and notes outstanding at June 30, 2011, are as follows:

<u>Issue</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Call Provisions</u>
November 18, 1991 B Refunding and Improvement	\$ 3,970,000	6.60/7.10%	July 1, 2019	103% beginning July 1, 2011
October 15, 1996 Refunding	775,000	5.00%	July 1, 2011	100% beginning July 1, 2007
October 6, 2004 A Refunding	31,965,000	4.75%	July 1, 2037	100% beginning July 1, 2014
October 6, 2004 B Refunding	27,755,000	2.39/4.90%	July 1, 2014	100% beginning October 6, 2004
September 9, 2004, Note	2,705,000	1.26/3.67%	July 1, 2014	None
June 4, 2008 A Refunding	11,595,000	3.74/4.99%	July 1, 2014	Not callable
July 22, 2009 A Refunding	10,535,000	3.00/5.00%	July 1, 2025	100% beginning July 1, 2019
July 22, 2009 B Refunding	27,865,000	3.00/5.00%	July 1, 2022	100% beginning July 1, 2019
	<u>\$ 117,165,000</u>			

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

Business-type activities of the primary government

Short-term obligations- Commercial Paper: On April 22, 2009 the City issued Third Lien Airport Revenue Commercial Paper Notes, Series B for \$9,183,000. The Series B are private activity notes. These are junior lien notes and were issued for 267 days with a 0.75% interest rate, and an additional 265 days with a 0.42% interest rate. The proceeds were used for the communication center, fire alarms, and the terminal optimization project. As of June 30, 2011 the City paid off the Series B notes in the amount of \$9,183,000.

CITY OF ALBUQUERQUE, NEW MEXICO
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Long-term obligations: the changes in the business-type activities obligations for the year ended June 30, 2011, are as follows:

	Outstanding				Payable in One Year
	July 1	Increases	Decreases	June 30	
Revenue bonds	\$ 179,685,000	\$ 15,375,000	\$ 38,975,833	\$ 156,084,167	\$ 23,306,667
Loans and notes payable	32,022,293	-	3,515,433	28,506,860	2,541,189
Accrued vacation and sick leave pay	6,077,037	4,780,054	4,765,428	6,091,663	4,261,592
Landfill closure costs	1,805,109	41,039	-	1,846,148	-
Other	472,602	118,250	149,424	441,428	-
Less deferred amounts:					
Deferred refunding costs	(2,341,596)	(171,673)	(873,156)	(1,640,113)	-
Unamortized bond:					
premiums	2,098,629	792,744	615,632	2,275,741	-
discounts	(10,465)	(3,266)	(223)	(13,508)	-
	219,808,609	20,932,148	47,148,371	193,592,386	30,109,448
Capitalized leases	492,260	-	97,183	395,077	92,906
Subtotal	220,300,869	20,932,148	47,245,554	193,987,463	30,202,354
Current portion	(29,926,125)	-	276,229	(30,202,354)	-
Business-type activity long-term obligations	<u>\$ 190,374,744</u>	<u>\$ 20,932,148</u>	<u>\$ 47,521,783</u>	<u>\$ 163,785,109</u>	<u>\$ 30,202,354</u>

Total interest cost incurred for business-type activities for the year ended June 30, 2011 was \$9,276,011 of which \$544,992 was capitalized and \$8,731,019 was charged to expense. The sick leave and vacation pay obligations are being liquidated primarily by the following funds: Airport, Refuse Disposal, and Transit.

Airport Revenue Bonds are secured by pledges of net revenues of the airport. Airport Revenue bonds outstanding at June 30, 2011, are as follows:

Issue Dated	Amount	Interest Rate	Final Maturity	Call Provisions
April 3, 1997, Refunding	\$ 3,740,000	6.25% to 6.75%	July 1, 2012	100% beginning July 1, 2009
August 1, 2001	2,770,000	3.20% to 4.75%	July 1, 2016	100% beginning July 1, 2012
March 23, 2004A, Refunding	14,115,000	1.63% to 5.11%	July 1, 2018	100% beginning July 1, 2005
March 23, 2004B	23,320,000	2.00% to 4.50%	July 1, 2024	100% beginning July 1, 2007
March 11, 2008A, Refunding	12,990,000	3.00% to 5.00%	July 1, 2018	Not callable
May 14, 2008B, Refunding	11,470,000	3.445% to 4.905%	July 1, 2015	Not callable
May 14, 2008C, Refunding	4,405,000	3.50% to 4.375%	July 1, 2020	100% beginning July 1, 2018
November 19, 2008E, Refunding	24,375,000	3.50% to 5.50%	July 1, 2014	Not callable
November 12, 2009A, Refunding	24,379,167	3.00% to 4.50%	July 1, 2019	Not callable
May 19, 2011, Refunding	15,375,000	2.00% to 4.00%	July 1, 2016	Not callable
Total outstanding	136,939,167			
Unamortized:				
Premiums (discounts)	2,248,091			
Deferred refunding costs	(1,640,112)			
Net outstanding	<u>\$137,547,146</u>			

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On May 19, 2011, the City issued \$15,375,000 of Airport Refunding Revenue Bonds, Series 2011. Total proceeds were \$16,167,744, which included a reoffering premium on the Series 2011 of \$792,744. The Series 2011 bonds have an average interest rate of 3.0% with maturities extending to July 1, 2016. The bonds were issued to provide for the current refunding of the Series 2001 bonds.

The Series 2011 refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$171,673. This difference, reported in the accompanying financial statements as a deduction from bonds payable, has been deferred and will be amortized over the life of the new bonds using the effective interest method. The current refunding was undertaken to reduce high variable interest rate payments to a fixed rate in line with current economic conditions.

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

In December of 2008, the City issued \$11,275,000 Gross Receipts Tax Revenue Bonds (Series 2008B) to refund the Series 2000 Bonds. The City pursuant to a mortgage and indenture of trust issued the Series 2008B bonds as described above. The Series 2008B bonds consist of debt issued by the City owned trusts, and the Apartments. This debt constitutes a limited obligation of the City and is payable solely from the resources for threes trusts. Respective facilities and revenues derived from them are pledge for the repayment of these bonds. The mortgage and indenture of trust contains significant requirements for annual debt service and use of project revenues and resources. Required funds include a debt service fund, a net project revenue service fund, a property reserve fund and a stabilization fund. The Series 2008B Gross Receipts Revenue Bonds mature July 1, 2030 and bear an initial 4% coupon interest rate, increasing to 5.375% coupon rate at maturity. Interest is paid semiannually on January 1 and July 1. The initial payment is due July 1, 2009. Principal payment is due annually on July 1. The Series 2008B bonds are subject to optional and mandatory redemptions generally at par (unless long term interest rates are in effect) as required by the mortgage and indenture of trust. The mortgage and indenture of trust requires a cumulative sinking fund redemption commencing January 1, 2011. The Apartments debt in the amount of \$10,785,000 is outstanding at June 30, 2011 and maturities extend through July 1, 2030.

Golf Course Revenue Bonds are secured by a pledge of net golf course revenues and a pledge of revenues received by the City from gross receipts tax revenues. Golf Course Revenue bonds outstanding at June 30, 2011 are as follows:

Issue	Amount	Interest Rate	Final Maturity	Call Provision
February 1, 2001	<u>\$325,000</u>	5.70/6.70%	July 1, 2011	100% beginning July 1, 2007

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Refuse Disposal Revenue Bonds. are secured by a pledge of net revenues from refuse disposal operations. Refuse Disposal Revenue Bonds outstanding at June 30, 2011, are as follows:

Issue	Amount	Interest Rate	Final Maturity	Call Provision
February 1, 1998	2,600,000	4.20/5.00%	July 1, 2013	100% July 1, 2007
May 1, 2001 B	5,435,000	3.63/5.25%	July 1, 2012	Not callable
Total outstanding	8,035,000			
Unamortized premiums	14,141			
Net outstanding	\$ 8,049,141			

Refuse Loans. On July 9, 2004 the City entered into a tax-exempt loan agreement with New Mexico Finance Authority for \$5,800,000 with an average interest rate of 2.87%. Final payment is due on July 1, 2014. The balance due on June 30, 2011 was \$2,495,952. On March 16, 2008 the City entered into a tax-exempt loan agreement with New Mexico Finance Authority for \$2,600,000 with an average interest rate of 3.31%. Final payment is due on July 1, 2015. The balance due on June 30, 2011 was \$1,920,326.

Stadium Loans are secured by pledges of net revenues of the Albuquerque baseball stadium. On October 4, 2002, the City entered into a Taxable Stadium Lease loan agreement with the New Mexico Finance Authority in the amount of \$6,000,000 with an average interest rate of 5.2%. Final payment is due on July 1, 2026. The balance due on June 30, 2011 was \$4,889,602. On December 27, 2002, the City entered into a Taxable Surcharge loan agreement with the New Mexico Finance Authority in the amount of \$9,000,000 with an average interest rate of 4.2%. Final payment is due on July 1, 2026. The balance due on June 30, 2011 was \$7,164,587. Both loans were used to finance reconstruction of the existing baseball stadium.

Transit Loans. On July 25, 2006 the City entered into a tax-exempt lease-purchase agreement with SunTrust Leasing Corporation for \$20,000,000 with an average interest rate of 4.3%. Final payment is due on July 1, 2016. The principal balance outstanding at June 30, 2011 was \$12,036,392.

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Summary of Annual Debt Service Requirements. The annual debt service requirements on the obligations outstanding at June 30, 2011 are as follows:

Year ending June 30	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2012	\$ 53,258,095	\$ 16,796,635	\$ 25,940,762	\$ 8,089,513
2013	50,729,337	15,504,588	27,327,993	6,302,201
2014	50,984,805	13,458,592	25,301,765	5,399,057
2015	43,660,421	11,501,552	25,337,102	4,331,407
2016	31,111,310	10,024,385	16,916,295	3,435,606
2017 - 2021	112,681,239	34,238,387	44,268,222	8,533,586
2022 - 2026	45,425,986	17,494,830	13,990,270	3,216,204
2027 - 2031	17,566,865	11,850,396	5,903,695	647,424
2032 - 2036	24,595,000	6,486,187	-	-
2037 - 2038	12,360,000	636,547	-	-
Total	\$ 442,373,058	\$ 137,992,099	\$ 184,986,104	\$ 39,954,998

Arbitrage

Section 148 of the Internal Revenue Code provides generally that bonds issued by a municipality will be "arbitrage bonds", if any portion of the proceeds of the bonds are reasonably expected to be invested in obligations with a yield that is "materially higher" than the yield on the bonds. While municipalities are entitled to earn a certain amount of positive arbitrage during the period the bonds are outstanding, Section 148(f) generally requires that these earnings be paid to the Internal Revenue Service (IRS) at least every five years. As of June 30, 2011, the City has set aside \$875,205 in arbitrage interest due the IRS in connection with future filings and payments to the IRS. This amount is included in other liabilities in the statement of net assets.

CITY OF ALBUQUERQUE, NEW MEXICO
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Discretely presented component unit

The change in the short-term and long-term obligations of the Authority for the year ended June 30, 2011, are as follows:

	Outstanding			June 30, 2011	Payable in one year
	June 30, 2010	Increases	Decreases		
Parity Obligations:					
Revenue Bonds	\$ 489,210,000	\$ -	\$ 22,065,000	\$ 467,145,000	\$ 24,130,000
Loan Agreements - NMFA	183,840,733	1,000,000	11,778,128	173,062,605	13,198,876
Line of Credit - NMFA	687,072	312,928	1,000,000	-	-
Subordinate Obligations:					
Loan Agreements - NMED	12,326,427	-	2,402,961	9,923,466	427,839
Loan Agreements - NMFA	10,426,232	100,302	221,175	10,305,359	449,451
Line of Credit - NMFA	75,218	127,887	100,302	102,803	-
Junior Obligations:					
Loan Agreements - NMFA	48,555	297,255	17,267	328,543	17,311
Line of Credit - NMFA	(2,745)	2,745	-	-	-
Water rights contract	14,858,313	-	948,650	13,909,663	977,546
Accrued vacation and sick leave	3,179,488	3,490,299	3,253,630	3,416,157	3,307,594
Less deferred amounts:					
Unamortized bond premiums	15,159,306	-	2,528,040	12,631,266	-
Bond refunding costs	(306,038)	-	(203,881)	(102,157)	-
	729,502,561	5,331,416	44,111,272	690,722,705	42,508,617
Current portion of long-term obligations	(38,529,601)	-	3,979,016	(42,508,617)	-
Total	\$ 690,972,960	\$ 5,331,416	\$ 48,090,288	\$ 648,214,088	\$ 42,508,617

Parity Obligations – Revenue Bonds, Loan Agreements, and Lines of Credit:

Authority parity obligations are secured by a pledge of net revenues derived from the operations of the Authority's water and sewer system. In ordinances pursuant to the issuance of these bonds, the Authority has agreed to charge all users of the system such reasonable rates as are sufficient to produce net revenues annually to pay 133% of the annual debt service requirements on all outstanding system obligations. If the annual net revenues are less than 133% of the annual debt service requirements, the Authority shall either promptly increase rates in order to produce sufficient net revenues or employ a consultant or manager to make recommendations to revise the Authority's rate structure and other charges in order to satisfy the rate covenant as soon as practicable. For the year ended June 30, 2011, the net revenues were 111% of the annual debt service. In June 2011, the Board approved an amendment to the Authority's Rate Ordinance that will increase rates in fiscal year 2012 to comply with the rate covenant in future years. The increase in rates was based on the evaluation of existing rates and consultations with an external consultant. The Authority's management anticipates that future net revenues will be sufficient to meet the rate covenant requirements.

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Authority parity obligations outstanding at June 30, 2011, are as follows:

<u>Revenue Bonds Issued</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Call Provisions</u>
January 1, 1999A	11,910,000	3.80% to 5.25%	July 1, 2011	Not callable
October 25, 2005	125,825,000	3.50% to 5.00%	July 1, 2025	100% beginning July 1, 2015
July 12, 2006	126,900,000	4.25% to 5.165%	July 1, 2026	100% beginning July 1, 2016
April 9, 2008	55,630,000	5.00%	July 1, 2033	100% beginning July 1, 2018
April 8, 2009	135,740,000	3.00% to 5.50%	July 1, 2029	100% beginning July 1, 2019
April 8, 2009, Refunding	<u>11,140,000</u>	3.00% to 5.00%	July 1, 2013	Not callable
Total outstanding	467,145,000			
Unamortized:				
Premiums	12,631,266			
Deferred refunding costs	<u>(102,157)</u>			
Net outstanding	<u>\$ 479,674,109</u>			

<u>Loan Agreements Issued</u>	<u>Current Loan Balance</u>	<u>Original Loan Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>
May 10, 2002	\$ 282,814	\$ 2,450,000	2.75%	July 1, 2012
April 11, 2003	1,604,791	3,600,000	2.00%	January 1, 2016
October 13, 2004	86,455,000	118,415,000	1.32% to 4.16%	May 1, 2024
October 28, 2005	18,750,000	20,000,000	2.93% to 4.01%	May 1, 2025
September 26, 2007	64,970,000	77,005,000	4.00% to 5.0%	May 1, 2025
December 1, 2010	<u>1,000,000</u>	1,000,000	0.75%	July 1, 2031
Total outstanding	<u>\$ 173,062,605</u>			

The Authority entered into a line of credit agreement on January 18, 2010 with the New Mexico Finance Authority (NMFA) whereby the Authority could draw up to \$2,000,000. The agreement was partially funded with federal grants received by the NMFA through the American Recovery and Reinvestment Act. If the Authority complied with the terms of the agreement, then \$1,000,000 would be subsidized by the grant and therefore not repayable. The purpose of the project was to upgrade and improve the water utility system, including, but not limited to construction of a water line extension to serve the community of Carnuel in Bernalillo County. The Authority completed the project in FY 2011. On December 1, 2010, the line of credit was resized and converted to a long-term parity loan agreement for \$1,000,000 with a .75% interest rate. It requires annual principal payments until final maturity on July 1, 2031.

Subordinate Obligations – Loan Agreements and Lines of Credit:

On October 1, 1994, the Authority executed a promissory note with the New Mexico Environment Department (NMED) that converted an existing line of credit agreement of \$7,907,582 to a long-term notes payable with an interest rate of 5%. On March 12, 2001, the Authority refinanced the note payable, which lowered the interest rate to 3%. Annual payments are \$567,926, with a final payment due on July 1, 2013. The balance due at June 30, 2011, is \$1,086,709.

On June 14, 2000, the Authority executed a promissory note with the New Mexico Environment Department that converted an existing line of credit agreement of \$15,000,000 to a long-term note payable with an interest rate of 4% with annual payments of \$1,587,627. Final payment is due on July 1, 2012. The balance due at June 30, 2011, is \$1,526,565.

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On May 20, 2005, the Authority executed a promissory note with the New Mexico Environment Department that converted an existing \$12,000,000 line of credit agreement. The note payable of \$9,627,877 (total draws on the line of credit plus accrued interest of \$242,655) has an interest rate of 3%. The note requires annual payments of \$647,145, due on May 20th each year. Final payment is due May 20, 2025. The balance due at June 30, 2011, is \$7,310,192.

On November 17, 2008 the Authority entered into a line of credit agreement with the New Mexico Finance Authority. The agreement provided that the Authority could draw a total of \$12,000,000. Construction of the project was completed in FY 2010 for a total cost of \$10,426,232. This credit line was converted to a long-term subordinate loan agreement on November 11, 2010 at an interest rate of 1.75% with annual payments due beginning May 1, 2011 and maturing on May 1, 2030. The balance due at June 30, 2011 is \$10,207,281.

The Authority entered into a line of credit agreement on January 22, 2010 with the New Mexico Finance Authority (NMFA) whereby the Authority could draw up to \$200,000. The agreement was partially funded with federal grants received by the NMFA through the American Recovery and Reinvestment Act. If the Authority complied with the terms of the agreement, then \$140,000 would be subsidized by the grant and therefore not repayable. The purpose of the project was to upgrade and improve the water utility system, including, but not limited to, expansion of the leak detection system to cover an additional 5% of the distribution system. This project was completed in FY 2011 for a total cost of \$199,873, of which \$140,000 was forgiven and a new long-term subordinate loan created for \$59,873. The interest rate is .75%, with an administrative fee of .25%. The close occurred August 11, 2010. Payments begin May 1, 2011 and final maturity is May 1, 2030. The balance due at June 30, 2011 is \$57,549.

The Authority entered into a line of credit agreement on January 22, 2010 with the New Mexico Finance Authority (NMFA) whereby the Authority could draw up to \$156,826. The agreement was partially funded with federal grants received by the NMFA through the American Recovery and Reinvestment Act. If the Authority complied with the terms of the agreement, then \$109,778 would be subsidized by the grant and therefore not repayable. The purpose of the project was to upgrade and improve the water utility system, including, but not limited to, the replacement of approximately 1,086 high flow urinals with high efficiency fixtures in City of Albuquerque facilities. The Authority completed the project in FY 2011, for a total cost of \$150,207, of which \$109,778 was forgiven and a new long-term subordinate loan created for \$40,429. The interest rate is .75%, with an administrative fee of .25%. The close occurred May 1, 2011. Payments begin July 1, 2012 and final maturity is July 1, 2030. The balance due at June 30, 2011 is \$40,429.

Also on January 22, 2010, the Authority entered into a line of credit agreement with the New Mexico Finance Authority (NMFA) whereby the Authority can draw up to \$414,036. The agreement is partially funded with federal grants received by the NMFA through the American Recovery and Reinvestment Act. If the Authority complies with the terms of the agreement, then \$289,825 will be subsidized by the grant and therefore not repayable. The purpose of the project is to upgrade and improve the water utility system, including, but not limited to, a water use efficiency retrofit analysis. The Authority must complete the project by January 22, 2012. Upon completion, the line of credit will be resized to a loan for the actual cost incurred. The interest rate is .75%, with an administrative fee of .25%. At June 30, 2011, the Authority had drawn \$342,677 (\$102,803 loan and \$239,874 subsidy).

Junior Obligations – Loan Agreements:

On November 13, 2009, the Authority entered into a loan agreement with New Mexico Water Trust Board and New Mexico Finance Authority for \$50,000 with 0% interest and an administrative fee of .25%. The agreement includes a \$450,000 grant funded through the State of New Mexico. The grant amount was not repayable. The project was for the benefit of the Carnuel Mutual Domestic Water and Wastewater Consumers Association. It extended water lines to the community of Carnuel (an unincorporated city) just east of Albuquerque. The loan payments began June 1, 2010 and extend until June 1, 2029. The project was completed in November, 2010 with all drawdowns on the grant received. The balance due on the loan at June 30, 2011 is \$46,057.

Also on November 13, 2009 the Authority entered into a loan agreement with New Mexico Water Trust Board and New Mexico Finance Authority for \$100,000 with 0% interest and an administrative fee of .25%. The agreement included a \$400,000 grant funded through the State of New Mexico. The grant amount was not repayable. The project was for the

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benefit of the Carnuel Mutual Domestic Water and Wastewater Consumers Association. It extended water lines to the community of Carnuel (an unincorporated city) just east of Albuquerque. The loan payments began June 1, 2010 and extend until June 1, 2029. The project was started and completed in FY 2011. All drawdowns on the grant were received. The balance due on the loan at June 30, 2011 is \$92,251.

On May 28, 2010, the Authority entered into a loan agreement with New Mexico Water Trust Board and New Mexico Finance Authority for \$200,000 with 0% interest and an administrative fee of .25%. The agreement includes an \$800,000 grant funded through the State of New Mexico. The grant amount is not repayable. The project is for the benefit of the Carnuel Mutual Domestic Water and Wastewater Consumers Association. It will extend water lines to the community of Carnuel (an unincorporated city) just east of Albuquerque. Loan payments began June 1, 2011 and extend until June 1, 2030. The balance due on the loan at June 30, 2011 is \$190,235. Drawdowns on the grant at June 30, 2011 were \$471,686. The project is not complete at June 30, 2011.

Water Rights Contract

A Water Rights Contract with the United States Government was entered into by the Authority during the fiscal year ended June 30, 1963, to pay a portion of the construction, operation, and maintenance costs of the San Juan Chama diversion project in return for a portion of the water rights resulting from the project. The contract provides for payment in fifty annual installments with final maturity in 2022, and has an interest rate of 3.046%. The amount of the contract outstanding at June 30, 2011, is \$13,909,663.

Debt Service Requirements

The annual debt service requirements on the revenue bonds, loan agreements and the water rights contract payable outstanding of the Authority at June 30, 2011, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 39,201,023	\$ 30,187,923	\$ 69,388,946
2013	40,764,732	28,642,124	69,406,856
2014	40,606,834	26,854,637	67,461,471
2015	39,201,986	25,133,326	64,335,312
2016	42,250,211	23,417,794	65,668,005
2017 - 2021	195,554,902	89,816,722	285,371,624
2022 - 2026	163,083,631	46,988,675	210,072,306
2027 - 2031	68,144,230	19,433,216	87,577,446
2032 - 2035	<u>45,867,087</u>	<u>4,219,682</u>	<u>50,086,769</u>
 Total	 <u>\$ 674,674,636</u>	 <u>\$ 294,694,099</u>	 <u>\$ 969,368,735</u>

H. Refunded bonds

The City has refunded various bond issues by issuing refunding bonds, the proceeds of which have been placed in escrow and used to purchase securities of the United States Government and related agencies at various interest rates and maturities sufficient to meet all debt service requirements of the refunded debt. These assets are administered by trustees and are restricted to use for retirement of the refunded debt. The liability for the refunded bonds and the related securities and escrow accounts are not included in the accompanying general purpose financial statements as the City satisfied its obligation for payment of the refunded debt upon completion of the refunding transactions. Refunded debt outstanding at June 30, 2011, is as follows:

Sales Tax Revenue Bonds	<u>\$28,300,000</u>
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I. Conduit bonds

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

Industrial Revenue Bonds. As of June 30, 2011, there were forty series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the thirty series issued after July 1, 1995, is \$781.4 million. The aggregate principal amount payable for the ten series issued prior to July 1, 1995, could not be determined; however, the original amount issued totaled \$331.0 million.

Metropolitan Redevelopment Bonds. As of June 30, 2011, there were three series of Metropolitan Redevelopment Bonds outstanding. The aggregate principal amount payable for the one series issued after July 1, 1995, is \$2.0 million. The aggregate principal amount payable for the two series issued prior to July 1, 1995, could not be determined; however, the original amount issued totaled \$8.7 million.

Housing Authority Conduit Debt. The U.S. Housing and Urban Development Department (HUD) guaranteed third party debt consisting of new Housing Authority (HA) revenue bonds and permanent notes, payable to the Federal Financing Bank, were issued to provide for the development and modernization of low rent housing units. These bonds and notes are payable by HUD and secured by annual contributions to the HA. HUD regulations state that the bonds and notes do not constitute a debt of the HA and, accordingly, these have not been reported in the accompanying financial statements. At June 30, 2011, the outstanding balance of the revenue bonds was \$260,000 with annual payments required through 2013 and the outstanding balance of the permanent notes was \$3,746,663 with annual payments required through 2017.

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J. Segment information

Significant financial data of major enterprise funds are reported in the statements for proprietary funds in the basic financial statements section. Significant financial data of nonmajor enterprise funds as of and for the year ended June 30, 2011 is as follows:

(in thousands of dollars)

	Golf Course Fund	Apartments Fund	Stadium Fund	Housing Fund	Parking Fund	Total
CONDENSED STATEMENT OF NET ASSETS						
Assets:						
Current assets	\$ 799	\$ 1,917	\$ 1,138	\$ 12,081	\$ 360	\$ 16,295
Restricted assets	86	972	76	11,512	4,561	17,207
Capital assets	5,706	12,394	15,776	10,611	21,514	66,001
Other assets	-	221	21	-	60	302
Total assets	6,591	15,504	17,011	34,204	26,495	99,805
Liabilities:						
Current liabilities	657	649	961	1,665	343	4,275
Liabilities payable from restricted assets	-	126	-	316	-	442
Bonds, notes payable, and other long-term liabilities	-	10,450	11,559	302	-	22,311
Accrued vacation and sick leave	143	-	16	144	-	303
Advance from other funds	-	-	-	-	8,890	8,890
Total liabilities	800	11,225	12,536	2,427	9,233	36,221
Net assets:						
Invested in capital assets, net of related debt	5,381	1,830	3,743	10,216	12,684	33,854
Net assets restricted for:						
Debt service	34	3,392	76	-	55	3,557
Construction	41	-	-	-	4,506	4,547
Unrestricted net assets (deficit)	335	(943)	656	21,561	17	21,626
Total net assets	\$ 5,791	\$ 4,279	\$ 4,475	\$ 31,777	\$ 17,262	\$ 63,584
CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS						
Operating revenues	\$ 3,824	\$ 3,348	\$ 1,821	\$ 2,181	\$ 4,265	\$ 15,439
Depreciation	(255)	(540)	(937)	(1,353)	(1,226)	(4,311)
Other operating expenses	(3,901)	(2,185)	(1,005)	(7,715)	(3,629)	(18,435)
Operating income (loss)	(332)	623	(121)	(6,887)	(590)	(7,307)
Nonoperating revenues (expenses):						
Investment earnings	2	2	4	26	13	47
Interest and other debt related expenses	(24)	(558)	(681)	(28)	(599)	(1,890)
Federal housing grants	-	-	-	30,147	-	30,147
Housing assistance payments	-	-	-	(21,063)	-	(21,063)
Other	112	333	-	241	(39)	647
Capital contributions	-	-	-	-	174	174
Transfers in	464	-	-	-	2,145	2,609
Transfers out	(81)	(484)	-	-	(149)	(714)
Change in net assets	141	(84)	(798)	2,436	955	2,650
Beginning net assets	5,650	4,363	5,273	29,341	16,307	60,934
Ending net assets	\$ 5,791	\$ 4,279	\$ 4,475	\$ 31,777	\$ 17,262	\$ 63,584
CONDENSED STATEMENT OF CASH FLOWS						
Net cash provided (used) by:						
Operating activities	\$ (14)	\$ 1,490	\$ 874	\$ (9,368)	\$ 647	\$ (6,371)
Noncapital financing activities	495	(484)	-	9,326	(1,274)	8,063
Capital and related financing activities	(332)	(1,169)	(1,150)	(579)	160	(3,070)
Investing activities	3	2	4	26	13	48
Net increase (decrease)	152	(161)	(272)	(595)	(454)	(1,330)
Beginning cash and cash equivalents	719	3,015	1,222	23,443	2,526	30,925
Ending cash and cash equivalents	\$ 871	\$ 2,854	\$ 950	\$ 22,848	\$ 2,072	\$ 29,595

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

K. Defined benefit pension plan

Plan Description. Substantially all of the City's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

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

The following are the plans covered by the City, contribution requirements, and contributions actually made (in thousands of dollars) for the year ended June 30, 2011:

Group Covered	Employee		Employer	
	Percent	Amount	Percent	Amount
General, Management, and Bus Drivers	13.15%	\$ 19,863	9.15%	\$ 13,821
Temporary Employees	7.00%	176	7.00%	176
J-Series 20 Year	16.65%	131	16.65%	131
Police	16.30%	10,285	18.50%	11,619
Fire	16.20%	6,034	21.25%	7,915
		\$ 36,489		\$ 33,662

The contribution requirements of plan members and the City are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. In accordance with Chapter 10, Article 11, Section 5 NMSA 1978, the City has elected to make a percentage of the employee's contributions. The percentage of the employee's contribution paid by the City varies according to the specific plan type. The City's contributions to PERA for the years ending June 30, 2011, 2010, 2009, and 2008 were \$33,662,266, \$36,343,828, \$34,709,132, and \$32,287,682, respectively, which equal the amount of required contributions for each fiscal year.

L. Post-employment benefits

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

Postemployment Life Insurance Benefits.

Plan Description. The City's Life Insurance Benefit Plan (Plan) is a single employer defined benefit plan administered by the City; the plan also includes coverage for the employees of the Albuquerque Bernalillo County Water Authority (a separate legal entity, although a component unit of the City). Insurance benefits are authorized by the City's Merit System Ordinance and Personnel Rules and Regulations. Upon retirement an employee will continue to be covered by the City's plan at no cost to the employee. Coverage will be one-half of the coverage reflected on the most recent annual life insurance adjustment report immediately prior to retirement up to a maximum of \$25,000. Effective July 1, 2008 the minimum amount of coverage per retiree will be \$12,500. The number of retired employees covered under the life insurance benefit was 4,071 at June 30, 2011, and the amount of life insurance coverage for these retired employees was \$86,192,650.

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Funding Policy. The City recognizes the cost of providing the life insurance benefits by charging the insurance premiums to expenditures. Life insurance benefits are paid through premiums to an insurance company under an indemnity plan. The insurance company has the right to adjust the premiums based on claims paid. Historically, the claims paid in any one year have not exceeded the premiums. The required contribution is based on projected pay-as-you-go financing requirements. The current rate is .28 per \$1,000 face value of life insurance for actives and retirees. The life insurance premium costs for the City's retirees for the years ending June 30, 2011, 2010, and 2009 were \$275,971, \$262,030, and \$247,265, respectively. The life insurance and accidental death and dismemberment premium costs for the City's active employees for the years ending June 30, 2011, 2010 and 2009, were \$1,149,148, \$1,178,243, and \$1,170,789, respectively.

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

Net OPEB Obligation at beginning of year	\$	5,989,231
<i>Plus Projected Annual OPEB Cost:</i>		
Interest on Net OPEB Obligation at beginning of year		239,569
Annual Required Contribution (ARC) for current fiscal year		3,685,799
ARC Adjustment for current fiscal year		(260,832)
		3,664,536
<i>Less Net Employer Contribution</i>		(1,281,281)
Expected Net OPEB Obligation at end of year	\$	8,372,486

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/09	\$ 3,348,091	40.7%	\$ 3,969,105
6/30/10	\$ 3,458,126	41.6%	\$ 5,989,231
6/30/11	\$ 3,664,536	35.0%	\$ 8,372,486

Funding Status and Funding Progress. As of June 30, 2011, the most recent actuarial valuation date, the plan was 0% funded using the criteria established by GASBS 45. The actuarial accrued liability for benefits was \$57,659,176 (\$17,629,654 for active employees and \$40,029,522 for retired employees). There are no plan assets; however, the City has earmarked \$4,601,066 in the City's Internal Service Employee Insurance Fund for future plan costs. The covered payroll (annual payroll of active employees covered by the plan) was \$304,084,840 and the ratio of the UAAL to the covered payroll was 19%. The ARC as a percent of payroll is 1.2% of which .4% is the normal cost as a percent of payroll. The ARC per active employee is \$501. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events of events far into the future. Examples include assumptions about future employment, mortality, and changes in life expectancies. Amounts determined regarding the funded status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress is presented as required supplementary information following the notes to the financial statements.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the Life Insurance Benefit plan as understood by the City and the plan members and include the types of benefits provided at the time of each valuation and the City's historical pattern of paying for the plan. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In the June 30, 2010, actuarial valuation, the Entry Age Normal (EAN) funding method was used where, for each plan member, the actuarial present

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value of benefits is levelly spread over the plan member's earnings or service from entry age to assumed exit age. The EAN cost method is generally regarded by actuaries as the most stable of the funding methods. The goal of GASBS 45 is to match recognition of retiree life expense with the periods during which the benefit is earned and the City's actuary believe that EAN funding method effectively meets that goal in most circumstances. Another important issue in these calculations is the treatment of implicit subsidies where retiree coverage is subsidized by active employee costs. The City pays the same insurance premium rates for both active and retired employees, because the retired employees are on average older than active employees, there is an implicit subsidy of retiree coverage by active employee costs, which GASBS 45 generally requires be attributed to the retiree liability. The actuarial assumptions included a 4.0 percent investment rate of return on expected long-term returns on the City's own investments calculated on the funded level of the plan at the valuation date. As of June 30, 2011, the plan has not been funded and no interest was earned on the plan assets during the year. The City intends to amortize the UAAL over a thirty-year period under the level percentage of pay method, beginning in the next fiscal year. The remaining amortization period at June 30, 2011, was 27 years. The ARC was based on a 4.0 percent discount rate, funding will be based on an 8.0 percent discount rate.

Retiree Health Care Act Contributions.

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

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

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

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.

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The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. Through fiscal year ended June 30, 2011, the statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee was required to contribute .833% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for employees and employers will rise as follows:

(1)

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

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

(2)

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

<u>Fiscal</u> <u>Year</u>	<u>Employer Contribution</u> <u>Rate</u>	<u>Employee Contribution</u> <u>Rate</u>
FY12	2.292%	1.146%
FY13	2.500%	1.250%

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

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

The City's contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$4,688,405, \$3,478,108 and \$3,434,816 respectively, which equal the required contributions for each year.

M. Landfill closure and postclosure care cost

Federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs in the Refuse Disposal Fund (Enterprise) as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,846,148 reported as accrued landfill closure costs from restricted assets at June 30, 2011, represents the cumulative amount reported to date based on the use of 25.2% of the estimated capacity of the Cerro Colorado and South Broadway Landfills.

The City will recognize the remaining estimated cost of closure and post-closure care of \$5,252,213 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2011. The City expects to close the landfill in the year 2094. Actual cost may be higher due to inflation, change in technology, or change in regulations. The City has set aside \$2,306,214 for future post-closure costs. This amount is reported as a restricted asset on the balance sheet. The City expects that future inflation costs will be paid from interest

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

earnings on these annual contributions. However, if interest earnings are inadequate, or additional post-closure care requirements are determined (due to change in technology or applicable laws or regulations, for example); these costs may need to be covered by charges to future landfill users or from future tax revenue.

N. Risk management

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

The Risk Management Fund tracks claims on a fund by fund basis and assesses charges to each fund based on historical claims experience and the need to establish a reserve for unanticipated catastrophic losses. That reserve was \$1,000,000 at June 30, 2011, and is included in the unrestricted net assets of the Risk Management Fund. The claims liabilities reported in the Risk Management Fund are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic factors. The estimate of the claims liability also includes amounts for incremental claim adjustments expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Based on historical data, the City believes the Risk Management Fund (an internal service fund) is adequately funded. The cash balance grew by \$ 4,118,526 during Fiscal Year 2011. Moreover, pursuant to Section 41-4-25(B) NMSA 1978, in the event of a judgment against the City in excess of \$1,000,000 the City, with Council approval, may levy a tax on real property to provide for the payment of catastrophic losses. In addition, the City started Fiscal Year 2011 with \$ 11,125,655 available in the committed General Fund balance.

Finally, the City has reserve amounts created by the City's policy to reserve one-twelfth of the General Fund budgeted amount. The amounts and change in the Fund's claims liability in fiscal year 2011 and 2010 were:

	2011	2010
Claims liability at July 1	\$ 60,963,311	\$ 67,372,880
Current year claims and change in estimates	33,803,818	27,977,251
Claims liquidated	(27,864,593)	(34,386,820)
Claims liability at June 30	\$ 66,902,536	\$ 60,963,311
The components of the claims liability at June 30 are:		
Current portion	\$ 22,994,750	\$ 20,440,000
Noncurrent portion	43,907,786	40,523,311
Total claims liability	\$ 66,902,536	\$ 60,963,311

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

O. Changes to previously reported fund balances and net assets

In previous years, Impact Fees collected from real estate developers were reported as revenue in the Impact Fees fund, a non-major capital project fund. Because such fees are required to be expended on improvements related to the real estate developments, the accompanying financial statements report them as deferred revenue until they have been expended. In addition, the implementation of GASB Statement No. 54 resulted in the reclassification of three funds previously reported as non-major special revenue funds since they no longer qualify as special revenue funds under the new criteria. Those funds are now reported as part of the General Fund. Further, the Infrastructure Tax Fund was previously reported as a major fund, however in 2011 it does not meet the criteria to be classified as a major fund. Accordingly, the accompanying financial statements reflect the following changes to previously reported balances at June 30, 2010:

	Net Assets of Governmental Activities	Fund Balance of Non-Major Governmental Funds	General Fund
June 30, 2010 as previously reported	\$ 3,329,562,218	98,009,409	45,164,389
Restatements and reclassifications:			
Defer unspent impact fees	(16,185,110)	(16,185,110)	-
Reclassify funds previously reported as special revenue		(1,328,992)	1,328,992
Report Infrastructure Tax Fund with non-major funds	-	61,729,272	-
July 1, 2010, as restated and reclassified	<u>\$ 3,313,377,108</u>	<u>142,224,579</u>	<u>46,493,381</u>

P. Albuquerque Bernalillo County Water Utility Authority – Component Unit

In 2003, the New Mexico Legislature adopted Senate Bill 887 (Laws 2003, Chapter 437, codified as Section 72-1-10, NMSA 1978) creating the Albuquerque Bernalillo County Water Utility Authority (Authority) and transferred all functions, appropriations, money, records, equipment and other real and personal property of the City's Joint Water and Sewer Fund (Fund) to the Authority. The Authority is comprised of a board of three City Councilors, three County of Bernalillo Commissioners, and the Mayor of the City. Under the provisions of the legislation, the Water/Wastewater System transferred to the Authority on December 17, 2003, after completion of an audit as of June 30, 2003 of the Water/Wastewater System by the New Mexico Public Regulation Commission. Accordingly, as of July 1, 2003 the Authority reports all transactions of the Water/Wastewater System. To facilitate the Water/Wastewater System transfer, the City, County of Bernalillo, and the Authority entered into a joint powers agreement governing policy matters and a memorandum of understanding governing operational matters. Both of these documents provide a framework for the Authority to operate successfully and without interruption in services provided to the community. The current memorandum of understanding (MOU) became effective July 1, 2007 and runs through June 30, 2012. City water and wastewater utility employees are no longer considered City employees and all managerial, operations and maintenance responsibilities associated with the utility are fully assumed by the Authority; however, the City provides certain administrative services to the Authority.

In accordance with those documents, the City provides accounting and other services for the Authority as well as receiving water and wastewater services from the Authority. The Authority paid the City for the following services during fiscal year 2011:

Franchise fees	\$ 5,323,371
Administrative indirect overhead, including accounting and other central services	2,136,280
Warehouse supplies	2,771,108
Fleet management services	1,561,439
Barricading and street sweeping	660,370
Total	<u>\$ 12,452,568</u>

During fiscal year 2011 the City paid the Authority \$5,978,064 for water and sewer services.

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

Q. Commitments and contingencies

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

Government activities:	
Major Funds: General Fund	\$ 2,870,080
Non-major Government Funds	1,169,099
Total Governmental Funds	<u>\$ 4,039,179</u>

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

Business-type activities:	
Major Funds:	
Airport Fund	\$ 57,766,997
Refuse Disposal Fund	7,496,926
Transit Fund	2,033,011
Non-major Business-type Funds	4,547,364
Total Business-type Funds	<u>\$ 71,844,298</u>

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

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

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

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

R. Budget violations

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

Fund/Program	Final Budget	Actual	Variance
General Fund – DFAS – Strategic Support	\$ 423,000	\$ 423,930	\$ (930)
General Fund – Communications and Records	12,487,000	12,546,354	(59,354)
General Fund – Family Advocacy Center	8,952,000	8,954,867	(2,867)
General Fund – Aviation Landscape	961,000	974,173	(13,173)
General Fund – Balloon Museum	873,000	875,049	(2,049)
General Fund – Biopark	11,766,000	11,769,116	(3,116)
General Fund – CIP Library	60,000	61,772	(1,772)
General Fund – Community Events	2,301,000	2,328,851	(27,851)
General Fund – Cultural Services – Strategic	1,323,000	1,330,514	(7,514)
General Fund – Explora	1,425,000	1,426,831	(1,831)
General Fund – Library	9,953,000	9,954,077	(1,077)
General Fund – Museum	2,793,000	2,797,034	(4,034)
General Fund – Parks and Recreation Strategic Support	773,000	773,170	(170)
General Fund – Promote Safe Use of Firearms	435,000	454,676	(19,676)
General Fund – Quality Recreation	2,278,000	2,278,563	(563)
General Fund – Storm Drainage	2,756,000	2,758,376	(2,376)
General Fund – Supportive Services to Homeless	230,550	230,807	(257)
General Fund – Provide Transitional Housing	154,000	154,850	(850)
Biological Park Projects Fund	14,550,255	14,865,107	(314,852)
Operating Grants Fund	372,898,385	375,362,608	(2,464,223)
Housing & Neighborhood Economic Development Fund	12,423,517	13,844,228	(1,420,711)
Transit Fund	44,005,507	44,351,664	(346,157)

S. Significant effects of subsequent events

Bonds

On September 1, 2011 the City issued Tax Exempt Gross Receipts Tax Refunding Bonds Series 2011A through the New Mexico Finance Authority in the amount of \$22,660,000. The bonds are secured by a pledge of gross receipts tax (sales tax) revenues and mature on July 1, 2028 with interest rates of 2.00%-4.00%.

On September 1, 2011 the City issued Gross Receipts Tax Refunding Bonds Series 2011B through the New Mexico Finance Authority in the amount of \$11,650,000. The bonds are secured by a pledge of gross receipts tax (sales tax) revenues and mature on July 1, 2026 with interest rates of 2.00%-4.45%.

Effective July 1, 2011, Albuquerque Housing Authority Fund, an enterprise fund of the City, will become the Albuquerque Housing Authority (AHA), a component unit of the City, per Council Resolution R-10-97 enacted December 22, 2010. Resolution R-10-97 also established a Board of Housing Commissioners, whose members and chairperson will be appointed by the Mayor with the advice and consent of the City Council. The Board will assume responsibility for the operations of the AHA on July 1, 2011 and all of the assets, debts and employees of the Fund will be transferred to the AHA at that time.

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

S. Significant effects of subsequent events, continued

Discretely presented component unit

The Authority entered into three loan and grant agreements with the New Mexico Finance Authority (NMFA) and the Water Trust Board on November 23, 2011. The general terms for each agreement is a repayable loan amount at zero percent interest and a .25% administrative fee. The loans require 20 annual installments beginning July 1, 2012, and ending July 1, 2031. The grant amount is not repayable. The agreements with the New Mexico Finance Authority or the New Mexico Water Trust Board which provide for reimbursement to the Authority upon submission of eligible expenditures are considered lines of credit for financial statement purposes until the final amount of the agreement is known at project completion. At that point, the line of credit is considered to be converted to a loan agreement.

The three agreements and purpose are as follows:

<u>Issue</u>	<u>Loan Amount</u>	<u>Grant Amount</u>	<u>Total</u>	<u>Purpose</u>
ABCWUA #12 (#0205-WTB)	\$ 452,000	\$ 1,808,000	\$ 2,260,000	Construction of a regional water conveyance and delivery system for the community of Carnuel
ABCWUA #13 (#0206-WTB)	\$ 640,000	\$ 960,000	\$ 1,600,000	Construction of a regional water conveyance and delivery system for the community of Carnuel
ABCWUA #14 (#0207-WTB)	\$ 63,354	\$ 95,032	\$ 158,386	Planning and design of a large scale aquifer recharge

On December 15, 2011, the Authority entered into a loan agreement with New Mexico Finance Authority for \$53,400,000. The loan requires annual principal payments and semi-annual interest payments commencing on June 1, 2012, and maturing on June 1, 2036. Interest rates are between 3.0% and 5.0%. The purpose of the loan is to improve the Authority's water and sewer system.

CITY OF ALBUQUERQUE, NEW MEXICO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR LIFE INSURANCE BENEFIT PLAN
Year ended June 30, 2011

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability Entry Age Normal	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL Percentage of Covered Payroll
6/30/2008	-	51,179,469	51,179,469	0.00%	275,105,270	18.60%
6/30/2009	-	51,179,469	51,179,469	0.00%	275,105,270	18.60%
6/30/2010	-	55,613,436	55,613,436	0.00%	289,604,610	19.20%
6/30/2011	-	57,659,176	57,659,176	0.00%	304,084,840	18.96%

FINANCIAL SECTION

**COMBINING FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL OBLIGATION BOND DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes:				
Current property taxes	\$ 59,223,000	\$ 59,223,000	\$ 56,068,499	\$ (3,154,501)
Delinquent property taxes	2,392,000	2,392,000	2,322,585	(69,415)
Charges for services	-	-	-	-
Interest:				
Interest on investments	225,000	225,000	84,604	(140,396)
Miscellaneous	-	-	-	-
Total revenues	61,840,000	61,840,000	58,475,688	(3,364,312)
Expenditures:				
Debt service:				
Principal	49,930,000	49,930,000	48,530,000	1,400,000
Interest	13,174,000	13,174,000	9,591,425	3,582,575
Bond issue costs	100,000	100,000	853,324	(753,324)
Commitment and other fees	-	-	-	-
Total expenditures	63,204,000	63,204,000	58,974,749	4,229,251
Excess (deficiency) of revenues over expenditures	(1,364,000)	(1,364,000)	(499,061)	864,939
Other financing sources (uses):				
Premiums on bonds sold	-	-	6,745,795	6,745,795
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	6,745,795	6,745,795
Net change in fund balance	(1,364,000)	(1,364,000)	6,246,734	7,610,734
Fund balance, July 1	2,341,340	2,341,340	2,341,340	-
Fund balance, June 30	\$ 977,340	\$ 977,340	\$ 8,588,074	\$ 7,610,734

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES COMPARED TO APPROPRIATIONS BY PURPOSE
BUDGET AND ACTUAL - CAPITAL ACQUISITION FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Capital Acquisition Fund					
Capital Outlay and Other:					
Bosque	\$ 2,836,907	\$ 1,256,576	\$ 1,580,331	\$ 71,758	\$ 1,508,573
City building	-	3,452,674	(3,452,674)	-	(3,452,674)
Community services building	68,126,194	33,167,764	34,958,430	6,603,263	28,355,167
Convention Center	5,892,454	904,008	4,988,446	7,185	4,981,261
Environmental improvements	1,287,479	1,668,796	(381,317)	-	(381,317)
Facilities and Equipment	86,850,480	66,466,107	20,384,373	12,622,993	7,761,380
Fire protection	22,369,061	33,584,275	(11,215,214)	2,881,379	(14,096,593)
Libraries	19,223,855	16,647,130	2,576,725	2,920,336	(343,611)
Miscellaneous capital projects	18,297,512	11,557,545	6,739,967	1,776,088	4,963,879
Museum	28,906,069	26,636,897	2,269,172	311,306	1,957,866
Open Space	41,068,721	11,877,326	29,191,395	2,586,295	26,605,100
Parks and recreation	241,392,451	211,280,039	30,112,412	14,847,074	15,265,338
Planning	1,416,472	491,082	925,390	79,267	846,123
Police facilities	52,154,328	35,511,042	16,643,286	7,541,067	9,102,219
Rio Grande Zoo	32,471,418	22,486,605	9,984,813	4,102,154	5,882,659
Senior citizens facility	46,853,674	23,066,112	23,787,562	8,019,368	15,768,194
Storm Sewer	78,611,584	66,447,777	12,163,807	9,434,263	2,729,544
Street improvements	384,947,008	281,260,455	103,686,553	38,847,280	64,839,273
Transit	27,941,800	17,578,905	10,362,895	2,382,374	7,980,521
Total Capital Acquisition Fund	\$ 1,160,647,467	\$ 865,341,115	\$ 295,306,352	\$ 115,033,450	\$ 180,272,902

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CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
CAPITAL ACQUISITION FUND
Year Ended June 30, 2011

	Police Facilities	Fire Protection	Public Libraries
Revenues:			
Taxes			
Franchise taxes	-	-	-
Intergovernmental:			
Grants:			
Federal Highway Administration	-	-	-
State Envir Imp Agency	-	-	-
State Department of Energy and Minerals	-	-	-
State Highway Department	-	-	-
State Agency of Aging	-	-	-
State NM Library	-	-	602,052
State Dept of Finance & Administration	230,264	685,000	80,874
Bernalillo County Shared Construction	-	-	-
EPA	-	-	-
NM Dept of Education	-	-	-
NM Dept of Public Safety	-	-	-
NM Dept of Economic Development	-	-	-
Dept of Homeland Security	-	-	-
Housing and Urban Development	-	-	-
Total intergovernmental	<u>230,264</u>	<u>685,000</u>	<u>682,926</u>
Interest on investments	-	-	-
Miscellaneous:			
Sales of real property	-	-	-
Contributions in aid of construction	-	-	-
Other revenue (expenditure)	-	-	11
Total miscellaneous	<u>-</u>	<u>-</u>	<u>11</u>
Total revenues	<u>230,264</u>	<u>685,000</u>	<u>682,937</u>
Expenditures:			
Capital outlay	7,541,067	2,881,379	2,920,336
Total expenditures	<u>7,541,067</u>	<u>2,881,379</u>	<u>2,920,336</u>
Excess (deficiency) of revenues over expenditures	<u>(7,310,803)</u>	<u>(2,196,379)</u>	<u>(2,237,399)</u>
Other financing sources (uses):			
Transfers in from other funds	27,958	-	-
Transfers out to other funds	-	-	-
Internal transfers in (out)	(102,000)	102,000	-
Proceeds of notes payable and bonds issued	9,847,058	-	5,101,000
Total other financing sources (uses)	<u>9,773,016</u>	<u>102,000</u>	<u>5,101,000</u>
Net change in fund balances	2,462,213	(2,094,379)	2,863,601
Fund balances (deficit), July 1	<u>5,635,904</u>	<u>33,011,899</u>	<u>19,477,909</u>
Fund balances (deficit), June 30	<u>8,098,117</u>	<u>30,917,520</u>	<u>22,341,510</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
CAPITAL ACQUISITION FUND
Year Ended June 30, 2011

Storm Sewer	Street Improvements	Parks and Recreation	Open Space	Convention Center	Community Services Building	Rio Grande Zoo
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
38,365	17,785,712	923,796	-	-	-	-
-	-	-	-	-	-	-
-	42,732	1,377,441	(1,509)	-	(1,174,285)	7,900
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,014,260	-
-	-	-	-	-	165,610	-
<u>38,365</u>	<u>17,828,444</u>	<u>2,301,237</u>	<u>(1,509)</u>	<u>-</u>	<u>5,585</u>	<u>7,900</u>
-	-	-	-	-	-	-
-	63,078	-	-	-	-	-
612,663	529,279	750,000	-	-	-	-
100	129,244	48,950	-	-	(422)	-
<u>612,763</u>	<u>721,601</u>	<u>798,950</u>	<u>-</u>	<u>-</u>	<u>(422)</u>	<u>-</u>
651,128	18,550,045	3,100,187	(1,509)	-	5,163	7,900
9,434,263	38,847,280	14,847,074	2,586,295	7,185	6,603,263	4,102,154
<u>9,434,263</u>	<u>38,847,280</u>	<u>14,847,074</u>	<u>2,586,295</u>	<u>7,185</u>	<u>6,603,263</u>	<u>4,102,154</u>
(8,783,135)	(20,297,235)	(11,746,887)	(2,587,804)	(7,185)	(6,598,100)	(4,094,254)
-	(432)	295,000	-	-	(125,000)	-
-	-	-	-	-	-	-
474	(144,080)	98,239	441	-	20,865	-
-	31,435,000	34,405,000	-	-	21,736,000	9,797,000
<u>474</u>	<u>31,290,488</u>	<u>34,798,239</u>	<u>441</u>	<u>-</u>	<u>21,631,865</u>	<u>9,797,000</u>
(8,782,661)	10,993,253	23,051,352	(2,587,363)	(7,185)	15,033,765	5,702,746
19,879,440	(5,134,415)	985,183	2,037,520	(24,021)	(740,137)	(5,458,870)
<u>11,096,779</u>	<u>5,858,838</u>	<u>24,036,535</u>	<u>(549,843)</u>	<u>(31,206)</u>	<u>14,293,628</u>	<u>243,876</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
CAPITAL ACQUISITION FUND
Year Ended June 30, 2011

	Senior Citizens Facility	Museum	Transit	Miscellaneous Capital Projects
Revenues:				
Taxes				
Franchise taxes	-	-	-	720,122
Intergovernmental:				
Grants:				
Federal Highway Administration	-	-	-	-
State Envir Imp Agency	-	-	-	-
State Department of Energy and Minerals	-	-	-	-
State Highway Department	-	-	-	1,168,488
State Agency of Aging	147,986	-	-	-
State NM Library	-	-	-	-
State Dept of Finance & Administration	660,010	76,093	-	44,553
Bernalillo County Shared Construction	-	-	-	-
EPA	-	-	-	-
NM Dept of Education	-	-	-	-
NM Dept of Public Safety	-	-	-	-
NM Dept of Economic Development	-	-	-	-
Dept of Homeland Security	-	-	-	-
Housing and Urban Development	-	-	-	-
Total intergovernmental	<u>807,996</u>	<u>76,093</u>	<u>-</u>	<u>1,213,041</u>
Interest on investments	-	-	-	229,372
Miscellaneous:				
Sales of real property	-	-	-	-
Contributions in aid of construction	-	-	-	-
Other	-	-	600	1,447
Total miscellaneous	<u>-</u>	<u>-</u>	<u>600</u>	<u>1,447</u>
Total revenues	<u>807,996</u>	<u>76,093</u>	<u>600</u>	<u>2,163,982</u>
Expenditures:				
Capital outlay	8,019,368	311,306	2,382,374	1,776,088
Total expenditures	<u>8,019,368</u>	<u>311,306</u>	<u>2,382,374</u>	<u>1,776,088</u>
Excess (deficiency) of revenues over expenditures	<u>(7,211,372)</u>	<u>(235,213)</u>	<u>(2,381,774)</u>	<u>387,894</u>
Other financing sources (uses):				
Transfers in from other funds	-	-	-	80,000
Transfers out to other funds	-	-	(2,151,860)	-
Internal transfers in (out)	(20,125)	(75)	50,000	-
Proceeds of notes payable and bonds issued	-	-	7,828,000	-
Total other financing sources (uses)	<u>(20,125)</u>	<u>(75)</u>	<u>5,726,140</u>	<u>80,000</u>
Net change in fund balances	(7,231,497)	(235,288)	3,344,366	467,894
Fund balances (deficit), July 1	<u>11,014,269</u>	<u>7,340,713</u>	<u>(3,946,263)</u>	<u>24,739,804</u>
Fund balances (deficit), June 30	<u><u>3,782,772</u></u>	<u><u>7,105,425</u></u>	<u><u>(601,897)</u></u>	<u><u>25,207,698</u></u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
CAPITAL ACQUISITION FUND
Year Ended June 30, 2011

Environmental Improvements	Facilities and Equipment	City Building	Planning	Bosque	Total
-	-	-	-	-	720,122
-	-	-	-	-	-
-	-	-	-	-	-
-	4,054,286	-	-	-	4,054,286
-	936,753	-	-	9,817	20,862,931
-	-	-	-	-	147,986
-	-	-	-	-	602,052
74,294	101,898	-	(617)	-	2,204,648
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,014,260
-	-	-	-	-	165,610
74,294	5,092,937	-	(617)	9,817	29,051,773
-	-	-	-	-	229,372
-	-	-	-	-	63,078
-	77,209	-	-	-	1,969,151
-	(390)	-	-	-	179,540
-	76,819	-	-	-	2,211,769
74,294	5,169,756	-	(617)	9,816	32,213,035
-	12,622,993	-	79,267	71,758	115,033,450
-	12,622,993	-	79,267	71,758	115,033,450
74,294	(7,453,237)	-	(79,884)	(61,942)	(82,820,415)
-	479,000	-	-	-	756,526
-	-	-	-	-	(2,151,860)
2,100	(12,924)	-	5,085	-	-
-	16,254,000	-	-	-	136,403,058
2,100	16,720,076	-	5,085	-	135,007,724
76,394	9,266,839	-	(74,799)	(61,942)	52,187,309
251,741	7,333,943	1,468,365	(152,850)	112,394	117,832,527
328,135	16,600,782	1,468,365	(227,649)	50,452	170,019,836

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CITY OF ALBUQUERQUE, NEW MEXICO

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

- COMMUNITY DEVELOPMENT FUND—To account for the sources and uses of Development Block Grants. (7-1-6.11 NMSA 1978)
- FIRE FUND—To account for the proceeds of the City's share of taxes on fire insurance premiums collected by the state, which are required to be used for equipment, maintenance of equipment, or training. (59A-53-5 NMSA 1978)
- RECREATION FUND—To account for the proceeds from the City's share of the state cigarette tax which is required to be used for juvenile recreation purposes. (7-12-15 NMSA 1978)
- LODGERS' TAX FUND—To account for the proceeds of the Lodger's Tax which are required to be used for promotional activities and the acquisition or construction of certain facilities. (3-38-21 NMSA 1978)
- HOSPITALITY TAX FUND—To account for the proceeds of the Hospitality Tax of which fifty percent are required to be used for the purpose of purchasing advertising to publicize and promote tourist-related attractions, facilities and events. The other fifty percent are required to be used to equip and furnish the City of Albuquerque Convention Center.
- CULTURE AND RECREATION PROJECTS FUND—To account for contributions and donations earmarked for specific projects of Culture and Recreation Department. (Enactment No. 51-1997, R-97-189-12th Council)
- ALBUQUERQUE BIOLOGICAL PARK PROJECTS FUND—To account for contributions and donations earmarked for specific projects of the Biological Park. (Enactment No. 51-1997, R-97-189-12th Council)
- CITY HOUSING FUND—To account for the revenues and expenditures incurred for the repair and replacement of the City operated subsidized housing. (Enactment No. 110-1984, R-84-112-6th Council)
- AIR QUALITY FUND—To account for the operation of the City's Air Pollution Control Program. (9-5-1-13 RO 1994)
- CORRECTIONS AND DETENTION FUND—To account for the operations of the joint City/Bernalillo County Corrections and Detentions facilities.
- OPERATING GRANTS FUND—To account for various grants from federal and state agencies and other sources which are restricted by the granting agency to expenditures for specified purposes. (Enactment No. 51-1979, 0-79-64-3rd Council)
- METROPOLITAN REDEVELOPMENT FUND—To account for the revenues and expenditures incurred in connection with the rehabilitation of historical buildings. Financing is provided by certain property taxes in accordance with the State of New Mexico Metropolitan Redevelopment Code. (14-8-4 NMSA 1978)
- HOUSING AND NEIGHBORHOOD ECONOMIC DEVELOPMENT FUND—To account for the use of proceeds from repayment of Urban Development Action Grant loans. The proceeds will be used for housing and economic development in poverty regions within the City. (4-2-2 RO 1994)
- LAW ENFORCEMENT PROTECTION FUND—To account for certain state taxes and fees required to be used for law enforcement services. (29-13-6 NMSA 1978)
- GAS ROAD TAX FUND—To account for the proceeds of the City's share of the state shared Gas Tax revenues required to be used for street maintenance. (7-1-6.9 NMSA 1978)
- CITY/COUNTY PROJECTS FUND—To account for revenues received from the County for services provided by the City. (1984 Joint Powers Agreement).
- FALSE ALARM ENFORCEMENT AND EDUCATION FUND—To account for the income and expenditures associated with enforcement of the False Alarm ordinance. (Enactment No. 8-2003, 0-02-35-15th Council)
- PHOTO ENFORCEMENT RED LIGHT FUND—To account for revenues and expenditures associated with the photo enforcement program. (Enactment No. 95-2003, R-03-298-10th Council)
- CITY/COUNTY FACILITIES FUND—To account for rental income and costs of operating City/County facilities. (1984 Joint Powers Agreement)

CITY OF ALBUQUERQUE, NEW MEXICO

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

CAPITAL PROJECTS FUNDS

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

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

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

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

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

DEBT SERVICE FUNDS

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

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

PERMANENT FUNDS

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

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

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011

	Special Revenue				
	COMMUNITY DEVELOPMENT	FIRE	RECREATION	LODGERS' TAX	HOSPITALITY TAX
ASSETS					
Cash, investments and accrued interest	-	1,705,619	-	787,677	52,332
Cash with fiscal agents held for debt service	-	-	-	-	-
Cash held by others	-	-	-	-	-
Investments with fiscal agents	-	-	-	-	-
Receivables, net of allowance for uncollectible:					
Taxes	-	-	154	1,222,213	179,784
Accounts	185	-	-	-	-
Rehabilitation loans	1,393,049	-	-	-	-
Notes	-	-	-	-	-
Developer loans	-	-	-	-	-
Special Assessments	-	-	-	-	-
Real estate contracts receivable	-	-	-	-	-
Due from other governments	1,966,069	-	-	-	-
Due from other funds	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	3,359,303	1,705,619	154	2,009,890	232,116
LIABILITIES					
Accounts payable	414,941	335,821	-	44,334	-
Contracts and retainage payable	-	-	-	-	-
Accrued employee compensation and benefits	38,389	-	-	-	-
Due to other funds	1,490,754	-	-	-	-
Deferred revenues	1,402,301	-	153	323,560	-
Deposits	-	-	-	-	-
Matured principal payable	-	-	-	-	-
Matured interest payable	-	-	-	-	-
Total liabilities	3,346,285	335,821	153	367,894	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	12,918	1,369,798	1	1,641,996	232,116
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	12,918	1,369,798	1	1,641,996	232,116
Total liabilities and fund balances	3,359,303	1,705,619	154	2,009,890	232,116

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011

	Special Revenue				
	CULTURE AND RECREATION PROJECTS	ALBUQUERQUE BIOLOGICAL PARKS PROJECTS	CITY HOUSING	AIR QUALITY	OPERATING GRANTS
ASSETS					
Cash, investments and accrued interest	2,017,830	441,082	6,533,783	286,921	2,061,625
Cash with fiscal agents held for debt service	-	-	-	-	-
Cash held by others	-	-	153,309	-	-
Investments with fiscal agents	-	-	-	-	-
Receivables, net of allowance for uncollectible:					
Taxes	-	-	-	-	-
Accounts	200	60,169	-	111,077	-
Rehabilitation loans	-	-	-	-	450,935
Notes	-	-	-	-	-
Developer loans	-	-	-	-	386,428
Special Assessments	-	-	-	-	-
Real estate contracts receivable	-	-	-	-	-
Due from other governments	-	-	-	-	10,294,865
Due from other funds	-	-	408,517	-	-
Advances to other funds	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	2,018,030	501,251	7,095,609	397,998	13,193,853
LIABILITIES					
Accounts payable	46,116	400,281	53,270	25,899	2,632,574
Contracts and retainage payable	-	-	-	-	-
Accrued employee compensation and benefits	4,173	11,255	648	61,808	492,983
Due to other funds	-	-	-	-	-
Deferred revenues	-	-	-	-	5,789,739
Deposits	4,500	-	-	-	-
Matured principal payable	-	-	-	-	-
Matured interest payable	-	-	-	-	-
Total liabilities	54,789	411,536	53,918	87,707	8,915,296
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	310,291	4,278,557
Committed	1,963,241	89,715	7,041,691	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	1,963,241	89,715	7,041,691	310,291	4,278,557
Total liabilities and fund balances	2,018,030	501,251	7,095,609	397,998	13,193,853

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011

	Special Revenue					
	METROPOLITAN REDEVELOPMENT	HOUSING AND NEIGHBORHOOD ECONOMIC DEVELOPMENT	LAW ENFORCEMENT PROTECTION	GAS ROAD TAX	CITY/COUNTY PROJECTS	FALSE ALARM ENFORCEMENT AND EDUCATION
ASSETS						
Cash, investments and accrued interest	3,654,204	4,435,155	4,049,384	422,696	1,712	514,516
Cash with fiscal agents held for debt service	-	-	-	-	-	-
Cash held by others	-	-	-	-	-	-
Investments with fiscal agents	-	-	-	-	-	-
Receivables, net of allowance for uncollectible:						
Taxes	-	-	-	-	-	-
Accounts	(400)	-	-	-	-	106,700
Rehabilitation loans	-	-	-	-	-	-
Notes	-	-	-	-	-	-
Developer loans	1,338,918	3,974,043	-	-	-	-
Special Assessments	-	-	-	-	-	-
Real estate contracts receivable	-	-	-	-	-	-
Due from other governments	-	-	-	889,545	-	-
Due from other funds	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Total assets	<u>4,992,722</u>	<u>8,409,198</u>	<u>4,049,384</u>	<u>1,312,241</u>	<u>1,712</u>	<u>621,216</u>
LIABILITIES						
Accounts payable	26,129	-	165,431	35,353	1,712	5,558
Contracts and retainage payable	-	-	-	-	-	-
Accrued employee compensation and benefits	-	-	4,665	111,263	-	6,752
Due to other funds	-	408,517	-	-	-	-
Deferred revenues	1,338,918	3,974,043	-	505,154	-	-
Deposits	-	-	-	-	-	-
Matured principal payable	-	-	-	-	-	-
Matured interest payable	-	-	-	-	-	-
Total liabilities	<u>1,365,047</u>	<u>4,382,560</u>	<u>170,096</u>	<u>651,770</u>	<u>1,712</u>	<u>12,310</u>
FUND BALANCES						
Nonspendable	1,338,918	-	-	-	-	-
Restricted	2,288,757	-	-	660,471	-	-
Committed	-	4,026,638	3,879,288	-	-	608,906
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>3,627,675</u>	<u>4,026,638</u>	<u>3,879,288</u>	<u>660,471</u>	<u>-</u>	<u>608,906</u>
Total liabilities and fund balances	<u>4,992,722</u>	<u>8,409,198</u>	<u>4,049,384</u>	<u>1,312,241</u>	<u>1,712</u>	<u>621,216</u>

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

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011

	Special Revenue				
	PHOTO ENFORCEMENT RED LIGHT	CITY/COUNTY FACILITIES	ACQUISITION & MANAGEMENT OF OPEN SPACE EXPENDITURES	URBAN ENHANCEMENT EXPENDITURES	SPECIAL REVENUE TOTAL
ASSETS					
Cash, investments and accrued interest	1,072,877		1,228,834	1,604,899	30,871,146
Cash with fiscal agents held for debt service	-				-
Cash held by others	-				153,309
Investments with fiscal agents	-				-
Receivables, net of allowance for uncollectible:					
Taxes					1,402,151
Accounts	567,622	967,550	200		1,813,303
Rehabilitation loans	-				1,843,984
Notes	-				-
Developer loans	-				5,699,389
Special Assessments	-				-
Real estate contracts receivable	-				-
Due from other governments	-				13,150,479
Due from other funds	-				408,517
Advances to other funds	-				-
Land held for resale	-				-
Total assets	<u>1,640,499</u>	<u>967,550</u>	<u>1,229,034</u>	<u>1,604,899</u>	<u>55,342,278</u>
LIABILITIES					
Accounts payable	342,671	238,166	46,033	32,249	4,846,538
Contracts and retainage payable	5,830				5,830
Accrued employee compensation and benefits	-	30,974	67,092		830,002
Due to other funds	-	69,236			1,968,507
Deferred revenues	-		9,637		13,343,505
Deposits	-				4,500
Matured principal payable	-				-
Matured interest payable	-				-
Total liabilities	<u>348,501</u>	<u>338,376</u>	<u>122,762</u>	<u>32,249</u>	<u>20,998,882</u>
FUND BALANCES					
Nonspendable	-				1,338,918
Restricted	-				10,794,905
Committed	1,291,998	629,174	1,106,272	1,572,650	22,209,573
Assigned	-				-
Unassigned	-				-
Total fund balances	<u>1,291,998</u>	<u>629,174</u>	<u>1,106,272</u>	<u>1,572,650</u>	<u>34,343,396</u>
Total liabilities and fund balances	<u>1,640,499</u>	<u>967,550</u>	<u>1,229,034</u>	<u>1,604,899</u>	<u>55,342,278</u>

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011

Capital Projects

	SPECIAL ASSESSMENTS CAPITAL	QUALITY OF LIFE	INFRASTRUCTURE TAX	IMPACT FEES	VEHICLE AND EQUIPMENT REPLACEMENT	CAPITAL PROJECTS TOTAL
ASSETS						
Cash, investments and accrued interest	942,340	78,556	55,499,578	13,441,876	1,187,358	71,149,708
Cash with fiscal agents held for debt service	-	-	-	-	-	-
Cash held by others	-	-	-	-	-	-
Investments with fiscal agents	-	-	-	-	-	-
Receivables, net of allowance for uncollectible:						
Taxes	-	-	5,851,971	-	-	5,851,971
Accounts	-	-	-	-	-	-
Rehabilitation loans	-	-	-	-	-	-
Notes	-	-	-	-	-	-
Developer loans	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Real estate contracts receivable	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Total assets	942,340	78,556	61,351,549	13,441,876	1,187,358	77,001,679
LIABILITIES						
Accounts payable	-	-	4,740,002	150,116	28,252	4,918,370
Contracts and retainage payable	-	-	-	37,637	-	37,637
Accrued employee compensation and benefits	-	-	-	-	-	-
Due to other funds	-	-	1,004,033	-	-	1,004,033
Deferred revenues	-	-	3,062,991	13,257,777	-	16,320,768
Deposits	-	-	-	-	-	-
Matured principal payable	-	-	-	-	-	-
Matured interest payable	-	-	-	-	-	-
Total liabilities	-	-	8,807,026	13,445,530	28,252	22,280,808
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	52,544,523	-	-	52,544,523
Committed	942,340	78,556	-	-	-	1,020,896
Assigned	-	-	-	-	1,159,106	1,159,106
Unassigned	-	-	-	(3,654)	-	(3,654)
Total fund balances	942,340	78,556	52,544,523	(3,654)	1,159,106	54,720,871
Total liabilities and fund balances	942,340	78,556	61,351,549	13,441,876	1,187,358	77,001,679

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

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011

	Debt Service			Permanent Funds			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	SALES TAX REFUNDING	SPECIAL ASSESSMENTS	DEBT SERVICE TOTAL	ACQUISITION AND MANAGEMENT OF OPEN SPACE	URBAN ENHANCEMENT	PERMANENT FUND TOTAL	
ASSETS							
Cash, investments and accrued interest	1,811,695	947,103	2,758,798	10,860,979	7,904,333	18,765,312	123,544,964
Cash with fiscal agents held for debt service	7,492,235	-	7,492,235	-	-	-	7,492,235
Cash held by others	-	-	-	-	-	-	153,309
Investments with fiscal agents	1,344,846	-	1,344,846	-	-	-	1,344,846
Receivables, net of allowance for uncollectible:							
Taxes	-	-	-	-	-	-	7,254,122
Accounts	-	-	-	-	-	-	1,813,303
Rehabilitation loans	-	-	-	-	-	-	1,843,984
Notes	-	-	-	-	-	-	-
Developer loans	-	-	-	-	-	-	5,699,389
Special Assessments	-	1,667,241	1,667,241	-	-	-	1,667,241
Real estate contracts receivable	-	-	-	4,741	-	4,741	4,741
Due from other governments	-	-	-	-	-	-	13,150,479
Due from other funds	-	-	-	-	-	-	408,517
Advances to other funds	8,890,000	-	8,890,000	-	-	-	8,890,000
Land held for resale	-	-	-	10,086,398	-	10,086,398	10,086,398
Total assets	19,538,776	2,614,344	22,153,120	20,952,118	7,904,333	28,856,451	183,353,528
LIABILITIES							
Accounts payable	3,381	-	3,381	383,270	-	383,270	10,151,559
Contracts and retainage payable	-	-	-	-	-	-	43,467
Accrued employee compensation and benefits	-	-	-	-	-	-	830,002
Due to other funds	-	-	-	-	-	-	2,972,540
Deferred revenues	-	1,288,214	1,288,214	4,741	-	4,741	30,957,228
Deposits	-	-	-	-	-	-	4,500
Matured principal payable	4,680,000	-	4,680,000	-	-	-	4,680,000
Matured interest payable	2,808,854	-	2,808,854	-	-	-	2,808,854
Total liabilities	7,492,235	1,288,214	8,780,449	388,011	-	388,011	52,448,150
FUND BALANCES							
Nonspendable	-	-	-	20,564,107	7,904,333	28,468,440	29,807,358
Restricted	12,046,541	-	12,046,541	-	-	-	75,385,969
Committed	-	1,326,130	1,326,130	-	-	-	24,556,599
Assigned	-	-	-	-	-	-	1,159,106
Unassigned	-	-	-	-	-	-	(3,654)
Total fund balances	12,046,541	1,326,130	13,372,671	20,564,107	7,904,333	28,468,440	130,905,378
Total liabilities and fund balances	19,538,776	2,614,344	22,153,120	20,952,118	7,904,333	28,856,451	183,353,528

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2011

Special Revenue

	COMMUNITY DEVELOPMENT	FIRE	RECREATION	LODGERS TAX	HOSPITALITY TAX
REVENUES					
Taxes:					
Gross receipts taxes, local option	\$ -	\$ -	\$ -	\$ -	\$ -
Lodgers' and hospitality taxes	-	-	-	10,121,445	2,025,377
Licenses and permits	-	-	19,201	-	-
Intergovernmental	7,115,249	1,631,264	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest on investments	-	14,916	(274)	4,255	1,131
Special assessments	-	-	-	-	-
Collections on real estate contracts:					
Principal	-	-	-	-	-
Miscellaneous	849,861	1,068	-	-	-
Total revenues	7,965,110	1,647,248	18,927	10,125,700	2,026,508
EXPENDITURES					
Current:					
General government	-	-	-	4,881,431	979,961
Public safety	-	1,317,587	-	-	-
Culture and recreation	-	-	-	-	-
Public works	1,149,895	-	-	-	-
Highways and streets	-	-	-	-	-
Health	-	-	-	-	-
Human services	1,269,029	-	-	-	-
Housing	5,195,384	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees and other fees	-	-	-	-	-
Capital outlay	188,677	90,335	-	-	-
Total expenditures	7,802,985	1,407,922	-	4,881,431	979,961
Excess (deficiency) of revenues over (under) expenditures	162,125	239,326	18,927	5,244,269	1,046,547
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	(27,025)	(48,091)	(4,900,000)	(980,000)
Total other financing sources and (uses)	-	(27,025)	(48,091)	(4,900,000)	(980,000)
Net change in fund balance	162,125	212,301	(29,164)	344,269	66,547
Fund balance (deficit), July 1 (restated)	(149,207)	1,157,497	29,165	1,297,727	165,569
Fund balance (deficit), June 30	12,918	1,369,798	1	1,641,996	232,116

CITY OF ALBUQUERQUE, NEW MEXICO Page 2 of 6
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2011

	Special Revenue				
	CULTURE AND RECREATION PROJECTS	ALBUQUERQUE BIOLOGICAL PARKS PROJECTS	CITY HOUSING	AIR QUALITY	OPERATING GRANTS
REVENUES					
Taxes:					
Gross receipts taxes, local option	-	-	-	-	-
Lodgers' and hospitality taxes	-	-	-	-	-
Licenses and permits	-	-	2,391,294	-	-
Intergovernmental	661,505	224,517	-	-	24,915,106
Charges for services	-	-	-	-	-
Fines and forfeitures	10,660	5,913	41,146	617	20,191
Interest on investments	-	-	-	-	-
Special assessments	-	-	-	-	-
Collections on real estate contracts:					
Principal	354,542	1,822,887	584,521	2,278	669,775
Miscellaneous	1,026,707	2,053,317	625,667	2,394,189	25,605,072
Total revenues					
EXPENDITURES					
Current:					
General government	-	-	-	-	499,455
Public safety	-	-	-	-	4,819,615
Culture and recreation	818,614	2,565,297	-	-	488,733
Public works	-	-	-	-	-
Highways and streets	-	-	-	-	913,367
Health	-	-	-	2,102,764	-
Human services	-	-	-	-	20,867,711
Housing	-	-	2,683,400	-	2,257,675
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees and other fees	-	-	-	-	-
Capital outlay	-	-	-	-	998,681
Total expenditures	818,614	2,565,297	2,683,400	2,102,764	30,845,237
Excess (deficiency) of revenues over (under) expenditures	208,093	(511,980)	(2,057,733)	291,425	(5,240,165)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	483,878	-	4,873,491
Transfers out	-	-	-	-	-
Total other financing sources and (uses)	208,093	(511,980)	483,878	-	4,873,491
Net change in fund balance	1,755,148	601,695	8,615,546	18,866	4,645,231
Fund balance (deficit), July 1 (restated)	-	-	-	-	-
Fund balance (deficit), June 30	\$ 1,963,241	\$ 89,715	\$ 7,041,691	\$ 310,291	\$ 4,278,557

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2011

	Special Revenue					
	METROPOLITAN REDEVELOPMENT	HOUSING AND NEIGHBORHOOD ECONOMIC DEVELOPMENT	LAW ENFORCEMENT PROTECTION	GAS ROAD TAX	CITY/ COUNTY PROJECTS	FALSE ALARM ENFORCEMENT AND EDUCATION
REVENUES						
Taxes:						
Gross receipts taxes, local option	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lodgers' and hospitality taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	679,000	4,765,348	-	788,817
Charges for services	-	-	102,054	-	-	-
Fines and forfeitures	-	-	2,179,157	-	-	-
Interest on investments	30,403	19,976	17,224	3,508	153	2,971
Special assessments	-	-	-	-	-	-
Collections on real estate contracts:						
Principal	-	-	-	-	-	-
Miscellaneous	64,168	1,428,337	757,030	49,142	1	-
Total revenues	<u>94,571</u>	<u>1,448,313</u>	<u>3,734,465</u>	<u>4,817,998</u>	<u>154</u>	<u>791,788</u>
EXPENDITURES						
Current:						
General government	271,406	-	-	-	14,071	392,327
Public safety	-	-	2,100,859	-	-	-
Culture and recreation	-	-	-	-	-	-
Public works	-	-	-	4,961,683	-	-
Highways and streets	-	-	-	-	-	-
Health	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Housing	-	2	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Fiscal agent fees and other fees	-	-	-	-	-	-
Capital outlay	-	-	296,704	-	-	6,327
Total expenditures	<u>271,406</u>	<u>2</u>	<u>2,397,563</u>	<u>4,961,683</u>	<u>14,071</u>	<u>398,654</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(176,835)</u>	<u>1,448,311</u>	<u>1,336,902</u>	<u>(143,685)</u>	<u>(13,917)</u>	<u>393,134</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(407,000)	-	(45,536)	(367,957)
Total other financing sources and (uses)	<u>(176,835)</u>	<u>1,448,311</u>	<u>929,902</u>	<u>(143,685)</u>	<u>(59,453)</u>	<u>25,177</u>
Net change in fund balance	<u>3,804,510</u>	<u>2,578,327</u>	<u>2,949,386</u>	<u>804,156</u>	<u>59,453</u>	<u>583,729</u>
Fund balance (deficit), July 1 (restated)	<u>3,627,675</u>	<u>4,026,638</u>	<u>3,879,288</u>	<u>660,471</u>	<u>\$</u>	<u>\$</u>
Fund balance (deficit), June 30						<u>608,906</u>

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

CITY OF ALBUQUERQUE, NEW MEXICO Page 4 of 6
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2011

	Special Revenue				SPECIAL REVENUE TOTAL
	PHOTO ENFORCEMENT RED LIGHT	CITY/COUNTY FACILITIES	ACQUISITION & MANAGEMENT OF OPEN SPACE EXPENDITURES	URBAN ENHANCEMENT EXPENDITURES	
REVENUES					
Taxes:					
Gross receipts taxes, local option	\$ -	\$ -	\$ -	\$ -	\$ -
Lodgers' and hospitality taxes	-	-	-	-	12,146,822
Licenses and permits	-	-	-	-	2,391,294
Intergovernmental	-	2,862,225	72,884	-	39,125,168
Charges for services	3,907,043	-	-	-	4,712,002
Fines and forfeitures	9,238	(1,254)	4,405	9,819	6,086,200
Interest on investments	-	-	-	-	194,998
Special assessments	-	-	-	-	-
Collections on real estate contracts:					
Principal	-	-	-	-	-
Miscellaneous	-	-	6,573	-	6,590,183
Total revenues	<u>3,916,281</u>	<u>2,860,971</u>	<u>83,862</u>	<u>9,819</u>	<u>71,246,667</u>
EXPENDITURES					
Current:					
General government	-	3,123,390	-	-	10,162,041
Public safety	3,188,956	-	-	-	11,427,017
Culture and recreation	-	-	2,580,713	447,104	6,900,461
Public works	-	-	-	-	1,149,895
Highways and streets	-	-	-	-	5,875,050
Health	-	-	-	-	2,102,764
Human services	-	-	-	-	22,136,740
Housing	-	-	-	-	10,136,461
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees and other fees	-	-	-	-	-
Capital outlay	-	-	5,681	-	1,586,405
Total expenditures	<u>3,188,956</u>	<u>3,123,390</u>	<u>2,586,394</u>	<u>447,104</u>	<u>71,476,834</u>
Excess (deficiency) of revenues over (under) expenditures	727,325	(262,419)	(2,502,532)	(437,285)	(230,167)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	2,386,033	261,524	8,004,926
Transfers out	(926,000)	-	-	-	(7,701,609)
Total other financing sources and (uses)	<u>(926,000)</u>	<u>-</u>	<u>2,386,033</u>	<u>261,524</u>	<u>303,317</u>
Net change in fund balance	(198,675)	(262,419)	(116,499)	(175,761)	73,150
Fund balance (deficit), July 1 (restated)	1,490,673	891,593	1,222,771	1,748,411	34,270,246
Fund balance (deficit), June 30	<u>\$ 1,291,998</u>	<u>\$ 629,174</u>	<u>\$ 1,106,272</u>	<u>\$ 1,572,650</u>	<u>\$ 34,343,396</u>

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2011

	SPECIAL ASSESSMENTS CAPITAL	QUALITY OF LIFE	INFRASTRUCTURE TAX	IMPACT FEES	VEHICLE AND EQUIPMENT REPLACEMENT	CAPITAL PROJECTS TOTAL
REVENUES						
Taxes:						
Gross receipts taxes, local option	-	-	-	-	-	-
Lodgers' and hospitality taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest on investments	15,265	429	324,692	(21,461)	8,311	327,236
Special assessments	-	-	-	-	-	-
Collections on real estate contracts:						
Principal	-	-	-	-	-	-
Miscellaneous	-	-	261,197	4,362,482	205,901	4,829,580
Total revenues	15,265	429	31,212,278	4,341,021	214,212	35,783,205
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Housing	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Fiscal agent fees and other fees	-	-	-	-	-	-
Capital outlay	-	-	29,141,527	4,362,482	1,014,229	34,518,238
Total expenditures	-	-	29,141,527	4,362,482	1,014,229	34,518,238
Excess (deficiency) of revenues over (under) expenditures	15,265	429	2,070,751	(21,461)	(800,017)	1,264,967
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(1,740,450)	-	(11,255,500)	-	-	(12,995,950)
Total other financing sources and (uses)	(1,740,450)	-	(11,255,500)	-	-	(12,995,950)
Net change in fund balance	(1,725,185)	429	(9,184,749)	(21,461)	(800,017)	(11,730,983)
Fund balance (deficit), July 1 (restated)	2,667,525	78,127	61,729,272	17,807	1,959,123	66,451,854
Fund balance (deficit), June 30	\$ 942,340	\$ 78,556	\$ 52,544,523	\$ (3,654)	\$ 1,159,106	\$ 54,720,871

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

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2011

	Debt Service			Permanent Funds			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	SALES TAX REFUNDING	SPECIAL ASSESSMENTS	DEBT SERVICE TOTAL	ACQUISITION AND MANAGEMENT OF OPEN SPACE	URBAN ENHANCEMENT	PERMANENT FUND TOTAL	
REVENUES							
Taxes:							
Gross receipts taxes, local option	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,626,389
Lodgers' and hospitality taxes	-	-	-	-	-	-	12,146,822
Licenses and permits	-	-	-	-	-	-	2,391,294
Intergovernmental	-	-	-	-	-	-	39,125,168
Charges for services	-	-	-	-	-	-	4,712,002
Fines and forfeitures	-	-	-	-	-	-	6,086,200
Interest on investments	582,823	5,637	588,460	376,792	287,696	664,488	1,775,182
Special assessments	-	767,100	767,100	-	-	-	767,100
Collections on real estate contracts:							
Principal	-	-	-	476,096	-	476,096	476,096
Miscellaneous	-	(8,110)	(8,110)	2,200,020	-	2,200,020	13,611,673
Total revenues	582,823	764,627	1,347,450	3,052,908	287,696	3,340,604	111,717,926
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	10,162,041
Public safety	-	-	-	-	-	-	11,427,017
Culture and recreation	-	-	-	432,657	-	432,657	7,333,118
Public works	-	-	-	-	-	-	1,149,895
Highways and streets	-	-	-	-	-	-	5,875,050
Health	-	-	-	-	-	-	2,102,764
Human services	-	-	-	-	-	-	22,136,740
Housing	-	-	-	-	-	-	10,136,461
Debt service:							
Principal retirement	4,680,000	-	4,680,000	-	-	-	4,680,000
Interest	5,617,708	-	5,617,708	-	-	-	5,617,708
Fiscal agent fees and other fees	6,950	-	6,950	-	-	-	6,950
Capital outlay	-	-	-	-	-	-	36,104,643
Total expenditures	10,304,658	-	10,304,658	432,657	-	432,657	116,732,387
Excess (deficiency) of revenues over (under) expenditures	(9,721,835)	764,627	(8,957,208)	2,620,251	287,696	2,907,947	(5,014,461)
OTHER FINANCING SOURCES (USES)							
Transfers in	7,532,000	1,740,450	9,272,450	-	-	-	17,277,376
Transfers out	-	(2,295,000)	(2,295,000)	(328,033)	(261,524)	(589,557)	(23,582,116)
Total other financing sources and (uses)	7,532,000	(554,550)	6,977,450	(328,033)	(261,524)	(589,557)	(6,304,740)
Net change in fund balance	(2,189,835)	210,077	(1,979,758)	2,292,218	26,172	2,318,390	(11,319,201)
Fund balance (deficit), July 1 (restated)	14,236,376	1,116,053	15,352,429	18,271,889	7,878,161	26,150,050	142,224,579
Fund balance (deficit), June 30	12,046,541	1,326,130	13,372,671	20,564,107	7,904,333	28,468,440	130,905,378

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

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Revenues:					
U.S. Dept. of Housing and Urban Development	\$ 37,594,043	19,421,657	18,172,386	7,115,249	\$ 11,057,137
Miscellaneous:					
Rehabilitation loan repayments	1,499,254	1,803,009	(303,755)	828,359	(1,132,114)
Other miscellaneous	-	837,154	(837,154)	21,502	(858,656)
Total miscellaneous	<u>1,499,254</u>	<u>2,640,163</u>	<u>(1,140,909)</u>	<u>849,861</u>	<u>(1,990,770)</u>
Total revenues	<u>39,093,297</u>	<u>22,061,820</u>	<u>17,031,477</u>	<u>7,965,110</u>	<u>9,066,367</u>
Expenditures:					
Current:					
General Government					
Community Development	<u>10,556,963</u>	<u>6,244,994</u>	<u>4,311,969</u>	<u>1,149,895</u>	<u>3,162,074</u>
Human services:					
Mayor's office for senior citizens	4,207,406	2,147,958	2,059,448	1,271,778	787,670
Community development administration	2,765,233	2,442,230	323,003	181,241	141,762
Outside operating agencies	1,457,181	1,589,590	(132,409)	4,687	(137,096)
Miscellaneous	-	8,926	(8,926)	-	(8,926)
Total human services	<u>8,429,820</u>	<u>6,188,704</u>	<u>2,241,116</u>	<u>1,457,706</u>	<u>783,410</u>
Housing	<u>19,332,748</u>	<u>9,874,842</u>	<u>9,457,906</u>	<u>5,195,384</u>	<u>4,262,522</u>
Total expenditures	<u>38,319,531</u>	<u>22,308,540</u>	<u>16,010,991</u>	<u>7,802,985</u>	<u>8,208,006</u>
Deficiency of revenues over expenditures	773,766	(246,720)	1,020,486	162,125	858,361
Other financing sources:					
Operating transfers (out)	61,823	-	61,823	-	61,823
Total other financing sources	<u>61,823</u>	<u>-</u>	<u>61,823</u>	<u>-</u>	<u>61,823</u>
Net change in fund balance	<u>\$ 835,589</u>	<u>(246,720)</u>	<u>1,082,309</u>	<u>162,125</u>	<u>\$ 920,184</u>
Fund balance, July 1				<u>(149,207)</u>	
Fund balance, June 30				<u>12,918</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FIRE FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,666,000	\$ 1,666,000	\$ 1,631,264	\$ (34,736)
Grants - State Fire Marshall				
Charges for services	-	-	-	-
Interest:				
Interest on investments	15,000	15,000	14,916	(84)
Miscellaneous	-	-	1,068	1,068
Total revenues	<u>1,681,000</u>	<u>1,681,000</u>	<u>1,647,248</u>	<u>(33,752)</u>
Expenditures:				
Current:				
Public safety:				
Fire special improvements	2,200,000	2,213,000	1,407,922	805,078
Total expenditures	<u>2,200,000</u>	<u>2,213,000</u>	<u>1,407,922</u>	<u>805,078</u>
Excess (deficiency) of revenues over expenditures	<u>(519,000)</u>	<u>(532,000)</u>	<u>239,326</u>	<u>771,326</u>
Other financing sources (uses):				
Operating transfers in (out)	-	-	(27,025)	(27,025)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(27,025)</u>	<u>(27,025)</u>
Net change in fund balance	(519,000)	(532,000)	212,301	744,301
Fund balance, July 1	<u>1,157,497</u>	<u>1,157,497</u>	<u>1,157,497</u>	<u>-</u>
Fund balance, June 30	<u>\$ 638,497</u>	<u>\$ 625,497</u>	<u>\$ 1,369,798</u>	<u>\$ 744,301</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - RECREATION FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental:				
State cigarette tax	\$ 200,000	\$ 200,000	\$ 19,201	\$ (180,799)
Interest:				
Interest on investments	-	-	(274)	(274)
Total revenues	200,000	200,000	18,927	(181,073)
Other financing uses:				
Transfers out	(200,000)	(249,000)	(48,091)	200,909
Bond proceeds	-	-	-	-
Net change in fund balance	-	(49,000)	(29,164)	19,836
Fund balance, July 1	-	-	29,165	29,165
Fund balance, June 30	\$ -	\$ (49,000)	\$ 1	\$ 49,001

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGET AND ACTUAL - LODGERS' TAX FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes:				
Lodgers' tax	\$ 10,200,000	\$ 10,200,000	\$ 10,121,445	\$ (78,555)
Interest:				
Interest on investments	25,000	25,000	4,255	(20,745)
Total revenues	<u>10,225,000</u>	<u>10,225,000</u>	<u>10,125,700</u>	<u>(99,300)</u>
Expenditures:				
Current:				
General Government:				
Lodger's promotion	4,900,000	4,900,000	4,881,431	18,569
Total expenditures	<u>4,900,000</u>	<u>4,900,000</u>	<u>4,881,431</u>	<u>18,569</u>
Excess (deficiency) of revenues over expenditures	<u>5,325,000</u>	<u>5,325,000</u>	<u>5,244,269</u>	<u>(80,731)</u>
Other financing uses:				
Transfer to Sales Tax Debt Service Fund	(4,900,000)	(4,900,000)	(4,900,000)	-
Transfer to the General Fund	-	-	-	-
Total other financing uses:	<u>(4,900,000)</u>	<u>(4,900,000)</u>	<u>(4,900,000)</u>	<u>-</u>
Net change in fund balance	425,000	425,000	344,269	(80,731)
Fund balance, July 1	1,297,727	1,297,727	1,297,727	-
Fund balance, June 30	<u>\$ 1,722,727</u>	<u>\$ 1,722,727</u>	<u>\$ 1,641,996</u>	<u>\$ (80,731)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HOSPITALITY TAX FUND
YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:				
Taxes:				
Hospitality tax	\$ 2,040,000	\$ 2,040,000	\$ 2,025,377	\$ (14,623)
Interest:				
Interest on investments	<u>5,000</u>	<u>5,000</u>	<u>1,131</u>	<u>(3,869)</u>
Miscellaneous				-
Total revenues	<u>2,045,000</u>	<u>2,045,000</u>	<u>2,026,508</u>	<u>(18,492)</u>
Expenditures:				
Current:				
General government:				
Lodger's promotion	<u>980,000</u>	<u>980,000</u>	<u>979,961</u>	<u>39</u>
Total expenditures	<u>980,000</u>	<u>980,000</u>	<u>979,961</u>	<u>39</u>
Excess of revenues over expenditures	1,065,000	1,065,000	1,046,547	(18,453)
Other financing uses:				
Operating transfers out	<u>(980,000)</u>	<u>(980,000)</u>	<u>(980,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(980,000)</u>	<u>(980,000)</u>	<u>(980,000)</u>	<u>-</u>
Net change in fund balance	85,000	85,000	66,547	(18,453)
Fund balance, July 1	<u>165,569</u>	<u>165,569</u>	<u>165,569</u>	<u>-</u>
Fund balance, June 30	<u>\$ 250,569</u>	<u>\$ 250,569</u>	<u>\$ 232,116</u>	<u>\$ (18,453)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CULTURE AND RECREATION PROJECTS FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Revenues:					
Culture and recreation:					
Library charges	\$ 790,000	\$ 1,045,824	\$ (255,824)	\$ 146,538	\$ (402,362)
Museum charges	2,244,000	1,844,498	399,502	436,690	(37,188)
Other	-	6,878	(6,878)	78,277	(85,155)
Total charges for services	<u>3,034,000</u>	<u>2,897,200</u>	<u>136,800</u>	<u>661,505</u>	<u>(524,705)</u>
Interest on investments	<u>322,950</u>	<u>505,125</u>	<u>(182,175)</u>	<u>10,660</u>	<u>(192,835)</u>
Other:					
Miscellaneous revenue	4,586,700	3,726,510	860,190	331,456	528,734
Contributions and donations	1,382,817	1,841,695	(458,878)	23,086	(481,964)
Total other revenues	<u>5,969,517</u>	<u>5,568,205</u>	<u>401,312</u>	<u>354,542</u>	<u>46,770</u>
Total revenues	<u>9,326,467</u>	<u>8,970,530</u>	<u>355,937</u>	<u>1,026,707</u>	<u>(670,770)</u>
Expenditures:					
Current:					
Culture and recreation	<u>9,624,467</u>	<u>7,215,382</u>	<u>2,409,085</u>	<u>818,614</u>	<u>1,590,471</u>
Excess (deficiency) of revenues over expenditures	(298,000)	1,755,148	(2,053,148)	208,093	(2,261,241)
Other financing sources:					
Transfers in	<u>355,000</u>	<u>-</u>	<u>355,000</u>	<u>-</u>	<u>355,000</u>
Total other financing sources (uses)	<u>355,000</u>	<u>-</u>	<u>355,000</u>	<u>-</u>	<u>355,000</u>
Net change in fund balance	<u>\$ 57,000</u>	<u>\$ 1,755,148</u>	<u>\$ (1,698,148)</u>	208,093	<u>\$ (1,906,241)</u>
Fund balance, July 1				<u>1,755,148</u>	
Fund balance, June 30				<u>\$ 1,963,241</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ALBUQUERQUE BIOLOGICAL PARK PROJECTS FUND
YEAR ENDED JUNE 30, 2011

	Project Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Revenues:					
Zoo and park admissions	\$ 600,000	\$ 1,137,630	\$ (537,630)	\$ 224,517	\$ (762,147)
Collecting trips	300,000	7,602	292,398	-	292,398
Total charges for services	<u>900,000</u>	<u>1,145,232</u>	<u>(245,232)</u>	<u>224,517</u>	<u>(469,749)</u>
Interest on investments	<u>1,982,500</u>	<u>199,336</u>	<u>1,783,164</u>	<u>5,913</u>	<u>1,777,251</u>
Other:					
Miscellaneous revenue	2,096,000	62,807	2,033,193	20,729	2,012,464
Contributions and donations	11,023,755	12,774,853	(1,751,098)	1,800,998	(3,552,096)
Sales of other property	100,000	241,277	(141,277)	1,160	(142,437)
Total other	<u>13,219,755</u>	<u>13,078,937</u>	<u>140,818</u>	<u>1,822,887</u>	<u>(1,682,069)</u>
Total revenues	<u>16,102,255</u>	<u>14,423,505</u>	<u>1,678,750</u>	<u>2,053,317</u>	<u>(374,567)</u>
Expenditures:					
Current:					
General Government	-	-	-	-	-
Public safety	-	-	-	-	-
Culture and recreation	14,550,255	12,299,810	2,250,445	2,565,297	(314,852)
Total Expenditures	<u>14,550,255</u>	<u>12,299,810</u>	<u>2,250,445</u>	<u>2,565,297</u>	<u>(314,852)</u>
Excess (deficiency) of revenues over expenditures	<u>1,552,000</u>	<u>2,123,695</u>	<u>(571,695)</u>	<u>(511,980)</u>	<u>(59,715)</u>
Other financing uses:					
Transfers to capital acquisitions	(1,522,000)	(1,522,000)	-	-	-
Total other financing uses	<u>(1,522,000)</u>	<u>(1,522,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 30,000</u>	<u>\$ 601,695</u>	<u>\$ (571,695)</u>	<u>(511,980)</u>	<u>\$ (59,715)</u>
Fund balance, July 1				<u>601,695</u>	
Fund balance, June 30				<u>\$ 89,715</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CITY HOUSING FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Revenues:					
Interest on investments	\$ 1,364,507	\$ 1,173,368	\$ 191,139	\$ 41,146	\$ 149,993
CMO bond loan repayments	405,156	3,948,600	(3,543,444)	584,521	(4,127,965)
Affordable Housing Trust Fund	1,000,000	1,000,000	-	-	-
Proceeds from land sales	8,312,804	8,312,804	-	-	-
Total revenues	11,082,467	14,434,772	(3,352,305)	625,667	(3,977,972)
Expenditures:					
Current:					
Housing	10,916,069	6,791,213	4,124,856	2,683,400	1,441,456
Total expenditures	10,916,069	6,791,213	4,124,856	2,683,400	1,441,456
Excess (deficiency) of revenues over expenditures	166,398	7,643,559	(7,477,161)	(2,057,733)	(5,419,428)
Other financing sources (uses):					
Operating transfers in (out)	(166,398)	(73,794)	(92,604)	483,878	(576,482)
Total other financing sources (uses)	(166,398)	(73,794)	(92,604)	483,878	(576,482)
Net change in fund balance	\$ -	\$ 7,569,765	\$ (7,569,765)	(1,573,855)	\$ (5,995,910)
Fund balance, July 1				8,615,546	
Fund balance, June 30				\$ 7,041,691	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - AIR QUALITY FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Licenses and permits:				
Authorized vehicle inspection fees	\$ 29,000	\$ 29,000	\$ 28,800	\$ (200)
Certified vehicle inspection fees	12,000	12,000	13,840	1,840
Certified vehicle paper sales	1,265,000	1,265,000	1,260,767	(4,233)
Dust permits	240,000	240,000	228,997	(11,003)
Title V operating permits	932,000	932,000	794,975	(137,025)
Asbestos notification	50,000	50,000	56,415	6,415
Fines and forfeits	-	-	7,500	7,500
Total licenses and permits	<u>2,528,000</u>	<u>2,528,000</u>	<u>2,391,294</u>	<u>(136,706)</u>
Interest:				
Interest on investments	50,000	50,000	617	(49,383)
Miscellaneous				
	<u>-</u>	<u>-</u>	<u>2,278</u>	<u>2,278</u>
Total revenues	<u>2,578,000</u>	<u>2,578,000</u>	<u>2,394,189</u>	<u>(183,811)</u>
Expenditures:				
Environmental Health:				
Title V operating permits	1,392,000	1,392,000	970,197	421,803
Vehicle inspections	1,208,000	1,208,000	1,031,322	176,678
Indirect overhead	128,000	128,000	101,245	26,755
Total expenditures	<u>2,728,000</u>	<u>2,728,000</u>	<u>2,102,764</u>	<u>625,236</u>
Excess (deficiency) of revenues over expenditures	<u>(150,000)</u>	<u>(150,000)</u>	<u>291,425</u>	<u>441,425</u>
Net change in fund balance	(150,000)	(150,000)	291,425	441,425
Fund balance, July 1	<u>-</u>	<u>-</u>	<u>18,866</u>	<u>-</u>
Fund balance, June 30	<u>\$ (150,000)</u>	<u>\$ (150,000)</u>	<u>\$ 310,291</u>	<u>\$ 441,425</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - OPERATING GRANTS FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Revenues:					
Intergovernmental:					
Grants:					
Corporation for National and Community Services	\$ 3,779,627	3,732,087	47,540	328,447	\$ (280,907)
U.S. Department of Agriculture	-	1,716,574	(1,716,574)	-	(1,716,574)
U.S. Department of Housing and Urban development	58,185,186	52,087,794	6,097,392	6,223,603	(126,211)
U.S. Department of Labor	3,888,864	3,394,873	493,991	7,282	486,709
U.S. Environmental Protection Agency	12,308,922	11,344,061	964,861	1,098,253	(133,392)
Federal Aviation Administration	440,000	440,000	-	-	-
U.S. Department of Energy	-	387,106	(387,106)	-	(387,106)
U.S. Department of Energy - UCETC	-	110,198	(110,198)	-	(110,198)
U.S. Dept. Health and Human Services	31,050,963	35,179,709	(4,128,746)	2,773,947	(6,902,693)
U.S. Department of Homeland Security	-	1,152,929	(1,152,929)	(58,782)	(1,094,147)
U.S. Department of the Treasury	427,169	385,994	41,175	-	41,175
U.S. Department of Justice	33,348,018	25,302,092	8,045,926	2,312,977	5,732,949
U.S. Department of Education	-	106,805	(106,805)	-	(106,805)
Federal Emergency Management Agency	2,255,765	1,963,066	292,699	-	292,699
N.M. Dept. of Health - Social Services	6,576,487	1,571,592	5,004,895	3,264	5,001,631
N.M. Department of Public Safety	10,472,595	9,518,340	954,255	976,822	(22,567)
N.M. Arts Commission	-	-	-	-	-
N.M. State Library	336,075	527,448	(191,373)	58,686	(250,059)
N.M. State Highway Department	16,641,133	16,220,137	420,996	80,734	340,262
N.M. Department of Transportation	10,746,353	7,742,031	3,004,322	2,231,225	773,097
N.M. State Office on Aging	54,795,124	54,336,858	458,266	5,197,925	(4,739,659)
N.M. Board of Finance	257,969	5,296	252,673	-	252,673
N.M. Dept. of Economic Development	2,950,000	3,258,754	(308,754)	-	(308,754)
N.M. Energy and Minerals Dept.	249,800	239,542	10,258	316,116	(305,858)
N.M. Local government Division	17,734,938	21,380,569	(3,645,631)	4,725	(3,650,356)
N.M. Office Cultural Office	75,910	75,555	355	-	355
N.M. Dept. of Health - Public Health	6,000	525,495	(519,495)	(519,495)	-
N.M. Dept. of Health - Substance Abuse	6,000	10,000	(4,000)	-	(4,000)
N.M. Children, Youth & Families Dept.	25,641,043	23,828,395	1,812,648	2,786,847	(974,199)
N.M. Youth Conservation Corp. Comm.	479,139	576,389	(97,250)	-	(97,250)
N.M. HIDTA	15,000	-	15,000	11,521	3,479
N.M. Fire Marshall	100,000	-	100,000	59,095	40,905
City of Rio Rancho	60,000	33,436	26,564	-	26,564
County Other	2,744,748	825,140	1,919,608	90,898	1,828,710
County Aging	4,004,900	4,324,087	(319,187)	345,900	(665,087)
Total intergovernmental	299,577,728	282,302,352	17,275,376	24,329,990	(7,054,614)
Interest:					
Interest - Police Block Grant	468,138	698,064	(229,926)	20,191	(250,117)
Miscellaneous:					
Other miscellaneous	14,082,317	15,654,600	(1,572,283)	466,444	(2,038,727)
Rehabilitation loan repayments	1,556,385	1,752,896	(196,511)	203,925	(400,436)
Contributions and donations	585,636	448,961	136,675	584,522	(447,847)
Total miscellaneous	16,224,338	17,856,457	(1,632,119)	1,254,891	(2,887,010)
Total revenues	316,270,204	300,856,873	15,413,331	25,605,072	(10,191,741)

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - OPERATING GRANTS FUND
YEAR ENDED JUNE 30, 2011

	Project Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Expenditures:					
General government:					
Aviation	440,000	440,000	-	-	-
Planning-redevelopment	1,157,838	1,045,375	112,463	163,889	(51,426)
Planning-Mayor	-	341,984	(341,984)	-	(341,984)
Planning-Chief Administrative Officer	5,652,736	1,656,412	3,996,324	-	3,996,324
Council Services	45,000	40,645	4,355	-	4,355
General Services	-	2	(2)	-	(2)
Environmental Health	-	-	-	1,476	(1,476)
Finance and Administrative Services	90,378	719,689	(629,311)	-	(629,311)
Legal	-	37,404	(37,404)	-	(37,404)
Solid waste	6,061,558	5,201,681	859,877	449,796	410,081
Economic Development	182,800	355,000	(172,200)	-	(172,200)
Total general government	13,630,310	9,838,192	3,792,118	615,161	3,176,957
Public Safety:					
Fire	3,115,928	2,783,425	332,503	18,542	313,961
CAO - Emergency Management	7,674,976	9,490,522	(1,815,546)	1,325,735	(3,141,281)
Police	54,297,172	49,316,024	4,981,148	4,244,092	737,056
Total public safety	65,088,076	61,589,971	3,498,105	5,588,369	(2,090,264)
Culture and recreation:					
Library	361,173	742,972	(381,799)	61,922	(443,721)
Parks and Recreation	1,612,579	1,501,945	110,634	426,811	(316,177)
Total culture and recreation	1,973,752	2,244,917	(271,165)	488,733	(759,898)
Highways and streets	12,776,800	10,788,316	1,988,484	918,841	1,069,643
Environmental health	26,083,094	24,456,354	1,626,740	2,257,675	(630,935)
Human services	253,346,353	235,599,621	17,746,732	20,976,458	(3,229,726)
Total expenditures	372,898,385	344,517,371	28,381,014	30,845,237	(2,464,223)
Excess (deficiency) of revenues over expenditures	(56,628,181)	(43,660,498)	(12,967,683)	(5,240,165)	(7,727,518)
Other financing sources (uses):					
Transfers in	56,960,471	44,966,662	11,993,809	4,873,491	7,120,318
Transfers out	-	-	-	-	-
Total other financing sources	56,960,471	44,966,662	11,993,809	4,873,491	7,120,318
Net change in fund balances	\$ 332,290	1,306,164	(973,874)	(366,674)	\$ (607,200)
Fund balances, July 1				4,645,231	
Fund balances, June 30				4,278,557	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - METROPOLITAN REDEVELOPMENT FUND
YEAR ENDED JUNE 30, 2011

	<u>Project Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2010</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2011</u>
Revenues:					
Taxes:					
Current property tax	\$ 6,247,297	\$ 6,905,585	\$ (658,288)	\$ -	\$ (658,288)
Charges for services					
Intergovernmental:					
Grants:					
US Economic Development Administration	1,000,000	1,000,000	-	-	-
Interest:					
Interest on investments	2,606,668	2,840,416	(233,748)	30,403	(264,151)
Miscellaneous:					
Rental of city property	740,355	763,197	(22,842)	22,723	(45,565)
Sale of real property	2,399,173	2,346,281	52,892	-	52,892
Miscellaneous parking revenue	31,898	31,898	-	-	-
Other miscellaneous	266,837	966,001	(699,164)	41,445	(740,609)
Total miscellaneous	3,438,263	4,107,377	(669,114)	64,168	(733,282)
Total revenues	<u>13,292,228</u>	<u>14,853,378</u>	<u>(1,561,150)</u>	<u>94,571</u>	<u>(1,655,721)</u>
Expenditures:					
Current:					
General Government	14,047,202	11,837,868	2,209,334	271,406	1,937,928
Excess (deficiency) of revenues over expenditures	(754,974)	3,015,510	(3,770,484)	(176,835)	(3,593,649)
Other financing sources:					
Operating transfers in	425,000	425,000	-	-	-
Total other financing sources	425,000	425,000	-	-	-
Net change in fund balance	<u>\$ (329,974)</u>	<u>\$ 3,440,510</u>	<u>\$ (3,770,484)</u>	<u>(176,835)</u>	<u>\$ (3,593,649)</u>
Fund balance, July 1				3,804,510	
Fund balance, June 30				<u>\$ 3,627,675</u>	

CITY OF ALBUQUERQUE, NEW MEXICO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE

BUDGET AND ACTUAL - HOUSING & NEIGHBORHOOD ECONOMIC DEVELOPMENT FUND

YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2010</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2011</u>
Revenues:					
Interest:					
Interest	\$ 200,000	\$ 5,566,746	\$ (5,366,746)	\$ 19,976	\$ (5,386,722)
Miscellaneous:					
Housing and development	12,223,517	11,591,611	631,906	1,428,337	(796,431)
Total revenues	12,423,517	17,158,357	(4,734,840)	1,448,313	(6,183,153)
Expenditures:					
Current:					
Housing and development	12,423,517	13,844,226	(1,420,709)	2	(1,420,711)
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,314,131</u>	<u>\$ (3,314,131)</u>	1,448,311	<u>\$ (4,762,442)</u>
Fund balance, July 1				<u>2,578,327</u>	
Fund balance, June 30				<u>\$ 4,026,638</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - LAW ENFORCEMENT PROTECTION FUND
YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2010</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2011</u>
Revenues:					
Intergovernmental:					
Insurance debt collections	\$ 4,885,200	\$ 4,001,547	\$ 883,653	\$ 679,000	\$ 204,653
Charges for services:					
Crime laboratory-Controlled substances and DWI tests	1,080,000	1,050,210	29,790	102,054	(72,264)
Fines and forfeits:					
Police-forfeited funds	9,525,000	9,722,577	(197,577)	2,179,157	(2,376,734)
Interest:					
Interest on Investments	-	808,606	(808,606)	17,224	(825,830)
Other:					
Miscellaneous	4,231,000	4,173,671	57,329	757,030	(699,701)
Total revenues	<u>19,721,200</u>	<u>19,756,611</u>	<u>(35,411)</u>	<u>3,734,465</u>	<u>(3,769,876)</u>
Expenditures:					
Current:					
General Government					
Public safety:					
Law enforcement protection funds act	4,885,200	3,583,770	1,301,430	637,446	663,984
Federal forfeitures program	6,474,000	5,943,976	530,024	963,196	(433,172)
Crime lab program	885,000	501,207	383,793	86,138	297,655
DWI forfeitures program	6,906,000	6,318,863	587,137	710,783	(123,646)
Total expenditures	<u>19,150,200</u>	<u>16,347,816</u>	<u>2,802,384</u>	<u>2,397,563</u>	<u>404,821</u>
Excess (deficiency) of revenues over expenditures	<u>571,000</u>	<u>3,408,795</u>	<u>(2,837,795)</u>	<u>1,336,902</u>	<u>(4,174,697)</u>
Other financing sources (uses):					
Operating transfers in	1,293,000	1,000,508	292,492	-	292,492
Operating transfers out	(1,864,000)	(1,459,917)	(404,083)	(407,000)	2,917
Total other financing sources (uses)	<u>(571,000)</u>	<u>(459,409)</u>	<u>(111,591)</u>	<u>(407,000)</u>	<u>295,409</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,949,386</u>	<u>\$ (2,949,386)</u>	<u>929,902</u>	<u>\$ (3,879,288)</u>
Fund balance, July 1				2,949,386	
Fund balance, June 30				<u>\$ 3,879,288</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAS TAX ROAD FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental:				
State gasoline tax	\$ 5,000,000	\$ 5,000,000	\$ 4,765,348	\$ (234,652)
Interest on investments:				
Interest	-	-	3,508	3,508
Miscellaneous	-	-	49,142	49,142
Total revenues	<u>5,000,000</u>	<u>5,000,000</u>	<u>4,817,998</u>	<u>(182,002)</u>
Expenditures:				
Current:				
Highways and streets	5,002,000	5,003,000	4,733,725	269,275
Payments to General Fund for services	257,000	257,000	227,958	29,042
Total expenditures	<u>5,259,000</u>	<u>5,260,000</u>	<u>4,961,683</u>	<u>298,317</u>
Excess (deficiency) of revenues over expenditures	(259,000)	(260,000)	(143,685)	116,315
Other financing sources:				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(259,000)	(260,000)	(143,685)	116,315
Fund balance, July 1	<u>804,156</u>	<u>804,156</u>	<u>804,156</u>	<u>-</u>
Fund balance, June 30	<u>\$ 545,156</u>	<u>\$ 544,156</u>	<u>\$ 660,471</u>	<u>\$ 116,315</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CITY/COUNTY PROJECTS FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Revenues:					
Charges for services:					
Information System Services	\$ 1,347,000	1,167,734	179,266	-	\$ 179,266
Interest:					
Interest on investments	155,000	64,041	90,959	153	90,806
Miscellaneous	-	-	-	1	(1)
Total revenues	<u>1,502,000</u>	<u>1,231,775</u>	<u>270,225</u>	<u>154</u>	<u>270,071</u>
Expenditures:					
Current					
General Government	<u>733,000</u>	<u>640,071</u>	<u>92,929</u>	<u>14,071</u>	<u>78,858</u>
Total expenditures	<u>733,000</u>	<u>640,071</u>	<u>92,929</u>	<u>14,071</u>	<u>78,858</u>
Excess (deficiency) of revenues over expenditures	769,000	591,704	177,296	(13,917)	191,213
Other financing (uses):					
Transfers (out)	(784,000)	(737,000)	(47,000)	(45,536)	(1,464)
Bond proceeds	-	-	-	-	-
Total other financing sources (uses)	<u>(784,000)</u>	<u>(737,000)</u>	<u>(47,000)</u>	<u>(45,536)</u>	<u>(1,464)</u>
Net change in fund balance	<u>\$ (15,000)</u>	<u>(145,296)</u>	<u>130,296</u>	(59,453)	<u>\$ 189,749</u>
Fund balance, July 1				59,453	
Fund balance, June 30				<u>-</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FALSE ALARM ENFORCEMENT AND EDUCATION FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Licenses and permits:				
Alarm permit fees	\$ 726,000	\$ 726,000	\$ 788,817	\$ 62,817
Interest on investments:				
Interest	5,000	5,000	2,971	(2,029)
Total revenues	<u>731,000</u>	<u>731,000</u>	<u>791,788</u>	<u>60,788</u>
Expenditures:				
Current:				
General government	524,000	524,000	388,786	135,214
Indirect overhead	10,000	10,000	9,868	132
Total expenditures	<u>534,000</u>	<u>534,000</u>	<u>398,654</u>	<u>135,346</u>
Excess of revenues over expenditures	<u>197,000</u>	<u>197,000</u>	<u>393,134</u>	<u>196,134</u>
Other financing uses:				
Transfers out	(340,000)	(340,000)	(367,957)	(27,957)
Net change in fund balance	(143,000)	(143,000)	25,177	168,177
Fund balance, July 1	<u>583,729</u>	<u>583,729</u>	<u>583,729</u>	<u>-</u>
Fund balance, June 30	<u>\$ 440,729</u>	<u>\$ 440,729</u>	<u>\$ 608,906</u>	<u>\$ 168,177</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - PHOTO ENFORCEMENT RED LIGHT FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Licenses and permits:				
Photo Enforcement Revenues	\$ 7,063,000	\$ 7,063,000	3,907,043	\$ (3,155,957)
Interest	25,000	25,000	9,238	(15,762)
Total revenues	7,088,000	7,088,000	3,916,281	(3,171,719)
Expenditures:				
Current:				
Public Safety	6,440,000	6,560,000	3,177,468	3,382,532
Indirect overhead	16,000	16,000	11,488	4,512
Total expenditures	6,456,000	6,576,000	3,188,956	3,387,044
Excess of revenues over expenditures	632,000	512,000	727,325	215,325
Other financing uses:				
Transfers out	(926,000)	(926,000)	(926,000)	-
Total other financing sources (uses)	(926,000)	(926,000)	(926,000)	-
Net change in fund balance	(294,000)	(414,000)	(198,675)	215,325
Fund balance, July 1	1,490,673	1,490,673	1,490,673	-
Fund balance, June 30	\$ 1,196,673	\$ 1,076,673	1,291,998	\$ 215,325

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CITY/COUNTY FACILITIES FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services:				
Charges for building rental	\$ 2,836,000	\$ 2,836,000	\$ 2,862,225	\$ 26,225
Interest	-	-	(1,254)	(1,254)
Miscellaneous	-	-	-	-
Total revenues	<u>2,836,000</u>	<u>2,836,000</u>	<u>2,860,971</u>	<u>24,971</u>
Expenditures:				
Current:				
General Government:				
City/County building	3,212,000	3,216,000	3,037,390	178,610
Indirect overhead	86,000	86,000	86,000	-
Total expenditures	<u>3,298,000</u>	<u>3,302,000</u>	<u>3,123,390</u>	<u>178,610</u>
Excess of revenues over expenditures	<u>(462,000)</u>	<u>(466,000)</u>	<u>(262,419)</u>	<u>203,581</u>
Other financing uses:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(462,000)	(466,000)	(262,419)	203,581
Fund balance, July 1	<u>891,593</u>	<u>891,593</u>	<u>891,593</u>	<u>-</u>
Fund balance, June 30	<u>\$ 429,593</u>	<u>\$ 425,593</u>	<u>\$ 629,174</u>	<u>\$ 203,581</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ACQUISITION AND MANAGEMENT OF OPEN SPACE EXPENDITURES FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services	72,000	72,000	72,884	884
Interest	10,000	10,000	4,405	(5,595)
Misc income	-	-	6,573	6,573
Total revenues	<u>82,000</u>	<u>82,000</u>	<u>83,862</u>	<u>1,862</u>
Expenditures:				
Current				
Culture and recreation	2,590,000	2,592,000	2,586,394	5,606
Total expenditures	<u>2,590,000</u>	<u>2,592,000</u>	<u>2,586,394</u>	<u>5,606</u>
Excess (deficiency) of revenues over expenditures	(2,508,000)	(2,510,000)	(2,502,532)	7,468
Other financing sources:				
Operating transfers in	1,658,000	2,858,000	2,386,033	(471,967)
Total other financing sources (uses)	<u>1,658,000</u>	<u>2,858,000</u>	<u>2,386,033</u>	<u>(471,967)</u>
Net change in fund balance	<u>(850,000)</u>	<u>348,000</u>	<u>(116,499)</u>	<u>(464,499)</u>
Fund balance, July 1	<u>1,222,771</u>	<u>1,222,771</u>	<u>1,222,771</u>	<u>-</u>
Fund balance, June 30	<u>\$ 372,771</u>	<u>\$ 1,570,771</u>	<u>\$ 1,106,272</u>	<u>\$ (464,499)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - URBAN ENHANCEMENT EXPENDITURES FUND
YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2010</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2011</u>
Revenues:					
Interest:					
Interest on investments	\$ 344,975	\$ 582,432	\$ (237,457)	\$ 9,819	\$ (247,276)
Miscellaneous:					
Other miscellaneous revenue	<u>-</u>	<u>18,818</u>	<u>(18,818)</u>	<u>-</u>	<u>(18,818)</u>
Total revenues	<u>344,975</u>	<u>601,250</u>	<u>(256,275)</u>	<u>9,819</u>	<u>(266,094)</u>
Expenditures:					
Current:					
Culture and recreation	<u>3,316,629</u>	<u>2,032,169</u>	<u>1,284,460</u>	<u>447,104</u>	<u>837,356</u>
Total expenditures	<u>3,316,629</u>	<u>2,032,169</u>	<u>1,284,460</u>	<u>447,104</u>	<u>837,356</u>
Excess (deficiency) of revenues over expenditures	<u>(2,971,654)</u>	<u>(1,430,919)</u>	<u>(1,540,735)</u>	<u>(437,285)</u>	<u>(1,103,450)</u>
Other financing sources:					
Operating transfers in	2,961,654	2,525,807	435,847	261,524	174,323
Operating transfers out	<u>-</u>	<u>(141,727)</u>	<u>141,727</u>	<u>-</u>	<u>141,727</u>
Total other financing sources (uses)	<u>2,961,654</u>	<u>2,384,080</u>	<u>577,574</u>	<u>261,524</u>	<u>316,050</u>
Net change in fund balance	<u>(10,000)</u>	<u>\$ 953,161</u>	<u>\$ (963,161)</u>	<u>(175,761)</u>	<u>\$ (787,400)</u>
Fund balance, July 1				<u>1,748,411</u>	
Fund balance, June 30				<u>\$ 1,572,650</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SALES TAX REFUNDING DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Interest on investments	\$ 100,000	\$ 100,000	\$ 27,150	\$ (72,850)
Interest on advance	-	-	555,674	555,674
Total revenues	100,000	100,000	582,824	482,824
Expenditures:				
Debt service:				
Principal	4,680,000	4,680,000	4,680,000	-
Interest	5,617,709	5,617,709	5,617,709	-
Bond issuance costs and other fees	107,291	107,291	6,950	100,341
Total expenditures	10,405,000	10,405,000	10,304,659	100,341
Excess (deficiency) of revenues over expenditures	(10,305,000)	(10,305,000)	(9,721,835)	583,165
Other financing sources:				
Proceeds of refunding bonds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Operating transfers in	10,793,000	10,793,000	7,532,000	(3,261,000)
Total other financing sources (uses)	10,793,000	10,793,000	7,532,000	(3,261,000)
Net change in fund balance	488,000	488,000	(2,189,835)	(2,677,835)
Fund balance, July 1	14,236,376	14,236,376	14,236,376	-
Fund balance, June 30	<u>\$ 14,724,376</u>	<u>\$ 14,724,376</u>	<u>\$ 12,046,541</u>	<u>\$ (2,677,835)</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES COMPARED TO APPROPRIATIONS BY PURPOSE
BUDGET AND ACTUAL - QUALITY OF LIFE FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
<u>Quality of Life Fund</u>					
Capital Outlay and Other:					
Balloon/Science Museum	\$ 25,005,700	\$ 24,978,431	\$ 27,269	\$ -	\$ 27,269
Tingley Aqua Park /Botanical	36,620,000	36,595,631	24,369	-	24,369
Quarter cent - streets	-	-	-	-	-
Quarter cent - storm drain	-	-	-	-	-
Rio Grande Bosque RR	-	-	-	-	-
Total Quality of Life Fund	<u>\$ 61,625,700</u>	<u>\$ 61,574,062</u>	<u>\$ 51,638</u>	<u>\$ -</u>	<u>\$ 51,638</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCES BY PURPOSE
QUALITY OF LIFE FUND
Year ended June 30, 2011

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

Quarter Cent Storm Drain	Rio Grande Bosque RR	Miscellaneous	Intra-Fund Eliminations	Total
\$ -	\$ -	\$ 429	\$ -	\$ 429
-	-	-	-	\$ -
-	-	429	-	\$ 429
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	429	-	429
(109)	(260)	112,090	-	78,127
<u>\$ (109)</u>	<u>\$ (260)</u>	<u>\$ 112,519</u>	<u>\$ -</u>	<u>\$ 78,556</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES COMPARED TO APPROPRIATIONS BY PURPOSE
BUDGET AND ACTUAL - INFRASTRUCTURE TAX FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
<u>Infrastructure Tax Fund</u>					
Capital Outlay and Other:					
Streets	\$ 3,717,009	\$ 17,582,148	\$ (13,865,139)	\$ 8,180,993	\$ (22,046,132)
Maintenance	324,856,177	158,860,107	165,996,070	19,519,746	146,476,324
Trails	14,514,499	13,724,119	790,380	1,440,788	(650,408)
Transit	61,963,660	62,191,580	(227,920)	11,255,500	(11,483,420)
Total Infrastructure Tax Fund	<u>\$ 405,051,345</u>	<u>\$ 252,357,954</u>	<u>\$ 152,693,391</u>	<u>\$ 40,397,027</u>	<u>\$ 112,296,364</u>

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - IMPACT FEES CAPITAL PROJECT FUND
YEAR ENDED JUNE 30, 2011

	<u>Project Budget</u>	<u>Prior Years' Actual</u>	<u>Project Budget Remaining July 1, 2010</u>	<u>Current Year Actual</u>	<u>Project Budget Remaining June 30, 2011</u>
Revenues:					
Charges for services	\$ 29,197,399	\$ 28,415,600	\$ 781,799	\$ 4,362,482	\$ (3,580,683)
Interest	<u>\$ 1,341,933</u>	<u>\$ 1,929,122</u>	<u>(587,189)</u>	<u>\$ (21,461)</u>	<u>(565,728)</u>
Total revenues	<u>30,539,332</u>	<u>30,344,722</u>	<u>194,610</u>	<u>4,341,021</u>	<u>(4,146,411)</u>
Expenditures:					
Current					
Capital Outlay	<u>30,539,332</u>	<u>14,141,805</u>	<u>16,397,527</u>	<u>4,362,482</u>	<u>12,035,045</u>
Total expenditures	<u>30,539,332</u>	<u>14,141,805</u>	<u>16,397,527</u>	<u>4,362,482</u>	<u>12,035,045</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>16,202,917</u>	<u>(16,202,917)</u>	<u>(21,461)</u>	<u>(16,181,456)</u>
Other financing sources (uses):					
Operating transfers in (out)	-	-	-	-	-
Bond proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 16,202,917</u>	<u>\$ (16,202,917)</u>	<u>(21,461)</u>	<u>\$ (16,181,456)</u>
Fund balances, July 1 (restated)				<u>17,808</u>	
Fund balances, June 30				<u>(3,653)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - VEHICLE AND EQUIPMENT REPLACEMENT FUND
YEAR ENDED JUNE 30, 2011

	Final Budget	Prior Years' Actual	Project Budget Remaining July 1, 2010	Current Year Actual	Project Budget Remaining June 30, 2011
Revenues:					
Interest on investments	\$ 1,524,744	\$ 1,548,068	\$ (23,324)	\$ 8,311	\$ (31,635)
Other:					
Vehicle and equipment replacement charges	-	-	-	-	-
Sales of property and equipment	1,099,500	1,110,378	(10,878)	-	(10,878)
Recoveries on damaged vehicles	345,582	348,291	(2,709)	4,500	(7,209)
Fines and forfeits	-	-	-	-	-
Miscellaneous revenues	830,174	845,918	(15,744)	201,401	(217,145)
Total other revenues	2,275,256	2,304,587	(29,331)	205,901	(235,232)
Total revenues	3,800,000	3,852,655	(52,655)	214,212	(266,867)
Expenditures:					
Current					
Capital outlay:					
Vehicles and equipment	4,656,000	4,956,495	(300,495)	52,500	(352,995)
Computers	9,400,000	7,193,037	2,206,963	961,729	1,245,234
Total expenditures	14,056,000	12,149,532	1,906,468	1,014,229	892,239
Deficiency of revenues over expenditures	(10,256,000)	(8,296,877)	(1,959,123)	(800,017)	(1,159,106)
Other financing sources:					
Operating transfers in	15,262,000	15,262,000	-	-	-
Operating transfers out	(5,006,000)	(5,006,000)	-	-	-
Bond proceeds	-	-	-	-	-
Total other financing sources (uses)	10,256,000	10,256,000	-	-	-
Net change in fund balance	\$ -	\$ 1,959,123	\$ (1,959,123)	(800,017)	\$ (1,159,106)
Fund balance, July 1				1,959,123	
Fund balance, June 30				\$ 1,159,106	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - AIRPORT FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Charges for services	\$ 62,249,390	\$ 62,249,390	\$ 62,332,944	\$ 83,554
Passenger Facility Charge	7,441,000	7,441,000	7,287,973	(153,027)
Miscellaneous revenue	(200,000)	(200,000)	37,772	237,772
Interest on investments	500,000	500,000	200,597	(299,403)
Proceeds of refunding bonds	-	-	16,167,744	16,167,744
Transfer from non-restricted cash to cash restricted for debt service	30,500,000	30,500,000	30,500,000	-
Total revenues	100,490,390	100,490,390	116,527,030	16,036,640
Expenses:				
Aviation management and professional support	3,725,000	3,725,000	3,635,800	89,200
Aviation operation, maintenance and security	25,482,000	25,504,000	24,845,451	658,549
Airport capital and deferred maintenance	7,250,000	7,250,000	7,250,000	-
Payments for General Fund services	1,406,000	1,406,000	1,345,590	60,410
Transfer from non-restricted cash to cash restricted for debt service	30,500,000	30,500,000	30,500,000	-
Debt service	29,939,000	34,539,000	34,549,561	(10,561)
Payment to refunded bond escrow agent	-	-	16,240,000	(16,240,000)
Total expenses	98,302,000	102,924,000	118,366,402	(15,442,402)
Excess of revenues over (under) expenses	\$ 2,188,390	\$ (2,433,610)	(1,839,372)	\$ 594,238
 Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			480,242	
Depreciation			(29,968,906)	
Amortization			(247,873)	
Loss on disposition of property and equipment			2,870	
Miscellaneous revenue				
Capital fund non-capitalized items			(274,121)	
Charges to conform to generally accepted accounting principles:				
Principal payment on bonds			28,143,833	
Payment to refund bond			16,240,000	
Proceeds of refund bond			(16,167,744)	
Transfer from non-restricted cash to cash restricted for acquisition of property and equipment			7,250,000	
Capital contributions			5,228,251	
 Change in net assets			\$ 8,847,180	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - REFUSE DISPOSAL FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues:				
Charges for services	\$ 65,233,484	\$ 65,233,484	61,435,325	\$ (3,798,159)
Interest on investments	95,000	95,000	80,308	(14,692)
Miscellaneous revenue	85,000	85,000	967,229	882,229
Transfer from General Fund	-	-	-	-
Transfer from non-restricted cash to cash restricted for debt service	<u>5,004,000</u>	<u>5,004,000</u>	<u>5,004,000</u>	<u>-</u>
Total revenues	<u>70,417,484</u>	<u>70,417,484</u>	<u>67,486,862</u>	<u>(2,930,622)</u>
Expenses:				
Administrative services	7,768,000	7,768,000	7,619,331	148,669
Collections	18,482,000	18,482,000	17,714,592	767,408
Disposal	6,214,000	15,163,810	6,386,278	8,777,532
Recycling	4,177,000	4,177,000	3,940,110	236,890
Clean City	6,682,000	6,682,000	5,291,496	1,390,504
Transfer from non-restricted cash to cash:				
restricted for debt service	5,004,000	5,004,000	5,004,000	-
restricted for capital acquisition	10,473,000	10,473,000	8,790,430	1,682,570
Payment for General Fund services	4,438,000	4,438,000	4,228,744	209,256
Billings expense-Albuquerque Bernalillo County				
Water Utility Authority	1,032,000	1,032,000	1,032,000	-
Debt service	<u>5,004,000</u>	<u>5,004,000</u>	<u>4,987,537</u>	<u>16,463</u>
Total expenses	<u>69,274,000</u>	<u>78,223,810</u>	<u>64,994,518</u>	<u>13,229,292</u>
Excess of revenues over (under) expenses	<u>\$ 1,143,484</u>	<u>\$ (7,806,326)</u>	2,492,344	<u>\$ 10,298,670</u>
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			(25,687)	
Gain or loss on disposition of property and equipment			469,303	
Capital contributions			-	
Depreciation			(3,761,788)	
Amortization			(40,891)	
Bad Debt			(262,183)	
Unrealized gain on investments				
Changes to conform to generally accepted accounting principles:				
Principal payment on bonds			4,437,720	
Transfer from non-restricted cash to cash				
restricted for capital acquisition			8,790,430	
Capitalized interest on long-term debt			571,044	
Capital outlay			<u>(829,262)</u>	
Change in net assets			<u>11,841,030</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - TRANSIT FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Passenger revenues	\$ 6,545,000	\$ 8,354,507	\$ 8,396,800	\$ 42,293
Interest on investments	30,000	30,000	13,973	(16,027)
General operating assistance	16,837,000	16,837,000	16,837,000	-
Transfer from Transportation Infrastructure Tax Fund	12,200,000	12,430,000	11,255,500	(1,174,500)
Debt service transfer	2,698,000	2,698,000	2,697,497	(503)
State of New Mexico- Department of Transportation	-	-	-	-
County- shared operations	1,600,000	1,600,000	1,763,758	163,758
Total revenues	39,910,000	41,949,507	40,964,528	(984,979)
Expenses:				
ABQ ride	26,435,000	28,547,260	28,929,600	(382,340)
Paratransit services	5,088,000	5,348,385	5,409,972	(61,587)
Special events	250,000	254,000	254,316	(316)
Strategic support	2,628,000	2,785,915	2,735,558	50,357
Facility maintenance	1,866,000	1,552,000	1,517,527	34,473
Transfer from non-restricted cash to cash restricted for operating grants	536,000	646,000	646,000	-
Payment for General Fund services	2,074,000	2,173,947	2,161,194	12,753
Debt service	2,698,000	2,698,000	2,697,497	503
Total expenses	41,575,000	44,005,507	44,351,664	(346,157)
Excess of revenues over (under) expenses	\$ (1,665,000)	\$ (2,056,000)	(3,387,136)	\$ (1,331,136)
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			2,279	
Depreciation			(10,470,947)	
Bad debt expense			(277,859)	
Miscellaneous income/ (Cash over and short)			1,306	
Operating grant revenue			1,650,332	
Operating grant expenses			(1,919,553)	
Loss on disposition of capital assets			4,534	
Transfer from Capital Acquisition Fund			-	
Transfer to/from other funds			(585,212)	
Payment for General Fund services			6,497	
Unrealized gains on investments			-	
Changes to conform to generally accepted accounting principles:				
Capital Contributions			908,524	
Transfer from non-restricted cash to cash restricted for operating grants			646,000	
Principal payment on debt, not reported			2,118,196	
Capital Outlay			-	
Change in net assets			\$ (11,303,039)	

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
AIRPORT FUND
June 30, 2011

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Revenue Bonds			
2012	19,161,667	6,195,245	25,356,912
2013	19,472,500	4,484,036	23,956,536
2014	20,010,000	3,870,689	23,880,689
2015	20,795,000	3,010,639	23,805,639
2016	12,945,000	2,297,047	15,242,047
2017 - 2021	37,895,000	4,718,510	42,613,510
2022 - 2025	<u>6,660,000</u>	<u>591,074</u>	<u>7,251,074</u>
Total bonds	<u>\$ 136,939,167</u>	<u>\$ 25,167,240</u>	<u>\$ 162,106,407</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
REFUSE DISPOSAL FUND
June 30, 2011

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Revenue Bonds			
2012	3,485,000	312,863	3,797,863
2013	3,645,000	134,834	3,779,834
2014	<u>905,000</u>	<u>20,928</u>	<u>925,928</u>
Total Bonds	<u>\$ 8,035,000</u>	<u>\$ 468,625</u>	<u>\$ 8,503,625</u>
Notes Payable			
2012	952,720	136,611	1,089,331
2013	983,381	104,785	1,088,166
2014	1,016,534	70,603	1,087,137
2015	1,051,913	34,076	1,085,989
2016	<u>411,730</u>	<u>7,596</u>	<u>419,326</u>
Total Notes Payable	<u>\$ 4,416,278</u>	<u>\$ 353,671</u>	<u>\$ 4,769,949</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
TRANSIT FUND
June 30, 2011

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Notes Payable			
2012	1,092,975	255,773	1,348,748
2013	2,256,121	441,376	2,697,497
2014	2,353,025	344,472	2,697,497
2015	2,454,090	243,406	2,697,496
2016	2,559,497	137,999	2,697,496
2017 - 2020	<u>1,320,684</u>	<u>28,065</u>	<u>1,348,749</u>
	<u>\$ 12,036,392</u>	<u>\$ 1,451,091</u>	<u>\$ 13,487,483</u>

CITY OF ALBUQUERQUE, NEW MEXICO
DESCRIPTION OF NONMAJOR ENTERPRISE FUNDS

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

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

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

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

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

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
JUNE 30, 2011

	<u>Golf Course Fund</u>	<u>Apartments Fund</u>
ASSETS		
Current assets:		
Cash, investments, and accrued interest	\$ 449,323	801,022
Cash with fiscal agents held for debt service	335,888	-
Cash held by others	-	1,081,562
Accounts receivable, net of allowance for uncollectible accounts	13,933	9,117
Prepaid expenses	-	25,564
Inventories of supplies	-	-
Total current assets	<u>799,144</u>	<u>1,917,265</u>
Noncurrent assets:		
Restricted assets:		
Cash, investments, and accrued interest restricted for construction and debt service	85,745	874,288
Accounts receivable-developers	-	-
Escrow deposits	-	97,802
Total restricted assets	<u>85,745</u>	<u>972,090</u>
Capital Assets		
Land	828,330	2,042,705
Buildings and improvements	8,366,376	18,520,121
Machinery and equipment	2,031,614	765,483
Other	-	-
Total capital assets before depreciation	<u>11,226,320</u>	<u>21,328,309</u>
Less accumulated depreciation and amortization	<u>5,520,327</u>	<u>8,934,239</u>
Capital assets, net of depreciation	5,705,993	12,394,070
Construction work in progress	-	-
Total capital assets	<u>5,705,993</u>	<u>12,394,070</u>
Deferred Charges		
Capitalized bond issuance costs	-	221,167
Total deferred charges	<u>-</u>	<u>221,167</u>
Total noncurrent assets	<u>5,791,738</u>	<u>13,587,327</u>
Total assets	<u>\$ 6,590,882</u>	<u>\$ 15,504,592</u>

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Total
\$ 11,336,588	\$ 327,108	\$ 45,331	\$ 12,959,372
-	-	828,759	1,164,647
-	-	-	1,081,562
581,586	33,009	263,812	901,457
-	-	-	25,564
162,889	-	-	162,889
<u>12,081,063</u>	<u>360,117</u>	<u>1,137,902</u>	<u>16,295,491</u>
11,326,500	1,744,497	75,906	14,106,936
-	2,817,061	-	2,817,061
184,987	-	-	282,789
<u>11,511,487</u>	<u>4,561,558</u>	<u>75,906</u>	<u>17,206,786</u>
3,767,389	2,237,008	-	8,875,432
52,270,889	41,614,444	24,204,033	144,975,863
1,320,135	1,561,504	10,218	5,688,954
-	-	100,904	100,904
57,358,413	45,412,956	24,315,155	159,641,153
47,488,153	23,899,248	8,539,104	94,381,071
9,870,260	21,513,708	15,776,051	65,260,082
741,211	-	-	741,211
<u>10,611,471</u>	<u>21,513,708</u>	<u>15,776,051</u>	<u>66,001,293</u>
-	59,748	21,607	302,522
-	59,748	21,607	302,522
<u>22,122,958</u>	<u>26,135,014</u>	<u>15,873,564</u>	<u>83,510,601</u>
<u>\$ 34,204,021</u>	<u>\$ 26,495,131</u>	<u>\$ 17,011,466</u>	<u>\$ 99,806,092</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS-ENTERPRISE FUNDS
JUNE 30, 2011

	Golf Course Fund	Apartment Fund
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 152,377	\$ 24,925
Accrued employee compensation and benefits	68,786	-
Accrued vacation and sick leave pay	99,571	-
Customer deposits and prepaid rents	-	16,400
Deferred revenue	-	-
Due to other funds	-	-
Due to other governments	-	-
Payable out of restricted assets:		
Current portion of bonds, notes payable and capital leases	325,000	335,000
Accrued interest	10,888	272,994
	656,622	649,319
Total current liabilities		
Noncurrent liabilities		
Liabilities payable from restricted assets:		
Tenant security deposits	-	125,577
	-	125,577
Total liabilities payable from restricted assets		
Long-term debt, excluding current portion:		
Revenue bonds (net of unamortized discounts), notes payable, and capital leases	-	10,450,000
	-	10,450,000
Total long-term debt		
Other:		
Accrued vacation and sick leave pay	143,020	-
Advances from other funds	-	-
	143,020	-
Total other liabilities		
Total noncurrent liabilities	143,020	10,575,577
Total liabilities	799,642	11,224,896
NET ASSETS		
Invested in capital assets, net of related debt	5,380,993	1,830,237
Restricted:		
Debt service	33,742	3,392,414
Construction	41,116	-
Housing vouchers	-	-
Unrestricted (deficit)	335,389	(942,955)
	335,389	(942,955)
Total net assets	\$ 5,791,240	\$ 4,279,696

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Total
\$ 236,074	\$ 83,262	\$ 136,124	\$ 632,762
134,094	71,436	4,904	279,220
31,100	188,614	6,212	325,497
-	-	-	16,400
55,764	-	-	55,764
1,000,131	-	-	1,000,131
106,698	-	-	106,698
92,906	-	495,494	1,248,400
7,900	-	318,197	609,979
<u>1,664,667</u>	<u>343,312</u>	<u>960,931</u>	<u>4,274,851</u>
<u>315,851</u>	<u>-</u>	<u>-</u>	<u>441,428</u>
<u>315,851</u>	<u>-</u>	<u>-</u>	<u>441,428</u>
<u>302,171</u>	<u>-</u>	<u>11,558,695</u>	<u>22,310,866</u>
<u>302,171</u>	<u>-</u>	<u>11,558,695</u>	<u>22,310,866</u>
143,986	-	16,502	303,508
-	8,890,000	-	8,890,000
<u>143,986</u>	<u>8,890,000</u>	<u>16,502</u>	<u>9,193,508</u>
<u>762,008</u>	<u>8,890,000</u>	<u>11,575,197</u>	<u>31,945,802</u>
<u>2,426,675</u>	<u>9,233,312</u>	<u>12,536,128</u>	<u>36,220,653</u>
10,216,394	12,683,456	3,743,469	33,854,549
-	55,310	75,906	3,557,372
8,036,799	4,506,248	-	12,584,163
3,170,833	-	-	3,170,833
<u>10,353,320</u>	<u>16,805</u>	<u>655,963</u>	<u>10,418,522</u>
<u>\$ 31,777,346</u>	<u>\$ 17,261,819</u>	<u>\$ 4,475,338</u>	<u>\$ 63,585,439</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2011

	Golf Course Fund	Apartments Fund
	<u> </u>	<u> </u>
Operating revenues:		
Charges for services	\$ 3,823,844	\$ 3,347,935
Operating Expenses:		
Salaries and fringe benefits	1,916,508	-
Professional services	-	-
Utilities	1,159,908	493,471
Supplies	57,213	-
Travel	865	-
Fuels, repairs and maintenance	453,994	677,781
Contractual services	62,932	209,911
Other operating expenses	249,920	804,234
Depreciation	254,907	539,884
Bad Debt expense	-	-
	<u> </u>	<u> </u>
Total operating expenses	4,156,247	2,725,281
Operating income (loss)	<u>(332,403)</u>	<u>622,654</u>
Non-operating revenues (expenses):		
Interest on investments	2,572	2,111
Gain (loss) on disposition of property and equipment	-	-
Federal housing grants	-	-
Housing assistance payments	-	-
Interest expense	(21,998)	(545,988)
Bond issue costs	(2,015)	(11,640)
Other	112,228	333,538
	<u> </u>	<u> </u>
Total non-operating revenues (expenses)	90,787	(221,979)
Income (loss) before capital contributions and transfers	(241,616)	400,675
Capital contributions	-	-
Transfers in	464,000	-
Transfers out	(81,195)	(483,878)
	<u> </u>	<u> </u>
Change in net assets	141,189	(83,203)
Net assets, July 1	<u>5,650,051</u>	<u>4,362,899</u>
Net assets, June 30	<u>\$ 5,791,240</u>	<u>\$ 4,279,696</u>

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Total
\$ 2,180,722	\$ 4,264,400	\$ 1,821,531	\$ 15,438,432
4,051,375	2,036,206	130,760	8,134,849
11,797	3,160	51,740	66,697
734,689	369,196	408,962	3,166,226
-	57,556	1,277	116,046
-	-	-	865
1,342,026	168,605	178,036	2,820,442
866,838	480,677	175,345	1,795,703
456,300	513,628	58,847	2,082,929
1,353,062	1,225,896	936,653	4,310,402
252,066	-	-	252,066
<u>9,068,153</u>	<u>4,854,924</u>	<u>1,941,620</u>	<u>22,746,225</u>
<u>(6,887,431)</u>	<u>(590,524)</u>	<u>(120,089)</u>	<u>(7,307,793)</u>
25,667	13,059	3,938	47,347
-	(14,020)	-	(14,020)
30,147,543	-	-	30,147,543
(21,063,697)	-	-	(21,063,697)
(27,557)	(555,674)	(666,530)	(1,817,747)
-	(44,264)	(14,828)	(72,747)
241,843	(24,624)	-	662,985
<u>9,323,799</u>	<u>(625,523)</u>	<u>(677,420)</u>	<u>7,889,664</u>
2,436,368	(1,216,047)	(797,509)	581,871
-	174,394	-	174,394
-	2,145,000	-	2,609,000
-	(148,637)	-	(713,710)
<u>2,436,368</u>	<u>954,710</u>	<u>(797,509)</u>	<u>2,651,555</u>
<u>29,340,978</u>	<u>16,307,109</u>	<u>5,272,847</u>	<u>60,933,884</u>
<u>\$ 31,777,346</u>	<u>\$ 17,261,819</u>	<u>\$ 4,475,338</u>	<u>\$ 63,585,439</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
Year ended June 30, 2011

	<u>Golf Course Fund</u>	<u>Apartments Fund</u>
Cash flows from operating activities:		
Cash received from customers	\$ 3,889,254	\$ 3,345,286
Cash payments to employees for services	(1,866,792)	-
Cash payments to suppliers for goods and services	(876,310)	(1,695,398)
Cash payments to other funds for goods and services	(1,159,908)	(493,471)
Miscellaneous cash received	-	333,538
Net cash provided by (used for) operating activities	<u>(13,756)</u>	<u>1,489,955</u>
Cash flow from noncapital financing activities:		
Operating grants received	-	-
Housing assistance payments	-	-
Principal paid on advance from other funds	-	-
Interest paid on advance from other funds	-	-
Other income (expense)	112,226	-
Transfers-in from other funds	464,000	-
Transfers-out to other funds	(81,195)	(483,878)
Net cash provided by (used for) noncapital financing activities	<u>495,031</u>	<u>(483,878)</u>
Cash flows from capital and related financing activities:		
Principal paid on revenue bond maturities and refunded bonds	(299,777)	(320,000)
Interest and other expenses paid on revenue bond maturities	(31,935)	(552,388)
Acquisition and construction of capital assets	-	(296,749)
Capital grants received	-	-
Proceeds from sale (retirement) of property and equipment	-	-
Net cash provided by (used for) capital and related financing activities	<u>(331,712)</u>	<u>(1,169,137)</u>
Cash flows from investing activities:		
Interest received on investments	<u>2,572</u>	<u>2,111</u>
Net cash provided by investing activities	<u>2,572</u>	<u>2,111</u>
Net increase (decrease) in cash and cash equivalents	152,135	(160,949)
Cash and cash equivalents, July 1	<u>718,821</u>	<u>3,015,623</u>
Cash and cash equivalents, June 30	<u>\$ 870,956</u>	<u>\$ 2,854,674</u>

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Totals
\$ 1,479,112	\$ 4,249,983	\$ 1,810,953	\$ 14,774,588
(4,061,361)	(2,036,585)	(127,969)	(8,092,707)
(2,622,474)	(1,197,006)	(400,179)	(6,791,367)
(4,163,439)	(369,196)	(408,962)	(6,594,976)
-	-	-	333,538
<u>(9,368,162)</u>	<u>647,196</u>	<u>873,843</u>	<u>(6,370,924)</u>
30,147,543	-	-	30,147,543
(21,063,697)	-	-	(21,063,697)
-	(2,705,000)	-	(2,705,000)
-	(555,674)	-	(555,674)
241,843	(10,599)	-	343,470
-	2,145,000	-	2,609,000
-	(148,637)	-	(713,710)
<u>9,325,689</u>	<u>(1,274,910)</u>	<u>-</u>	<u>8,061,932</u>
(97,183)	-	(472,709)	(1,189,669)
(19,657)	-	(677,304)	(1,281,284)
(461,563)	-	-	(758,312)
-	174,394	-	174,394
-	(14,020)	-	(14,020)
<u>(578,403)</u>	<u>160,374</u>	<u>(1,150,013)</u>	<u>(3,068,891)</u>
<u>25,667</u>	<u>13,059</u>	<u>3,938</u>	<u>47,347</u>
<u>25,667</u>	<u>13,059</u>	<u>3,938</u>	<u>47,347</u>
(595,209)	(454,281)	(272,232)	(1,330,536)
<u>23,443,284</u>	<u>2,525,886</u>	<u>1,222,228</u>	<u>30,925,842</u>
<u>\$ 22,848,075</u>	<u>\$ 2,071,605</u>	<u>\$ 949,996</u>	<u>\$ 29,595,306</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
Year ended June 30, 2011

	<u>Golf Course Fund</u>	<u>Apartments Fund</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (332,403)	\$ 622,654
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	254,907	539,884
Miscellaneous income (expense)	-	333,538
Bad debt expense	-	-
Corrections	-	-
Decrease (increase) in assets:		
Receivables	65,410	7,352
Inventories of supplies	-	-
Prepaid expenses	-	1,860
Increase (decrease) in liabilities:		
Accounts payable	(51,386)	(5,332)
Accrued employee compensation and benefits	49,716	-
Construction contracts and miscellaneous payables	-	-
Customer deposits and prepaid rents	-	(4,842)
Due to other governments	-	-
Deferred revenue	-	(5,159)
Due to other funds	-	-
Net cash provided by (used for) operating activities	<u>\$ (13,756)</u>	<u>\$ 1,489,955</u>
Cash and cash equivalents at June 30 consist of:		
Current assets:		
Cash, investments, and accrued interest	\$ 449,323	\$ 801,022
Cash and investments with fiscal agents	335,888	-
Cash held by others	-	1,081,562
Restricted assets:		
Cash, investments, and accrued interest	85,745	874,288
Escrow deposits	-	97,802
Total cash and cash equivalents, June 30	<u>\$ 870,956</u>	<u>\$ 2,854,674</u>
Non cash transactions:		
Unrealized gains (losses) on investments	\$ -	\$ (60)
Amortization of debt issuance costs	\$ (2,015)	\$ 11,640

The accompanying notes are an integral part of these financial statements

Housing Authority Fund	Parking Facilities Fund	Stadium Fund	Totals
\$ (6,887,431)	\$ (590,524)	\$ (120,089)	\$ (7,307,793)
1,353,062	1,225,896	936,653	4,310,402
-	-	-	333,538
252,066	-	-	252,066
-	-	-	-
(600,178)	(14,417)	(10,578)	(552,411)
9,380	-	-	9,380
-	-	-	1,860
(23,687)	26,620	65,066	11,281
(9,986)	(379)	2,791	42,142
-	-	-	-
(157,196)	-	-	(162,038)
68,794	-	-	68,794
55,764	-	-	50,605
(3,428,750)	-	-	(3,428,750)
<u>\$ (9,368,162)</u>	<u>\$ 647,196</u>	<u>\$ 873,843</u>	<u>\$ (6,370,924)</u>
\$ 11,336,588	\$ 327,108	\$ 45,331	\$ 12,959,372
-	-	828,759	1,164,647
-	-	-	1,081,562
11,326,500	1,744,497	75,906	14,106,936
184,987	-	-	282,789
<u>\$ 22,848,075</u>	<u>\$ 2,071,605</u>	<u>\$ 949,996</u>	<u>\$ 29,595,306</u>
\$ (5,492)	\$ (3,089)	\$ (431)	\$ (9,072)
\$ -	\$ (44,264)	\$ 14,828	\$ (19,811)

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - GOLF COURSE FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services	\$ 4,676,000	\$ 4,676,000	3,823,844	\$ (852,156)
Transfer from non-restricted cash to cash restricted for debt service	348,000	348,000	348,000	-
Interest on Investments	-	-	2,572	2,572
Transfer from General Fund	-	464,000	464,000	-
Miscellaneous	106,000	106,000	118,493	12,493
Total revenues	5,130,000	5,594,000	4,756,909	(837,091)
Expenses:				
Affordable and quality golf	4,034,000	4,038,000	3,764,944	273,056
Debt service	348,000	348,000	346,998	1,002
Payment for General Fund services	259,000	259,000	217,590	41,410
Transfer from non-restricted cash to cash restricted for debt service	348,000	348,000	348,000	-
Total expenses	4,989,000	4,993,000	4,677,532	315,468
Excess of revenues under expenses	\$ 141,000	\$ 601,000	79,377	\$ (521,623)
Revenues (expenses) not budgeted:				
Depreciation			(254,907)	
Amortization of bond issue costs and discounts			(2,015)	
Capital fund non-capitalized items			(6,266)	
Changes to conform to generally accepted accounting principles:				
Principal payments on bonds			325,000	
Change in net assets			141,189	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN PROJECT FUND BALANCE BY PURPOSE
BUDGET AND ACTUAL - APARTMENTS FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services:				
Apartment rents and fees	\$ 3,411,309	\$ 3,411,309	\$ 3,681,473	\$ 270,164
Interest on investments	-	-	2,111	2,111
Transfer from non-restricted cash to cash restricted for debt service	1,004,000	1,004,000	1,004,000	-
Total revenues	4,415,309	4,415,309	4,687,584	272,275
Expenses:				
Apartment operations	2,351,000	2,351,000	2,185,397	165,603
Transfer from non-restricted cash to cash restricted for debt service	1,004,000	1,004,000	1,004,000	-
Transfer to City Housing Fund	40,000	40,000	483,878	(443,878)
Debt Service	546,000	546,000	545,988	12
Fiscal agent fees	458,000	458,000	-	458,000
Total expenses	4,399,000	4,399,000	4,219,263	179,737
Excess of revenues over (under) expenses	\$ 16,309	\$ 16,309	468,321	\$ 452,012
Revenues (expenses) not budgeted:				
Amortized bond issue costs			(11,640)	
Depreciation expense			(539,884)	
Changes to conform to generally accepted accounting principles:				
Principal payment on bonds not reported			-	
Capital Outlay			-	
Change in net assets			\$ (83,203)	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - PARKING FACILITIES FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services:				
Parking facilities	2,767,000	2,767,000	\$ 2,807,512	\$ 40,512
Parking meter collection	954,000	954,000	883,974	(70,026)
Parking fines	695,000	695,000	567,200	(127,800)
Rental of city property	6,000	6,000	5,714	(286)
Interest on investments	-	-	98	98
Miscellaneous revenue	-	-	(24,624)	(24,624)
Transfer from General Fund	2,145,000	2,145,000	2,145,000	-
Transfers from non-restricted cash to cash restricted for debt service	3,126,000	3,126,000	3,126,000	-
Total revenues	9,693,000	9,693,000	9,510,874	(182,126)
Expenses:				
Parking services	3,334,000	3,334,000	3,320,651	13,349
Transfer from non-restricted cash to cash restricted for debt service	3,126,000	3,126,000	3,126,000	-
Transfer to General Fund	482,000	482,000	457,014	24,986
Transfer to Sales Tax Refunding Debt Service Fund	3,261,000	3,261,000	3,260,674	326
Total expenses	10,203,000	10,203,000	10,164,339	38,661
Excess of revenues over (under) expenses	\$ (510,000)	\$ (510,000)	(653,465)	\$ (143,465)
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			12,961	
Depreciation			(1,225,896)	
Debt service			(44,264)	
Gain on disposition of property and equipment			(14,020)	
Transfers from capital fund cash to to cash restricted for debt service				
Transfers to cash restricted for debt service from capital fund cash				
Changes to conform to generally accepted accounting principles:				
Capital contributions			174,394	
Capital outlay			-	
Principal payment on advance			2,705,000	
Change in net assets			\$ 954,710	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - STADIUM FUND
YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:				
Charges for services:				
Surcharge revenues	\$ 1,000,000	\$ 1,000,000	\$ 1,103,969	\$ 103,969
Stadium lease revenues	700,000	700,000	706,312	6,312
Rental of city property	-	-	11,250	11,250
Interest on investments	-	-	1,428	1,428
Transfers from non-restricted cash to cash restricted for debt service	1,149,000	1,149,000	1,149,000	-
	<u>2,849,000</u>	<u>2,849,000</u>	<u>2,971,959</u>	<u>122,959</u>
Total revenues	<u>2,849,000</u>	<u>2,849,000</u>	<u>2,971,959</u>	<u>122,959</u>
Expenses:				
Stadium services	787,000	988,000	983,946	4,054
Payment for General Fund services	20,000	22,000	21,021	979
Transfer from non-restricted cash to cash restricted for debt service	1,149,000	1,149,000	1,149,000	-
Debt service	1,164,000	1,164,000	1,162,024	1,976
	<u>3,120,000</u>	<u>3,323,000</u>	<u>3,315,991</u>	<u>7,009</u>
Total expenses	<u>3,120,000</u>	<u>3,323,000</u>	<u>3,315,991</u>	<u>7,009</u>
Excess (deficiency) of revenues over expenses	<u>\$ (271,000)</u>	<u>\$ (474,000)</u>	(344,032)	<u>\$ 129,968</u>
Revenues (expenses) not budgeted:				
Interest on investments of restricted assets			2,510	
Depreciation			(936,653)	
Amortization of bond issuance costs			(14,828)	
Changes to conform to generally accepted accounting principles:				
Capital contributions			-	
Capital outlay			-	
Principal paid on long term debt			495,494	
			<u>495,494</u>	
Change in net assets			<u>\$ (797,509)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
 COMBINING SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
 NONMAJOR PROPRIETARY FUNDS- ENTERPRISE FUNDS
 June 30, 2011

<u>Year ending June 30</u>	<u>Golf</u>		<u>Apartments</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
Revenue bonds, loans, and capital lease				
2012	\$ 325,000	\$ 10,888	\$ 335,000	\$ 539,288
2013	-	-	345,000	525,688
2014	-	-	360,000	511,588
2015	-	-	375,000	495,013
2016	-	-	395,000	475,766
2017 - 2021	-	-	2,290,000	2,054,438
2022 - 2026	-	-	2,920,000	1,401,281
2027 - 2031	-	-	<u>3,765,000</u>	<u>526,731</u>
Total bonds, loans, and capital lease	<u>\$ 325,000</u>	<u>\$ 10,888</u>	<u>\$ 10,785,000</u>	<u>\$ 6,529,793</u>

Housing Authority		Stadium		Combined		
Principal	Interest	Principal	Interest	Principal	Interest	Total
\$ 92,906	\$ 14,202	\$ 495,494	\$ 624,643	\$ 1,248,400	\$ 1,189,021	\$ 2,437,421
105,694	11,148	520,297	600,334	970,991	1,137,170	2,108,161
110,426	6,416	546,780	574,361	1,017,206	1,092,365	2,109,571
86,051	1,581	575,048	546,692	1,036,099	1,043,286	2,079,385
-	-	605,068	517,198	1,000,068	992,964	1,993,032
-	-	2,762,537	1,732,573	5,052,537	3,787,011	8,839,548
-	-	4,410,270	1,223,847	7,330,270	2,625,128	9,955,398
-	-	2,138,695	120,693	5,903,695	647,424	6,551,119
<u>\$ 395,077</u>	<u>\$ 33,347</u>	<u>\$ 12,054,189</u>	<u>\$ 5,940,341</u>	<u>\$ 23,559,266</u>	<u>\$ 12,514,369</u>	<u>\$ 36,073,635</u>

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CITY OF ALBUQUERQUE, NEW MEXICO
DESCRIPTION OF INTERNAL SERVICE FUNDS

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

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

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

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

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

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2011

	<u>Communications Fund</u>	<u>Employee Insurance Fund</u>
ASSETS		
Current assets:		
Cash, investments, and accrued interest	\$ 1,279,128	\$ 8,024,976
Accounts receivable, net of allowance for uncollectibles	-	31,237
Prepaid expenses	-	-
Deposits	-	146,607
Due from other funds	-	2,214,303
Inventories of supplies	24,853	-
	<hr/>	<hr/>
Total current assets	1,303,981	10,417,123
Capital assets		
Land	-	-
Buildings and improvements	-	-
Equipment	429,883	13,002
Total capital assets before depreciation	429,883	13,002
	<hr/>	<hr/>
Less accumulated depreciation	233,996	13,002
Total Capital Assets	195,887	-
	<hr/>	<hr/>
Other assets:		
Advance to other funds	-	-
Total other assets	-	-
	<hr/>	<hr/>
Total assets	1,499,868	10,417,123
	<hr/>	<hr/>
LIABILITIES		
Current liabilities:		
Accounts payable	448,269	331,548
Accrued employee compensation	47,051	22,784
Accrued vacation and sick leave pay	50,068	32,051
Accrued fuel cleanup costs	-	-
Current portion of claims and judgments payable	-	-
	<hr/>	<hr/>
Total current liabilities	545,388	386,383
	<hr/>	<hr/>
Long-term obligations:		
Claims and judgments payable excluding current portion	-	-
Other post employment benefit obligation	-	8,372,486
Accrued vacation and sick leave pay	9,716	8,892
	<hr/>	<hr/>
Total long-term obligations	9,716	8,381,378
	<hr/>	<hr/>
Total liabilities	555,104	8,767,761
	<hr/>	<hr/>
NET ASSETS		
Invested in capital assets, net of related debt	195,887	-
Unrestricted	748,877	1,649,362
	<hr/>	<hr/>
Total net assets	\$ 944,764	\$ 1,649,362
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

Fleet Management Fund	Risk Management Fund	Supplies Inventory Management Fund	Total
\$ 2,647,011	\$ 71,007,672	\$ 1,318,708	\$ 84,277,495
-	-	-	31,237
-	252,866	-	252,866
-	-	-	146,607
-	-	-	2,214,303
570,159	-	2,382,289	2,977,301
<u>3,217,170</u>	<u>71,260,538</u>	<u>3,700,997</u>	<u>89,899,809</u>
255,472	-	28,370	283,842
825,763	46,466	406,001	1,278,230
1,105,402	54,657	242,496	1,845,440
<u>2,186,637</u>	<u>101,123</u>	<u>676,867</u>	<u>3,407,512</u>
1,712,419	88,735	570,431	2,618,583
<u>474,218</u>	<u>12,388</u>	<u>106,436</u>	<u>788,929</u>
-	621,000	-	621,000
-	621,000	-	621,000
<u>3,691,388</u>	<u>71,893,926</u>	<u>3,807,433</u>	<u>91,309,738</u>
639,529	575,490	289,362	2,284,198
73,257	78,378	18,615	240,085
139,819	198,307	31,240	451,485
168,410	-	-	168,410
-	22,994,750	-	22,994,750
<u>1,021,015</u>	<u>23,846,925</u>	<u>339,217</u>	<u>26,138,928</u>
-	43,907,786	-	43,907,786
-	-	-	8,372,486
32,376	-	-	50,984
<u>32,376</u>	<u>43,907,786</u>	<u>-</u>	<u>52,331,256</u>
<u>1,053,391</u>	<u>67,754,711</u>	<u>339,217</u>	<u>78,470,184</u>
474,218	12,388	106,436	788,929
<u>2,163,779</u>	<u>4,126,827</u>	<u>3,361,780</u>	<u>12,050,625</u>
<u>\$ 2,637,997</u>	<u>\$ 4,139,215</u>	<u>\$ 3,468,216</u>	<u>\$ 12,839,554</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Communications Fund</u>	<u>Employee Insurance Fund</u>
Operating revenues:		
Charges for services	\$ 7,267,048	\$ 57,931,259
Operating expenses		
Salaries and fringe benefits	1,202,225	683,234
Professional services	-	-
Utilities	71,958	6,805
Supplies	118,032	24,257
Travel	-	-
Fuels, repairs and maintenance	245,240	6,609
Contractual services	5,377,044	319,933
Claims and judgements	-	-
Insurance premiums	-	60,330,928
Other operating expenses	354,032	109,140
Depreciation	29,076	756
Total operating expenses	<u>7,397,607</u>	<u>61,481,662</u>
Operating income (loss)	<u>(130,559)</u>	<u>(3,550,403)</u>
Non-operating revenues (expenses):		
Interest on investments	1,173	46,107
Gain (loss) on disposition of equipment	-	-
Other	3,277	25,092
Total non-operating revenues (expenses)	<u>4,450</u>	<u>71,199</u>
Income (loss) before transfers	(126,109)	(3,479,204)
Transfers out	-	-
Change in net assets	(126,109)	(3,479,204)
Net assets, July 1	<u>1,070,873</u>	<u>5,128,566</u>
Net assets, June 30	<u>\$ 944,764</u>	<u>\$ 1,649,362</u>

The accompanying notes are an integral part of these financial statements

Fleet Management Fund	Risk Management Fund	Supplies Inventory Management Fund	Total
\$ 13,228,982	\$ 37,517,112	\$ 1,033,773	\$ 116,978,174
1,937,228	2,100,601	498,978	6,422,266
-	975,862	-	975,862
88,496	27,228	7,256	201,743
1,267,747	50,611	8,348	1,468,995
2,158	892	-	3,050
9,007,529	150,820	36,712	9,446,910
266,814	16,112	203,912	6,183,815
-	33,803,818	-	33,803,818
-	1,925,402	-	62,256,330
484,549	516,598	358,347	1,822,666
48,603	5,276	19,907	103,618
<u>13,103,124</u>	<u>39,573,220</u>	<u>1,133,460</u>	<u>122,689,073</u>
<u>125,858</u>	<u>(2,056,108)</u>	<u>(99,687)</u>	<u>(5,710,899)</u>
10,490	363,709	9,311	430,790
2,877	-	-	2,877
134	5,152	6,396	40,051
<u>13,501</u>	<u>368,861</u>	<u>15,707</u>	<u>473,718</u>
139,359	(1,687,247)	(83,980)	(5,237,181)
<u>-</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
139,359	(1,937,247)	(83,980)	(5,487,181)
<u>2,498,638</u>	<u>6,076,462</u>	<u>3,552,196</u>	<u>18,326,735</u>
<u>\$ 2,637,997</u>	<u>\$ 4,139,215</u>	<u>\$ 3,468,216</u>	<u>\$ 12,839,554</u>

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
Year Ended June 30, 2011

	Communications Fund	Employee Insurance Fund
Cash flows from operating activities:		
Cash received from customers	\$ -	\$ 4,652
Cash received from other funds for goods and services	7,267,048	57,594,307
Cash payments to employees for services	(1,272,132)	(721,939)
Cash payments to suppliers for goods and services	(5,225,884)	(59,218,420)
Cash payments to other funds for goods and services	(329,285)	(6,805)
Cash payments to claimants and beneficiaries	-	-
Miscellaneous cash received	3,277	25,092
Net cash provided by (used for) operating activities	443,024	(2,323,113)
Cash flows from noncapital financing activities:		
Transfers-out to other funds	-	-
Net cash provided by (used for) noncapital financing activities	-	-
Cash flows from capital financing activities:		
Acquisition and construction of capital assets	(129,000)	-
Proceeds from sale of property and equipment	-	-
Net cash provided by (used for) capital financing	(129,000)	-
Cash flows from investing activities:		
Interest on investments	1,173	46,107
Net increase (decrease) in cash and cash equivalents	315,197	(2,277,006)
Cash and cash equivalents, July 1	963,931	10,301,982
Cash and cash equivalents, June 30	\$ 1,279,128	\$ 8,024,976
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ (130,559)	\$ (3,550,403)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	29,076	756
Miscellaneous income (expense)	3,277	25,092
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	-	4,652
Due from other funds	-	(336,952)
Inventories of supplies	2,168	-
Prepaid expenses	779,753	-
Deposits	-	(46,607)
Increase (decrease) in liabilities:		
Accounts payable	(170,784)	(764,200)
Accrued employee compensation and benefits	(69,907)	(38,705)
Claims and judgements payable	-	-
Other post employment benefit obligations	-	2,383,254
Accrued fuel cleanup costs	-	-
Net cash provided by (used for) operating activities	\$ 443,024	\$ (2,323,113)
Non cash transactions:		
Unrealized gains (losses) on investments	\$ -	\$ (12,720)
Change in post employment benefit obligation	-	-

The accompanying notes are an integral part of these financial statements

Fleet Management Fund	Risk Management Fund	Supplies Inventory Management Fund	Totals
\$ -	\$ 3,384,475	\$ -	\$ 3,389,127
13,228,982	37,617,112	1,033,773	116,741,222
(1,964,553)	(2,057,128)	(491,341)	(6,507,093)
(11,068,085)	(3,668,498)	(599,391)	(79,780,278)
(88,496)	(27,228)	(7,256)	(459,070)
-	(31,249,068)	-	(31,249,068)
134	5,152	6,396	40,051
<u>107,982</u>	<u>4,004,817</u>	<u>(57,819)</u>	<u>2,174,891</u>
-	(250,000)	-	(250,000)
-	(250,000)	-	(250,000)
(66,573)	-	-	(195,573)
2,877	-	-	2,877
<u>(63,696)</u>	<u>-</u>	<u>-</u>	<u>(192,696)</u>
10,490	363,709	9,311	430,790
54,776	4,118,526	(48,508)	2,162,985
2,592,235	66,889,146	1,367,216	82,114,510
<u>\$ 2,647,011</u>	<u>\$ 71,007,672</u>	<u>\$ 1,318,708</u>	<u>\$ 84,277,495</u>
\$ 125,858	\$ (2,056,108)	\$ (99,687)	\$ (5,710,899)
48,603	5,276	19,907	103,618
134	5,152	6,396	40,051
-	-	-	4,652
-	100,000	-	(236,952)
(80,486)	-	262,842	184,524
-	(252,866)	-	526,887
-	-	-	(46,607)
14,146	220,665	(254,914)	(955,087)
(27,325)	43,473	7,637	(84,827)
-	5,939,225	-	5,939,225
27,052	-	-	2,383,254
<u>\$ 107,982</u>	<u>\$ 4,004,817</u>	<u>\$ (57,819)</u>	<u>\$ 2,174,891</u>
\$ (3,131)	\$ (89,005)	\$ (1,738)	\$ (106,594)
-	-	-	\$ -

The accompanying notes are an integral part of these financial statements

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - COMMUNICATIONS FUND
YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges for services	\$ 7,328,810	\$ 7,334,133	\$ 7,267,048	\$ (67,085)
Interest on investments	-	-	1,173	1,173
Total revenues	<u>7,328,810</u>	<u>7,334,133</u>	<u>7,268,221</u>	<u>(65,912)</u>
Expenses:				
City Communications	7,048,000	7,262,000	7,250,155	11,845
Payment for General Fund Services	<u>320,000</u>	<u>320,000</u>	<u>247,376</u>	<u>72,624</u>
Total expenses	<u>7,368,000</u>	<u>7,582,000</u>	<u>7,497,531</u>	<u>84,469</u>
Excess of revenues over (under) expenses	<u>\$ (39,190)</u>	<u>\$ (247,867)</u>	(229,310)	<u>\$ 18,557</u>
Revenues (expenses) not budgeted:				
Depreciation expense			(29,076)	
Miscellaneous income			3,277	
Change to conform to generally accepted accounting principles:				
Capital outlay			<u>129,000</u>	
Change in net assets			<u>\$ (126,109)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - EMPLOYEE INSURANCE FUND
YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:				
Charges for services	\$ 56,598,000	\$ 56,598,000	\$ 57,806,891	\$ 1,208,891
Charges for services- other local governments	115,000	115,000	124,368	9,368
Miscellaneous	13,000	13,000	25,092	12,092
Interest on investments	50,000	50,000	46,107	(3,893)
Total revenues	<u>56,776,000</u>	<u>56,776,000</u>	<u>58,002,458</u>	<u>1,226,458</u>
Expenses:				
Insurances and Administration	61,019,000	61,031,000	58,966,498	2,064,502
Payment for General Fund Services	147,000	147,000	131,151	15,849
Total expenses	<u>61,166,000</u>	<u>61,178,000</u>	<u>59,097,649</u>	<u>2,080,351</u>
Excess of revenues over (under) expenses	<u>\$ (4,390,000)</u>	<u>\$ (4,402,000)</u>	<u>(1,095,191)</u>	<u>\$ 3,306,809</u>
Expenses not budgeted:				
Depreciation			(756)	
Change to conform to generally accepted accounting principles:				
Other employee benefits			<u>(2,383,257)</u>	
Change in net assets			<u>\$ (3,479,204)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - FLEET MANAGEMENT FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services	\$ 12,742,973	\$ 12,742,973	\$ 13,228,982	\$ 486,009
Interest on investments	50,000	50,000	10,490	(39,510)
	12,792,973	12,792,973	13,239,472	446,499
Total revenues				
Expenses:				
Fleet management	12,109,000	12,735,000	12,660,474	74,526
Payments for general fund services	469,000	469,000	394,047	74,953
	12,578,000	13,204,000	13,054,521	149,479
Total expenses				
Excess of revenues over (under) expenses	\$ 214,973	\$ (411,027)	184,951	\$ 595,978
Expenses not budgeted:				
Depreciation			(48,603)	
Gain (Loss) on disposition of other property			2,877	
Change to conform to generally accepted accounting principles:				
Capital outlay			-	
Capital contributions			134	
Change in net assets			\$ 139,359	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - RISK MANAGEMENT FUND
YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:				
Charges for services	\$ 36,090,000	\$ 36,387,000	\$ 37,517,112	\$ 1,130,112
Interest on investments	1,500,000	1,500,000	368,861	(1,131,139)
Total revenues	<u>37,590,000</u>	<u>37,887,000</u>	<u>37,885,973</u>	<u>(1,027)</u>
Expenses:				
Safety office	1,761,000	1,761,000	1,989,863	(228,863)
Tort and other claims	18,407,000	23,073,000	22,665,825	407,175
Workers' compensation claims	10,868,000	10,868,000	6,963,848	3,904,152
Transfer to general fund	796,000	796,000	729,750	66,250
Unemployment compensation	1,398,000	1,420,000	1,419,661	339
Employee equity	101,000	110,000	109,772	228
Total expenses	<u>33,331,000</u>	<u>38,028,000</u>	<u>33,878,719</u>	<u>4,149,281</u>
Excess of revenues over expenses	<u>\$ 4,259,000</u>	<u>\$ (141,000)</u>	4,007,254	<u>\$ 4,148,254</u>
Expenses not budgeted:				
Depreciation			(5,276)	
Tort and other claims - reserve adjustment			(4,239,223)	
Worker's compensation claims - reserve adjustment			(1,700,002)	
Change in net assets			<u>\$ (1,937,247)</u>	

CITY OF ALBUQUERQUE, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - SUPPLIES INVENTORY MANAGEMENT FUND
YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Charges for services	\$ 980,000	\$ 980,000	\$ 1,033,773	\$ 53,773
Interest on investments	34,000	34,000	9,311	(24,689)
Miscellaneous	200	200	6,396	6,196
Total revenues	1,014,200	1,014,200	1,049,480	35,280
Expenses:				
Materials management	766,000	766,000	761,796	4,204
Payment for General Fund Services	353,000	353,000	351,757	1,243
Total expenses	1,119,000	1,119,000	1,113,553	5,447
Excess of revenues over (under) expenses	\$ (104,800)	\$ (104,800)	(64,073)	\$ 40,727
Revenues (expenses) not budgeted:				
Depreciation expense			(19,907)	
Change in net assets			\$ (83,980)	

CITY OF ALBUQUERQUE, NEW MEXICO
AGENCY FUND

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Walmart Bag Recycle Program – to account for monies received for the Re-usable Bag Recycle Program.

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

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

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

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

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

Basic Life – to account for monies held for the City Life Insurance Benefit Program.

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

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

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

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

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

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

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
YEAR ENDED JUNE 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
ASSETS				
Cash, investments, and accrued interest	4,989,637	2,321,722	(2,754,659)	4,556,700
Receivables	95,561	1,314,912	(1,165,586)	244,887
Total assets	<u>5,085,198</u>	<u>3,636,634</u>	<u>(3,920,245)</u>	<u>4,801,587</u>
LIABILITIES				
Accounts payable	319,762	1,092,215	(1,165,045)	246,931
Funds held for others	4,765,436	746,414	(957,194)	4,554,656
Total liabilities	<u>5,085,198</u>	<u>1,838,629</u>	<u>(2,122,239)</u>	<u>4,801,587</u>

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

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CHANGES IN FUNDS HELD FOR OTHERS
AGENCY FUNDS
YEAR ENDED JUNE 30, 2011

	Balance <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2011</u>
Otter Exhibit	\$ 45,818	-	-	45,818
Museum	134,826	9,040	25,655	118,211
NM Regional PPC Shooting	14,609	21,544	5,579	30,575
Business Improvement District #1	(14,215)	577,591	552,135	11,241
Q13 Fire Fund	10,782	-	-	10,782
ABEC-Phillips Clawback	1,561,775	-	122,987	1,438,788
Summer Arts Institute	2,896	-	-	2,896
Summer Hire Program	5,026	-	-	5,026
Los Duranes Community Center	-	10,000	3,091	6,909
Community Centers	6,973	-	-	6,973
Bear Canyon Senior Center	2,424	16,622	6,167	12,878
North Valley Senior Center	10,415	2,819	222	13,012
Highland Senior Center	5,507	5,433	3,729	7,211
Senior Multi-service Center	18,036	286	284	18,038
Los Volcanes Senior Center	3,843	4,575	2,258	6,159
Palo Duro Senior Center	17,344	4,506	3,426	18,424
Manzano Mesa Senior Center	12,441	1,691	250	13,882
ABQ Conf on Aging Trust	10,587	-	-	10,587
DSA Advisory Council	44,315	140	90	44,365
Bosque Restoration	283	-	-	283
Energy Conference	450	-	-	450
Special Events - Mayor	6,099	-	-	6,099
Veterans Advisory-Mayor	369	-	-	369
Mayor's Charity Ball (Chavez)	5,896	5,100	-	10,996
Mayor's Charity Ball - 2010+ (Berry)	122,147	52,689	162,414	12,422
Adopt-A-Park	61,697	-	-	61,697
Trees and Shrubs	34,156	10,939	-	45,095
Outdoor Recreation	83,740	13,099	6,555	90,284
New Mexico Games	379	-	-	379
Basic Life	223	-	223	-
Unemployment Deduction	742,618	-	-	742,618
D.A.R.E.	7,170	-	-	7,170
Police Evidence Unit	1,751,738	-	31,517	1,720,221
Recycle Coupons	1,707	-	-	1,707
Transit Department	46,398	5,000	30,612	20,786
Miscellaneous	6,964	5,342	-	12,306
Total agency funds	<u><u>4,765,436</u></u>	<u><u>746,414</u></u>	<u><u>957,194</u></u>	<u><u>4,554,656</u></u>

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FINANCIAL SECTION

OTHER SUPPLEMENTARY SCHEDULES

Capital Assets Used in the Operation of Governmental Funds

Schedule of Transfers between Funds

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CAPITAL ASSETS AT COST - BY FUND
June 30, 2011

	2011
General Fixed Assets:	
Land	\$ 291,246,188
Right of Way	1,145,191,667
Buildings	381,988,498
Infrastructure	1,834,431,630
Improvements other than buildings	543,722,161
Equipment	154,389,419
Construction work in progress	74,799,122
Total General Fixed Assets	\$ 4,425,768,685
Investment in General Fixed Assets from:	
Acquisitions prior to July 1, 1978	\$ 58,976,231
Acquisitions after July 1, 1978:	
General Fund	(7,006,560)
Special Revenue Funds	263,660,266
Acquisition and Management of	
Open Space Nonexpendable Trust Fund	7,146,278
Investments from earnings of the	
Urban Enhancement Expendable Trust Fund	76,049
Capital Projects Funds	4,102,251,243
Net transfers from Enterprise Funds	1,532,967
Net transfers to Internal Service Funds	(867,789)
Total investment in General Fixed Assets	\$ 4,425,768,685

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CAPITAL ASSETS AT COST - BY FUNCTION AND ACTIVITY
June 30, 2011

Function and Activity	Land	Right of Way	Infra- structure	Buildings	Improvements Other Than Buildings	Equipment	Total
Acquisitions prior to July 1, 1985	\$ 48,694,532	\$ 642,294,313	\$ 343,942,123	\$ 30,104,221	\$ 92,799,538	\$ 6,531,496	\$ 1,164,366,223
Total unidentified purposes	50,000	-	2,413,864	7,904,701	2,654,329	(13,427,725)	(404,831)
Acquisitions after June 30, 1985:							
General government:							
City clerk/records	-	-	-	-	-	33,515	33,515
City council	-	-	-	-	3,950	191,918	195,868
Finance and management	-	-	-	-	2,349,248	8,093,902	10,443,150
Legal services	2,886	-	-	-	-	188,075	190,961
Mayor/CAO	-	-	-	-	2,233	1,071,237	1,073,470
Internal audit	-	-	-	-	-	38,160	38,160
Personnel	-	-	-	-	-	767	767
Labor management	-	-	-	-	-	33,875	33,875
Open space	881,926	-	-	-	-	80,517	962,443
Planning	586,238	-	(291,595)	95	-	1,882,407	2,177,145
General services	6,040,106	-	1,114,799	26,749,223	24,777,573	13,473,708	72,155,409
City/county building	-	-	-	9,593,549	6,058,247	222,570	15,874,366
Central telephone system	-	-	-	-	-	1,258,415	1,258,415
Total general government	7,511,156	-	823,204	36,342,867	33,191,251	26,569,066	104,437,544
Public safety:							
Fire	983,265	-	12,168	24,109,063	4,851,744	26,335,974	56,292,214
Police	4,318,253	-	-	29,602,554	14,627,602	53,649,050	102,197,459
Corrections	-	-	-	2,670,006	175,602	718,393	3,564,001
Police/Fire	-	-	-	3,873,032	168,696	811,636	4,853,364
Total public safety	5,301,518	-	12,168	60,254,655	19,823,644	81,515,053	166,907,038
Culture and recreation:							
Library	1,995,085	-	7,861,497	13,461,699	31,292,843	4,438,341	59,049,465
Museum	10,544,588	-	2,680,703	38,811,526	16,592,986	1,466,229	70,096,032
Parks and recreation	98,057,418	-	10,662,797	78,787,626	204,530,544	15,785,074	407,823,458
Open space	39,267,113	-	1,177,999	-	4,468,459	1,349,037	46,262,608
Zoo/BioPark	1,006,059	-	686,927	9,668,330	31,742,171	1,960,818	45,064,305
Convention center	5,029,268	-	-	19,906,408	49,521,098	814,876	75,271,650
Total culture and recreation	155,899,531	-	23,069,923	160,635,589	338,148,101	25,814,375	703,567,519
Public works:							
Housing code administration	-	-	-	-	-	4,040	4,040
Redevelopment	265,366	-	-	-	-	4,918	270,284
Municipal development	-	-	-	-	2,199	1,499,882	1,502,081
Engineering	1,192,212	-	-	-	-	113,922	1,306,134
Planning	4,473	-	-	-	-	216,160	220,633
Storm drainage/maintenance	7,788,181	95,279,003	635,873,296	5,903,963	2,894,852	702,938	748,442,233
Geographic information system	-	-	-	-	173,441	34,300	207,741
Total public works	9,250,232	95,279,003	635,873,296	5,903,963	3,070,492	2,576,160	751,953,146

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CAPITAL ASSETS AT COST - BY FUNCTION AND ACTIVITY
June 30, 2011

Function and Activity	Land	Right of Way	Infra- Structure	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
Highways and streets:							
Transportation/Street maint.	47,060,422	407,618,351	823,070,585	10,422,691	33,111,068	11,339,641	1,332,622,759
Traffic engineering	293,676	-	-	-	6,681,251	173,098	7,148,025
Total highways and streets	47,354,098	407,618,351	823,070,585	10,422,691	39,792,319	11,512,739	1,339,770,784
Health:							
Consumer protection	-	-	-	-	-	59,413	59,413
Environmental services	-	-	178,594	3,570,121	461,819	2,761,235	6,971,769
Animal control services	96,243	-	-	1,374,241	440,866	488,739	2,400,089
Environmental health admin.	-	-	-	(1,958)	196,662	1,958,412	2,153,116
Resources management	-	-	-	-	-	16,404	16,404
Total health	96,243	-	178,594	4,942,404	1,099,347	5,284,202	11,600,790
Human services:							
Human rights	-	-	-	40,370	1,000	(2,103)	39,267
Human services	5,962,428	-	497,628	21,109,939	2,992,299	5,053,891	35,616,185
Office of senior affairs	1,481,146	-	(13,294)	39,801,481	5,743,538	2,238,448	49,251,319
Housing/community development	9,645,304	-	4,563,539	4,525,617	4,406,303	723,817	23,864,580
Total human services	17,088,878	-	5,047,873	65,477,407	13,143,140	8,014,052	108,771,350
Total general fixed assets allocated to functions	242,501,656	502,897,354	1,488,075,643	343,979,576	448,268,294	161,285,648	3,187,008,171
Total general fixed assets in service	\$ 291,246,188	\$ 1,145,191,667	\$ 1,834,431,630	\$ 381,988,498	\$ 543,722,161	154,389,419	4,350,969,563
Construction work in progress							74,799,122
Total general fixed assets							\$ 4,425,768,685

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CHANGES IN CAPITAL ASSETS AT COST- BY FUNCTION AND ACTIVITY
Year ended June 30, 2011

Function and Activity	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Acquisitions prior to July 1, 1985	\$ 1,164,366,223	\$ -	\$ -	\$ 1,164,366,223
Total unidentified purposes	(1,419,704)	1,014,873	-	(404,831)
Acquisitions after June 30, 1985:				
General government:				
City clerk/records	33,515	-	-	33,515
City council	195,868	-	-	195,868
Finance and management	9,708,671	736,895	2,416	10,443,150
Legal services	190,961	-	-	190,961
Mayor/CAO	1,073,470	-	-	1,073,470
Internal audit	38,160	-	-	38,160
Personnel	3,029	-	2,262	767
Labor management	33,875	-	-	33,875
Open space	962,443	-	-	962,443
Planning	2,570,566	(291,595)	101,826	2,177,145
General services	67,320,810	4,834,599	-	72,155,409
City/county building	15,874,366	-	-	15,874,366
Central telephone system	1,258,415	-	-	1,258,415
Total general government	<u>99,264,149</u>	<u>5,279,899</u>	<u>106,504</u>	<u>104,437,544</u>
Public safety:				
Fire	53,982,630	2,346,846	37,262	56,292,214
Police	100,339,650	6,697,097	4,839,288	102,197,459
Corrections	3,564,001	-	-	3,564,001
Police/Fire	4,853,364	-	-	4,853,364
Total public safety	<u>162,739,645</u>	<u>9,043,943</u>	<u>4,876,550</u>	<u>166,907,038</u>
Culture and recreation:				
Library	57,965,210	1,103,584	19,329	59,049,465
Museum	69,035,795	1,067,466	7,229	70,096,032
Parks and recreation	395,925,261	12,151,019	252,821	407,823,459
Open space	45,683,018	579,590	-	46,262,608
Zoo/BioPark	41,207,607	3,910,167	53,469	45,064,305
Convention center	75,264,584	7,066	-	75,271,650
Total culture and recreation	<u>685,081,475</u>	<u>18,818,892</u>	<u>332,848</u>	<u>703,567,519</u>
Public works:				
Housing code administration	4,040	-	-	4,040
Redevelopment	270,284	-	-	270,284
Municipal development	1,734,259	-	232,178	1,502,081
Engineering	1,306,134	-	-	1,306,134
Planning	81,294	139,339	-	220,633
Storm drainage/maintenance	737,828,603	10,613,630	-	748,442,233
Geographic information system	207,741	-	-	207,741
Total public works	<u>741,432,355</u>	<u>10,752,969</u>	<u>232,178</u>	<u>751,953,146</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF CHANGES IN CAPITAL ASSETS AT COST - BY FUNCTION AND ACTIVITY
Year ended June 30, 2011

Function and Activity	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Highways and streets:				
Transportation/Street maintenance	1,258,989,586	73,633,173	-	1,332,622,759
Traffic engineering	6,824,091	323,934	-	7,148,025
Total highways and streets	1,265,813,677	73,957,107	-	1,339,770,784
Health:				
Consumer protection	59,413	-	-	59,413
Environmental services	7,006,538	73,619	108,388	6,971,769
Animal control services	2,391,556	35,384	26,851	2,400,089
Environmental health and administration	1,916,090	237,026	-	2,153,116
Resources management	16,404	-	-	16,404
Total health	11,390,001	346,028	135,239	11,600,790
Human services:				
Human rights	39,267	-	-	39,267
Human services	34,708,413	981,792	74,020	35,616,185
Office of senior affairs	40,565,957	8,703,694	18,332	49,251,319
Housing/community development	23,197,881	666,699	-	23,864,580
Total human services	98,511,518	10,352,184	92,352	108,771,350
Construction work in progress	69,044,048	74,799,122	69,044,048	74,799,122
Other	142,809	-	142,809	-
Total general fixed assets	\$ 4,296,366,196	\$ 204,365,018	\$ 74,962,528	\$ 4,425,768,685

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF TRANSFERS BETWEEN FUNDS
For the year ended June 30, 2011

Interfund transfers were as follows:

From	To	
General Fund	Operating Grants Fund	\$ 4,783,418
General Fund	Operating Grants Fund	56,758
General Fund	Capital Acquisitions Fund	249,568
General Fund	Sales Tax Refunding Fund	1,259,000
General Fund	Parking Facilities Fund	2,145,000
General Fund	Transit Fund	16,837,000
General Fund	Golf Operating Fund	464,000
General Fund	Open Space- Acq & Mgmt - Income Fund	2,058,000
Fire Fund	Operating Grants Fund	27,025
Recreation Fund	General Fund	48,091
Lodgers Tax Fund	Sales Tax Refunding Fund	4,900,000
Hospitality Tax Fund	Capital Acquisitions Fund	139,000
Hospitality Tax Fund	Sales Tax Refunding Fund	841,000
Law Enforcement Protection Fund	General Fund	407,000
City/County Projects Fund	General Fund	45,536
False Alarm Enforcement and Education Fund	Capital Acquisitions Fund	367,957
Photo Enforcement Fund	General Fund	926,000
Plaza Del Sol Building Fund	Sales Tax Refunding Fund	532,000
Capital Acquisitions Fund	Transit Capital Grants Fund	2,151,860
Special Assessments Capital Fund	Special Assessment Districts D/S Fund	1,740,450
Transportation Infrastructure Tax Fund	Transit Capital Grants Fund	230,000
Infrastructure Tax Fund Phase II	Transit Fund	11,025,500
Special Assessment Districts D/S Fund	General Fund	2,295,000
Parking Facilities Fund	General Fund	148,637
Refuse Disposal Operating Fund	General Fund	1,111,607
Refuse Disposal Operating Fund	General Fund	1,293,000
Refuse Disposal Revenue Bond Capital Fund	General Fund	309,466
Transit Fund	General Fund	340,320
Apartments Operating Fund	City Housing Fund	483,878
Golf Operating Fund	General Fund	81,195
Risk Management Fund	General Fund	250,000
Open Space Acq & Mgmt - Principal Fund	Open Space- Acq & Mgmt - Income Fund	328,033
Urban Enhancement Trust - Principal Fund	Urban Enhancement Trust Income	261,524
		<u>\$58,136,823</u>

* Major fund, all others are nonmajor funds

	Transfers Out	Transfers In
"Statement of Revenues, Expenditures, and Changes in Fund Balances All Governmental Funds"	\$(54,118,720)	\$25,289,753
"Statement of Revenues, Expenses, and Changes in Net Assets All Proprietary Funds"		
Enterprise funds	(3,768,103)	32,847,070
Internal Service funds	(250,000)	-
Total transfers	<u>\$(58,136,823)</u>	<u>\$58,136,823</u>

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

Parking Facilities Fund	\$ 148,637
Refuse Disposal Fund	1,111,607
Transit Fund	340,320
Golf Course Fund	81,195
Total PILOT	<u>\$ 1,681,759</u>

STATISTICAL INFORMATION

CITY OF ALBUQUERQUE, NEW MEXICO
STATISTICAL SECTION

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

Page

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

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Schedule 5 – Changes in Fund Balances of Governmental Funds.....	197

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Debt Capacity – These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

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

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

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

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

	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Governmental activities										
Invested in capital assets, net of related debt	\$ 504,054,856	\$ 557,927,627	\$ 2,411,458,952	\$ 2,634,062,347	\$ 2,624,259,680	\$ 2,653,410,465	\$ 2,886,536,263	\$ 2,955,769,681	\$ 2,985,380,232	
Restricted	192,032,124	211,593,171	181,042,023	166,750,878	172,430,062	234,250,734	241,549,703	180,727,862	191,078,480	
Unrestricted	50,236,928	76,175,065	103,128,677	33,578,099	187,943,375	205,403,368	188,115,252	193,064,675	145,380,268	
Total governmental activities net assets	\$ 746,323,908	\$ 845,695,863	\$ 2,695,629,652	\$ 2,834,391,324	\$ 2,984,633,117	\$ 3,113,064,567	\$ 3,316,201,218	\$ 3,329,562,218	\$ 3,321,838,980	
Business-type activities										
Invested in capital assets, net of related debt	\$ 651,138,659	\$ 197,589,791	\$ 237,142,685	\$ 296,141,191	\$ 297,136,715	\$ 319,277,730	\$ 315,727,828	\$ 334,240,885	\$ 355,080,860	
Restricted	76,854,521	77,463,988	82,966,714	71,543,791	70,846,509	99,633,119	107,027,280	105,841,637	83,455,356	
Unrestricted	87,987,411	36,600,635	35,122,994	23,461,317	43,545,113	27,456,585	58,854,656	57,528,047	71,111,079	
Total business-type activities net assets	\$ 815,980,591	\$ 311,654,394	\$ 355,232,393	\$ 393,146,299	\$ 413,528,337	\$ 446,367,434	\$ 481,609,764	\$ 497,610,569	\$ 509,647,295	
Primary government										
Invested in capital assets, net of related debt	\$ 1,155,193,515	\$ 755,517,418	\$ 2,648,601,637	\$ 2,930,203,538	\$ 2,921,396,395	\$ 2,972,688,195	\$ 3,202,264,091	\$ 3,290,010,566	\$ 3,340,461,092	
Restricted	268,886,645	289,057,139	264,008,737	238,294,669	243,276,571	353,883,853	348,576,983	286,569,499	274,533,836	
Unrestricted	138,224,339	112,775,700	138,251,671	59,039,416	233,488,488	232,859,953	246,969,908	230,592,722	216,491,347	
Total primary government net assets	\$ 1,562,304,499	\$ 1,157,350,237	\$ 3,050,862,045	\$ 3,227,537,623	\$ 3,398,161,454	\$ 3,559,432,001	\$ 3,797,810,982	\$ 3,827,172,787	\$ 3,851,486,275	

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
General government	\$ 53,021,966	\$ 65,199,614	\$ 67,551,970	\$ 77,107,681	\$ 83,362,320	\$ 88,046,445	\$ 95,379,281	\$ 77,446,298	\$ 80,433,694
Public Safety	186,205,866	196,502,048	209,967,573	233,410,622	213,014,961	231,394,560	244,206,961	250,073,745	243,380,110
Culture and recreation	71,782,754	66,765,905	82,108,879	77,297,628	83,397,788	101,823,409	95,918,979	98,138,890	104,794,499
Public works/Municipal Development	9,857,177	15,949,001	13,680,172	41,735,871	41,735,871	45,546,687	41,421,571	42,369,643	42,541,044
Health and human services	61,943,139	59,675,888	63,942,585	63,902,932	70,592,142	75,159,649	76,066,790	75,677,676	73,005,872
Housing and community development	3,994,279	3,394,615	6,198,786	3,071,733	5,330,345	6,284,061	4,285,536	9,516,515	10,080,892
Highways and streets	22,197,881	18,252,379	11,985,023	22,803,534	23,875,925	37,234,930	38,416,273	39,736,171	46,158,809
Interest on long-term debt	15,275,693	15,949,492	13,815,019	18,970,735	17,329,247	17,504,836	15,775,006	14,192,497	14,064,988
Total governmental activities expenses	424,278,755	441,688,942	469,250,007	534,333,650	538,638,599	602,994,577	611,470,397	607,151,435	614,459,908
Business-type activities:									
Airport	60,643,039	60,846,366	54,644,728	59,904,463	62,265,198	63,872,083	66,059,318	63,408,983	66,720,599
Refuse disposal	37,131,656	39,444,987	41,369,980	45,080,158	47,897,085	53,557,483	51,775,307	48,717,084	47,902,071
Housing Authority	25,796,567	-	-	-	-	30,591,486	33,493,993	32,823,808	30,159,407
Transit	-	31,401,160	37,958,533	40,960,678	47,972,405	49,530,565	55,936,200	53,820,695	53,938,575
Joint water and sewer (1)	109,545,515	-	41,878,871	42,721,505	43,868,850	16,104,553	15,859,656	15,382,640	15,555,029
Other non-major business-type activities	44,107,381	40,724,540	-	-	-	-	-	-	-
Total business-type activities expenses	277,224,158	172,417,053	175,852,112	188,666,804	202,003,538	213,656,170	223,124,474	214,153,210	214,275,681
Total primary government expenses	\$ 701,502,913	\$ 614,105,995	\$ 645,102,119	\$ 723,000,454	\$ 740,642,137	\$ 816,650,747	\$ 834,594,871	\$ 821,304,645	\$ 828,735,589
Program Revenues									
Governmental activities:									
Charges for services	\$ 35,131,516	\$ 42,675,819	\$ 42,536,261	\$ 42,539,075	\$ 39,930,676	\$ 35,997,143	\$ 33,706,139	\$ 33,487,741	\$ 32,628,136
General government	26,358,911	25,956,317	29,652,627	29,001,098	5,356,710 (C)	17,633,271	14,670,095	14,047,361	10,841,345
Public Safety	14,291,111	15,229,558	14,921,613	15,040,659	22,251,900	14,531,275	15,648,299	14,734,462	15,207,488
Other	28,728,252	32,925,778	29,915,795	37,115,148	32,039,118	33,841,812	31,933,131	34,045,040	34,971,751
Operating grants and contributions	9,930,175	2,381,212	1,026,552	1,097,787	216,178	8,603,682	-	-	-
Capital grants and contributions	114,439,965	119,168,684	118,052,848	124,793,767	99,794,582	110,607,183	95,957,683	96,314,604	93,648,720
Total governmental activities program revenues	59,325,022	60,664,848	64,046,597	68,416,707	68,214,647	74,229,742	70,916,909	70,434,129	69,620,917
Business-type activities:									
Charges for services	41,182,770	44,248,388	45,551,715	46,541,085	50,430,182	52,489,420	52,955,760	52,345,632	61,435,325
Airport	154,697,701	20,084,614	19,498,189	18,744,313	19,621,912	21,211,082	22,312,992	21,184,003	23,835,232
Refuse	24,770,592	25,249,911	24,750,772	24,348,775	26,027,625	29,081,729	27,118,913	28,538,994	30,147,543
Other	38,909,321	12,802,142	29,891,981	30,407,851	20,552,706	25,520,864	40,122,835	20,475,033	7,528,148
Operating grants and contributions	318,885,406	163,049,903	183,739,254	188,458,731	184,847,072	202,532,837	213,427,409	192,977,791	192,567,165
Capital grants and contributions	433,325,371	282,218,587	301,792,102	313,252,498	284,641,654	313,140,020	309,388,092	289,292,395	286,215,885
Total business-type activities program revenues	933,325,371	613,357,435	649,203,373	666,113,107	655,714,137	708,876,013	703,384,131	697,222,315	758,144,078
Total primary government program revenues	\$ 1,634,828,284	\$ 1,227,463,430	\$ 1,294,305,492	\$ 1,389,113,561	\$ 1,396,356,274	\$ 1,525,526,760	\$ 1,537,979,002	\$ 1,518,526,960	\$ 1,586,880,663

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

	Fiscal Years								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (Expense)/Revenue									
Governmental activities	\$ (309,838,790)	\$ (322,520,258)	\$ (351,197,159)	\$ (409,539,883)	\$ (438,844,017)	\$ (492,387,394)	\$ (515,512,714)	\$ (510,836,831)	\$ (498,068,851)
Business-type activities	41,661,248	(9,367,150)	7,887,142	(208,073)	(17,156,466)	(11,123,333)	(9,697,065)	(21,175,419)	(21,708,516)
Total primary government net (expense)/revenue	\$ (268,177,542)	\$ (331,887,408)	\$ (343,310,017)	\$ (409,747,956)	\$ (456,000,483)	\$ (503,510,727)	\$ (525,209,779)	\$ (532,012,250)	\$ (519,777,367)
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes									
Property taxes	\$ 86,393,546	\$ 88,253,706	\$ 92,546,664	\$ 101,600,383	\$ 108,690,517	\$ 122,348,148	\$ 126,974,613	\$ 133,748,091	\$ 133,171,398
Franchise taxes	18,119,767	18,449,049	20,138,467	19,290,495	19,439,256	20,035,776	19,436,954	20,510,529	24,296,180
Sales taxes	121,984,293	132,257,178	163,250,264	187,323,240	187,007,560	179,652,214	151,311,541	131,356,792	144,932,348
Other taxes	8,326,069	8,730,347	9,019,206	11,991,553	12,959,738	13,802,819	12,252,706	11,993,968	12,146,822
Unrestricted NM shared taxes and fees	152,505,829	161,755,908	167,875,410	180,991,062	197,343,767	198,743,231	186,640,709	179,798,473	182,903,523
Unrestricted grants and contributions	11,471,037	15,281,939	29,230,347	34,041,732	38,863,931	45,241,380	49,231,566	51,821,185	6,309,436
Payments in lieu of taxes	-	5,110,928	4,769,764	5,202,860	5,111,853	5,018,751	4,921,566	5,182,185	59,130
Unrestricted investment earnings	8,594,542	4,253,858	12,469,788	14,039,015	19,994,223	20,565,992	11,793,621	9,813,405	2,689,722
Miscellaneous	15,559,876	13,917,869	15,759,659	27,167,544	30,737,892	50,543,429	224,307,828	40,495,040	29,101,131
Transfers between gov't and business type	(15,943,671)	(25,625,107)	(25,933,600)	(33,346,329)	(31,062,927)	(35,132,896)	(38,475,887)	(32,354,648)	(29,078,967)
Gain/(loss) on disposition of capital assets	-	-	(45,363,094)	-	-	-	-	-	-
Total governmental activities	407,011,288	422,385,675	443,762,875	548,301,555	589,085,810	620,818,844	718,649,365	524,197,831	506,530,723
Business-type activities:									
Unrestricted investment earnings	2,506,826	124,945	1,697,541	3,051,453	4,022,531	3,937,365	1,188,169	554,815	799,058
Miscellaneous	-	-	-	1,724,197	2,453,046	4,892,169	4,266,761	4,266,761	3,867,217
Transfers between gov't and business type	15,943,671	25,625,107	25,933,600	33,346,329	31,062,927	35,132,896	38,475,887	32,354,648	29,078,967
Gain/(loss) on disposition of capital assets	-	(538,744,820)	(1,267,740)	-	-	-	-	-	-
Total business-type activities	18,450,497	(512,994,768)	26,363,401	38,121,979	37,538,504	43,962,430	44,939,395	37,176,224	33,745,242
Total primary government	\$ 425,461,785	\$ (90,609,093)	\$ 470,126,276	\$ 586,423,534	\$ 626,624,314	\$ 664,781,274	\$ 763,588,760	\$ 561,374,055	\$ 540,275,965
Change in Net Assets									
Governmental activities	97,172,498	99,865,417	92,565,716	138,761,672	150,241,793	128,431,450	203,136,651	13,361,000	8,461,872
Business-type activities	60,111,745	(522,361,918)	34,250,543	37,913,906	20,382,038	32,839,097	35,242,330	16,000,805	12,036,726
Total primary government	\$ 157,284,243	\$ (422,496,501)	\$ 126,816,259	\$ 176,675,578	\$ 170,623,831	\$ 161,270,547	\$ 238,378,981	\$ 29,361,805	\$ 20,498,598

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

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

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

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

Fiscal Year	State Shared Gross Receipt Tax	Gasoline Tax	State Shared Cigarette Tax	State Shared Motor Vehicle Tax	Local Option Gross Receipt Tax	Property Tax	Franchise Tax	Hospitality Tax	Lodgers' Tax	Total
2002	\$ 137,385,362	\$ 6,933,815	\$ 590,261	\$ 1,371,390	\$ 116,252,287	\$ 72,151,496	\$ 15,368,751	\$ -	\$ 8,319,032	\$ 358,372,394
2003	\$ 143,950,677	\$ 6,744,579	\$ 587,209	\$ 1,106,151	\$ 121,984,293	\$ 86,393,546	\$ 18,119,767	\$ -	\$ 8,326,069	\$ 387,212,291
2004	\$ 156,188,748	\$ 6,761,988	\$ 604,817	\$ 1,267,037	\$ 132,257,178	\$ 88,253,706	\$ 18,449,049	\$ -	\$ 8,730,347	\$ 412,512,870
2005	\$ 162,685,510	\$ 7,024,191	\$ 542,098	\$ 1,426,523	\$ 163,250,264	\$ 92,546,664	\$ 18,353,990	\$ 1,784,477	\$ 9,019,206	\$ 456,632,923
2006	\$ 176,647,546	\$ 7,274,479	\$ 504,955	\$ 1,397,094	\$ 184,643,805	\$ 101,600,383	\$ 19,290,495	\$ 1,995,823	\$ 9,995,729	\$ 503,350,309
2007	\$ 187,215,960	\$ 8,150,721	\$ 453,447	\$ 1,523,639	\$ 187,007,560	\$ 108,690,517	\$ 19,439,256	\$ 2,162,060	\$ 10,797,678	\$ 525,440,838
2008	\$ 188,764,768	\$ 7,808,161	\$ 471,844	\$ 1,698,458	\$ 179,652,214	\$ 122,348,148	\$ 20,035,776	\$ 2,300,469	\$ 11,502,350	\$ 534,582,188
2009	\$ 175,737,324	\$ 7,897,649	\$ 422,616	\$ 1,562,016	\$ 151,311,541	\$ 126,974,613	\$ 19,436,954	\$ 2,042,117	\$ 10,210,589	\$ 495,595,419
2010	\$ 168,133,352	\$ 7,741,431	\$ 378,298	\$ 1,787,714	\$ 131,356,792	\$ 133,748,091	\$ 20,510,529	\$ 1,999,261	\$ 9,994,707	\$ 475,650,175
2011	\$ 171,728,908	\$ 7,426,531	\$ 28,288	\$ 1,862,253	\$ 144,932,348	\$ 133,171,398	\$ 24,296,180	\$ 2,025,377	\$ 10,121,445	\$ 495,592,728

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

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

	Fiscal Years				
	2002	2003	2004	2005	2006
General Fund					
Reserved	\$ 16,781,809	\$ 28,163,764	\$ 30,741,358	\$ 42,706,312	\$ 5,644,988
Unreserved	19,817,655	14,961,437	33,737,288	42,717,703	81,705,583
Total general fund	\$ 36,599,464	\$ 43,125,201	\$ 64,478,646	\$ 85,424,015	\$ 87,350,571
All Other Governmental Funds					
Reserved	\$ 81,007,719	\$ 64,982,499	\$ 62,655,779	\$ 55,841,404	\$ 63,006,291
Unreserved reported in:					
Special revenue funds	\$ 3,913,646	\$ 19,120,526	\$ 21,466,100	\$ 25,522,271	\$ 26,911,919
Debt service funds	15,998,712	5,013,003	4,042,465	3,406,977	-
Capital projects funds	67,295,182	16,991,567	27,703,336	32,575,154	151,940,533
Total all other governmental funds	\$ 168,215,259	\$ 106,107,595	\$ 115,867,680	\$ 117,345,806	\$ 241,858,743
	2007	2008	2009	2010	2011
General Fund					
Nonspendable					36,576
Restricted					1,339,307
Committed					38,709,667
Assigned					-
Unassigned					13,139,649
Reserved	\$ 8,402,072	\$ 4,696,560	-	1,019,224	
Unreserved	76,244,763	53,989,007	43,264,535	44,145,165	
Total general fund	\$ 84,646,835	\$ 58,685,567	\$ 43,264,535	\$ 45,164,389	\$ 53,225,199
All Other Governmental Funds					
Nonspendable					30,164,127
Restricted					253,637,110
Committed					24,556,599
Assigned					1,159,106
Unassigned					(3,654)
Reserved	\$ 57,381,957	78,199,524	101,524,245	72,775,674	
Unreserved reported in:					
Special revenue funds	\$ 38,795,673	\$ 42,728,336	\$ 36,221,184	28,303,639	
Debt service funds	-	-	-	-	
Capital projects funds	149,976,227	256,465,833	233,459,918	178,833,235	
Total all other governmental funds	\$ 246,153,857	\$ 377,393,693	\$ 371,205,347	\$ 279,912,548	\$ 309,513,288

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

	Fiscal Years									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	\$ 218,303	\$ 232,317	\$ 252,644	\$ 289,570	\$ 323,403	\$ 336,354	\$ 339,487	\$ 317,507	\$ 301,882	\$ 314,819
Licenses, fees and permits	10,396	14,436	16,026	17,801	17,768	16,027	13,455	10,442	10,038	10,410
Fines and penalties	669	715	901	1,157	1,374	10,719	13,341	10,663	9,018	6,200
Charges for services	43,745	45,683	51,428	51,414	54,219	47,381	47,932	48,526	49,897	47,866
Special Assessments	10,277	7,163	5,871	5,148	2,429	1,926	1,926	1,912	908	767
Intergovernmental	209,422	216,174	229,799	251,326	272,027	269,415	272,794	240,261	236,466	246,943
Interest earnings	10,411	7,946	4,082	12,297	10,390	15,667	15,940	9,538	8,797	2,255
Collections on real estate contracts receivable										
Other revenues	11,520	15,709	15,056	11,263	23,757	28,612	25,777	14,813	13,138	19,187
Total revenues	514,743	540,143	575,807	639,976	706,756	726,604	735,652	653,662	630,143	648,923
Expenditures										
General government	53,055	54,193	67,988	68,849	71,552	97,887	90,803	80,192	75,293	74,351
Public safety	172,368	178,933	191,486	216,212	228,853	189,609	214,301	222,609	229,141	223,325
Cultural and recreation	53,316	52,891	8,208	63,385	68,451	68,479	71,449	72,487	73,987	72,768
Public works/Municipal development	11,277	6,385	54,925	9,190	30,817	34,230	36,831	31,040	31,542	30,712
Housing and community development	21,463	22,074	17,292	21,765	3,074	5,330	6,366	4,299	9,765	10,136
Health and human services	60,943	61,230	59,237	65,940	65,971	69,390	71,627	72,031	68,826	67,160
Capital outlay	110,038	112,738	132,615	174,569	181,778	168,185	139,951	146,583	138,018	161,665
Debt service										
Principal	60,058	44,764	67,896	95,492	84,621	80,400	78,752	70,246	77,524	53,210
Interest	14,829	13,582	14,781	13,907	17,744	15,785	15,796	15,999	15,469	15,209
Fees and other charges	2,764	1,427	2,085	2,306	889	924	1,335	814	1,215	860
Total expenditures	560,111	548,217	616,513	731,615	753,750	730,219	727,211	716,300	720,781	709,396
Excess of revenues under expenditures	(45,368)	(8,074)	(40,706)	(91,639)	(46,994)	(3,615)	8,441	(62,638)	(90,638)	(60,473)
Other Financing Sources/(Uses)										
Proceeds from borrowing	99,103	16,522	149,719	133,350	37,000	36,000	131,249	82,657	24,940	136,403
Payments to escrow agent	-	-	-	61,147	-	-	16,655	-	41,274	-
Premiums on bonds issued	-	-	-	(61,023)	-	-	(16,183)	-	(40,535)	-
Transfers in	47,096	51,176	48,713	54,088	60,167	50,785	49,658	31,832	52,565	6,746
Transfers out	(68,011)	(66,850)	(74,143)	(79,753)	(93,244)	(81,579)	(84,541)	(70,058)	(80,402)	(54,119)
Total other financing sources/(uses)	78,188	848	124,289	107,809	3,923	5,206	96,838	44,431	(2,158)	114,320
Net change in fund balances	\$ 32,820	\$ (7,226)	\$ 83,583	\$ 16,170	\$ (43,071)	\$ 1,591	\$ 105,279	\$ (18,207)	\$ (92,796)	\$ 53,847
Debt service as a percentage of noncapital expenditures	17.25%	13.73%	17.52%	20.05%	18.05%	17.28%	16.33%	15.28%	16.34%	12.65%

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

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

Fiscal Year Ended June 30,	Real Property		Other Property		Exemptions		Total Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Centrally Assessed	Personal/ Livestock	Residential Property (2)	Commercial Property (3)				
2002	5,268,673,417	2,732,952,651	347,857,674	413,820,240	(241,603,430)	(1,102,570,602)	7,419,129,950	11.161	26,316,228,174	28.19%
2003	5,527,990,929	2,679,078,770	361,189,032	378,159,626	(249,209,374)	(1,077,788,203)	7,619,420,780	11.153	26,866,121,192	28.36%
2004	5,779,478,341	2,764,775,655	332,740,564	419,066,231	(290,547,121)	(1,121,680,068)	7,883,833,602	11.154	27,916,098,471	28.24%
2005	6,182,702,442	2,883,665,171	314,998,373	387,884,498	(324,693,906)	(1,159,063,422)	8,285,493,156	11.149	29,337,088,541	28.24%
2006	6,645,055,388	3,490,233,530	324,655,661	380,585,156	(354,473,556)	(1,178,475,587)	9,307,580,592	11.080	32,554,143,348	28.59%
2007	7,269,163,333	3,455,322,706	342,401,308	382,554,459	(375,626,598)	(1,215,646,430)	9,858,168,778	11.148	34,382,708,126	28.67%
2008	8,015,865,525	4,041,061,548	367,219,331	434,366,502	(392,119,005)	(1,516,627,863)	10,949,766,038	11.113	38,614,152,871	28.36%
2009	8,635,943,668	4,129,499,573	374,068,647	439,060,732	(406,557,331)	(1,591,003,466)	11,581,011,823	11.180	40,776,494,354	28.40%
2010	9,036,506,588	4,557,471,140	325,907,636	437,683,730	(423,100,409)	(1,635,392,025)	12,299,076,660	11.180	43,115,823,105	28.53%
2011	8,865,248,519	4,413,339,766	383,474,990	411,253,859	(433,022,911)	(1,719,827,913)	11,920,466,310	11.410	42,262,213,616	28.21%

Source: Bernalillo County Abstract of Property Reported For Taxation

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

(1) Weighted average of residential rate and non-residential (commercial) rate based on percentage of each type to total assessed value.

(2) Residential exemptions are Head of Household (\$2,000) and Veteran (\$4,000) and low income/age (65 years old with less than \$18,500 in income).

(3) Non-residential exemptions are granted for agriculture property and for Industrial and Municipal Revenue Bonds.

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

Schedule 7

Fiscal Year Ended June 30,	Collected within the Fiscal Year of the Levy			Total Collections to Date		
	Taxes Levied for the Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy (1)
2002	81,970,773	78,096,507	95.27%	3,575,227	81,671,734	99.64%
2003	85,059,627	81,327,454	95.61%	3,378,905	84,706,359	99.58%
2004	87,872,587	84,534,872	96.20%	2,910,509	87,445,381	99.51%
2005	92,507,491	89,148,702	96.37%	2,340,605	91,489,307	98.90%
2006	102,290,447	99,100,903	96.88%	3,210,398	102,311,300	100.02%
2007	109,792,820	106,845,546	97.32%	2,374,766	109,220,312	99.48%
2008	121,750,532	117,075,560	96.16%	4,107,019	121,182,579	99.53%
2009	128,698,136	122,483,590	95.17%	3,188,928	125,672,518	97.65%
2010	137,620,118	128,323,241	93.24%	4,025,478	132,348,718	96.17%
2011	136,017,057	128,514,760	94.48%	4,454,464	132,969,224	97.76%

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

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

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

Schedule 8

Tax Remitter	Fiscal Year 2011			Fiscal Year 2001		
	Taxable sales (\$millions)	Rank	Percentage of Total	Taxable sales (\$millions)	Rank	Percentage of Total
Retail Trade(1)	5,911.4	1	42.29%	\$ 4,368	1	39.65%
All Other Sectors	6,022.2	2	43.09%	\$ 4,132	2	37.51%
Construction	1,014.0	3	7.25%	1,308	3	11.87%
Wholesale Trade	468.9	4	3.35%	608	4	5.52%
Manufacturing	261.9	6	1.87%	309	5	2.80%
Finances, Insurance and Real Estate	298.8	5	2.14%	293	6	2.66%
Total Taxable Gross Receipts	13,977.1		100%	\$ 11,016		100%

(1)Retail Trade includes Eating and Drinking Establishments

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

Fiscal Year	Total Tax Levy(1)	City	Bernalillo County	State of New Mexico	Schools	Central NM Community College(2)	Flood Control Authority	Hospital	Conservancy District
2002	43.701	11.166	8.558	1.529	8.527	3.179	0.962	4.184	5.596
2003	45.571	11.161	8.635	1.765	8.503	2.628	0.943	6.500	5.436
2004	44.701	11.153	8.532	1.123	7.883	3.174	0.937	6.500	5.399
2005	46.668	11.154	9.549	1.520	8.497	3.175	0.936	6.500	5.337
2006	46.160	11.149	9.536	1.028	8.493	3.174	0.934	6.500	5.346
2007	44.367	11.080	8.369	1.234	8.415	3.069	0.920	6.317	4.963
2008	44.766	11.148	8.575	1.291	8.489	3.184	0.936	6.487	4.655
2009	46.170	11.113	8.464	1.250	10.582	3.151	0.926	6.429	4.255
2010	46.535	11.180	8.697	1.150	10.637	3.187	0.937	6.500	4.247
2011	46.958	11.410	8.500	1.530	10.656	3.271	0.931	6.400	4.260

Source: Bernalillo County Treasurer's Office

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

(2) Previously Technical Vocational Institute

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

Schedule 10

Fiscal Year	Tax Rate Imposed on City Residents by:				Total Rate in City	Effective City Rate ³
	State	Less: State Credit	City	County		
2002						
7/1/01-12/31/01	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
1/1/02-6/30/02	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
2003						
7/1/02-12/31/02	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
1/1/03-6/30/03	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
2004						
7/1/03-12/31/03	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
1/1/04-6/30/04	5.0000	(0.5000)	1.0625	0.2500	5.8125	2.2875
2005						
7/1/04-12/31/04	5.0000	(0.5000)	1.3125	0.2500	6.0625	2.5375
1/1/05-6/30/05	5.0000	--	1.3125	0.4375	6.7500	2.5375
2006						
7/1/05-12/31/05	5.0000	--	1.3125	0.4375	6.7500	2.5375
1/1/06-6/30/06	5.0000	--	1.3125	0.4375	6.7500	2.5375
2007						
7/1/06-12/31/06	5.0000	--	1.3125	0.5625	6.8750	2.5375
1/1/07-6/30/07	5.0000	--	1.1875	0.6875	6.8750	2.4125
2008						
7/1/07-12/31/07	5.0000	--	1.1875	0.6875	6.8750	2.4125
1/1/08-6/30/08	5.0000	--	1.1875	0.6875	6.8750	2.4125
2009						
7/1/08-12/31/08	5.0000	--	1.0625	0.6875	6.7500	2.2875
1/1/09-6/30/09	5.0000	--	1.0625	0.6875	6.7500	2.2875
2010						
7/1/09-12/31/09	5.0000	--	1.0625	0.8125	6.8750	2.2875
1/1/10-6/30/10	5.0000	--	0.8125	0.8125	6.6250	2.0375
2011						
7/1/10-12/31/10	5.1250	--	1.0625	0.8125	7.0000	2.2875
1/1/11-6/30/11	5.1250	--	1.0625	0.8125	7.0000	2.2875

Source: New Mexico Taxation & Revenue Department

Notes:

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

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

Schedule 11

Name of Taxpayer	2011 (Tax Year 2010)				2001				
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
PNM Electric	95,782,061	1	0.804%	65,419,389	2	0.95%			
Qwest (US West)	\$ 81,114,085	2	0.680%	\$ 92,792,084	1	1.34%			
PNM Gas Services	28,936,874	3	0.243%	20,081,828	5	0.29%			
Southwest Airlines	26,783,830	4	0.225%	20,125,475	4	0.29%			
Verizon Wireless (VAW) LLC	17,393,618	5	0.146%	-		-			
Simon Property Group Ltd (Cottonwood Mall)	15,960,737	6	0.134%	17,689,498	7	0.26%			
HUNT Uptown Development LLC	15,025,331	7	0.126%						
HUB Albuquerque LLC/HRPT Properties	14,615,771	8	0.123%						
Crescent Real Estate (Hyatt Hotel)	-		-	20,904,443	3	0.30%			
Coronado Center LLC	14,611,718	9	0.123%	18,497,917	6	0.27%			
AHS Albuquerque Regional Medical Center	12,049,803	10	0.101%						
Winrock Property (Winrock Mall)			-	12,406,360	10	0.18%			
T-Mobile Texas LP	11,467,579	11	0.096%						
Albuquerque Plaza Office Investment LLC	10,841,849	12	0.091%						
Pacifica Mesa Studios	9,653,900	13	0.081%						
Albuquerque Plaza Associates	9,407,793	14	0.079%						
AT&T Communications	9,172,588	15	0.077%	15,518,310	8	0.22%			
Southwestco Wireless				12,808,309	9	0.19%			
Total	\$ 372,817,537		3.128%	\$ 296,243,613		4.29%			
Total taxable valuation	11,920,466,310			6,900,667,082		4.29%			

Sources: Bernalillo County Treasurer's Office

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

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

Schedule 12

Governmental Activities

Business Type Activities

Fiscal Year	General Obligation Bonds		Sales Tax Bonds		Special Assessment Bonds		Fire Fund Bonds/Notes		Airport Revenue Bonds		Refuse Revenue Bonds/Notes		Transit Loan		Non-Major Bonds/Notes	
2002	\$	160,055,000	\$	140,580,349	\$	18,051,511	-	-	\$	225,335,000	\$	33,635,000	\$	-	\$	27,895,000
2003		160,055,000		156,478,688		13,421,510	-	-		211,750,000		33,635,000		-		55,975,000
2004		262,605,000		153,172,800		16,680,492	-	-		233,660,000		30,795,000		-		54,675,000
2005		296,560,917		147,252,116		12,655,943	-	-		226,030,000		27,820,000		-		53,504,263
2006		276,205,000		141,556,299		7,674,819	-	-		216,220,000		24,710,000		-		50,417,914
2007		235,765,000		137,405,000		5,413,784	-	-		205,070,000		26,180,627		20,000,000		49,199,311
2008		292,620,000		130,900,000		3,738,005	-	-		210,865,000		24,822,636		19,076,252		44,403,086
2009		297,968,000		129,265,000		2,239,093	-	-		176,365,000		20,759,792		16,185,551		25,756,484
2010		257,880,000		121,625,000		2,239,093	-	-		156,600,000		16,695,806		14,154,588		24,749,158
2011		323,805,000		117,165,000		-	1,403,058	-		136,939,167		12,451,278		12,036,392		23,164,189

Business Type Activities

Governmental Activities

Fiscal Year	Total Primary Government		Percentage of Personal Income (1)		Per Capita (1)		Population (2)		Personal Income (3)	
2002	\$	605,551,860	2.91%	1,302	465,263	\$20,793,000,000				
2003		631,315,198	2.96%	1,332	474,070	21,311,000,000				
2004		751,588,292	3.37%	1,551	484,643	22,279,000,000				
2005		763,823,239	3.20%	1,541	495,531	23,857,000,000				
2006		716,784,032	2.78%	1,415	506,384	25,814,000,000				
2007		679,033,722	2.45%	1,317	515,396	27,679,000,000				
2008		726,424,979	2.48%	1,392	521,999	29,307,000,000				
2009		668,538,920	2.21%	1,265	528,687	30,247,000,000				
2010		593,943,645	1.89%	1,093	543,302	31,450,000,000				
2011		626,964,084	2.00%	1,156	545,852	32,701,710,000				

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

Fiscal Year	General Obligation Bonds Outstanding	Actual Taxable Value	Percentage of Actual Taxable Value of Property to Bonds Outstanding	G.O. Bonds Per Capita	Population (1)
2002	209,865,000	7,419,129,910	2.83%	451.07	465,263
2003	160,055,000	7,619,420,780	2.10%	337.62	474,070
2004	262,605,000	7,883,833,602	3.33%	541.85	484,643
2005	296,555,000	8,285,493,156	3.58%	598.46	495,531
2006	276,205,000	9,307,580,592	2.97%	545.45	506,384
2007	235,765,000	9,858,168,778	2.39%	457.44	515,396
2008	292,620,000	10,949,766,038	2.67%	560.58	521,999
2009	297,968,000	11,581,011,823	2.57%	563.60	528,687
2010	257,880,000	12,299,076,660	2.10%	474.65	543,302
2011	323,805,000	11,920,466,310	2.72%	593.21	545,852

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

(2) 2011 Population data used to calculate Per Capita is from the twenty-third United States Census.

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

Governmental Agency	G.O. Debt	Tax Year 2009 Assessed Valuation	Percent Applicable to City	Net Overlapping
City of Albuquerque	\$323,805,000	\$11,920,466,310	100.00%	\$323,805,000
Albuquerque Public Schools	562,075,000	14,270,967,249	83.53%	469,498,387
Albuquerque Metropolitan Arroyo Flood Control Authority	33,825,000	13,804,761,655	86.35%	29,208,021
Central New Mexico Community College	52,825,000	14,297,609,852	83.37%	44,042,231
Bernalillo County	85,949,000	14,384,728,802	82.87%	71,224,990
State of New Mexico	39,858,000	50,423,881,858	23.64%	9,422,637
Total Direct & Overlapping General Obligation (G.O.) Bond Debt				\$947,201,266
Gross G.O. Bonded Debt (includes general purpose & water, sewer, & stormsewer)				\$323,805,000
Net G.O. Bonded Debt				\$323,805,000

Source: City of Albuquerque Treasury Dept.

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

	Fiscal Years				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Debt Limit	\$ 296,765,196	\$ 304,953,000	\$ 315,502,000	\$ 331,571,000	\$ 372,303,224
Total net debt applicable to limit	127,140,000	112,885,000	214,995,000	238,375,917	223,770,000
Legal Debt Margin	<u>\$ 169,625,196</u>	<u>\$ 192,068,000</u>	<u>\$ 100,507,000</u>	<u>\$ 93,195,083</u>	<u>\$ 148,533,224</u>
Total net debt applicable to the limite as a percentage of debt limit	43%	37%	68%	72%	60%

	Fiscal Years				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt Limit	\$ 394,326,751	\$ 437,990,642	\$ 463,240,473	491,963,066	476,818,652
Total net debt applicable to limit	266,936,751	246,435,000	249,060,000	236,120,032	286,700,000
Legal Debt Margin	<u>\$ 127,390,000</u>	<u>\$ 191,555,642</u>	<u>\$ 214,180,473</u>	<u>\$ 255,843,034</u>	<u>190,118,652</u>
Total net debt applicable to the limite as a percentage of debt limit	68%	56%	54%	48%	60%

Legal Debt Margin Calculation for Fiscal Year 2011:

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

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

City of Albuquerque, New Mexico
Pledged Revenue Coverage
Last Ten Fiscal Years

Schedule 16

Airport Bonds

Fiscal Year	Less:			Net Available Revenue	Debt Service	Coverage	Refuse Bonds			
	Revenues	Operating Expenses	Revenues				Operating Expenses	Net Available Revenue	Debt Service	Coverage
2002	59,494	21,437	38,057	14,840	2.56	39,191	29,638	9,553	4,496	2.12
2003	59,604	22,059	37,545	18,940	2.01	41,001	31,166	9,835	4,326	2.27
2004	60,891	24,288	36,603	16,091	2.30	43,521	33,263	10,258	4,390	2.34
2005	64,287	24,616	39,671	18,750	2.14	44,888	34,227	10,661	5,122	2.08
2006	66,397	25,600	40,797	21,166	1.96	48,144	28,805	19,339	5,134	3.77
2007	67,969	27,618	40,351	25,257	1.63	54,143	42,013	12,130	5,131	2.36
2008	75,256	29,846	45,410	25,875	1.78	57,088	46,595	10,493	5,090	2.06
2009	65,997	30,195	35,802	26,855	1.33	57,163	44,943	12,220	4,981	2.45
2010	67,824	29,541	38,284	26,649	1.44	54,068	43,329	10,738	4,945	2.17
2011	65,776	29,827	35,949	26,209	1.38	62,172	45,337	16,835	4,988	3.38

Sales Tax Revenue Bonds

Fiscal Year	Less:			Net Available Revenue	Debt Service	Coverage	Golf Course Revenue Bonds		
	Revenues	Operating Expenses	Revenues				Operating Expenses	Net Available Revenue	Debt Service
2002	169,909	169,909	8,920	19.05	\$4,111	\$3,621	\$490	\$343	1.43
2003	177,634	177,634	9,802	18.12	3,980	3,435	545	347	1.57
2004	193,783	193,783	9,549	20.29	3,820	3,594	226	345	0.66
2005	201,610	201,610	10,658	18.92	3,938	3,499	439	348	1.26
2006	216,205	216,205	11,764	18.38	4,234	3,485	749	348	2.15
2007	234,161	234,161	13,105	17.87	3,979	4,001	(22)	344	(0.06)
2008	234,503	234,503	10,226	22.93	4,285	4,143	142	343	0.41
2009	222,477	222,477	10,472	21.24	4,688	3,788	900	345	2.61
2010	210,663	210,663	12,624	16.69	4,218	3,694	524	342	1.53
2011	215,704	215,704	10,305	20.93	3,937	3,902	35	347	0.10

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

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

Schedule 17

		2010 *		2000			
Employer	Employees	Rank	Percentage of Total Albuquerque MSA Employment	Employer	Employees	Rank	Percentage of Total Albuquerque MSA Employment
University of New Mexico	15,435	1	3.94%	Albuquerque Public Schools	11,800	1	3.65%
Albuquerque Public Schools	14,000	2	3.62%	University of New Mexico	6,822	2	2.11%
Sandia National Labs	8,730	3	2.80%	Sandia National Labs	6,800	4	2.11%
Kirtland Air Force Base (Civilian)*	10,823	4	2.17%	City of Albuquerque	6,600	3	2.04%
Presbyterian	7,315	5	1.92%	Presbyterian Health Care Services	5,800	5	1.80%
City of Albuquerque	6,072	6	1.53%	Intel	5,000	6	1.55%
State of New Mexico	5,605	7	1.47%	Kirtland Air Force Base (Military)	4,855	7	1.50%
UNM Hospital	4,595	8	1.41%	State of New Mexico	4,026	8	1.25%
Lovelace	3,400	9	0.88%	Kirtland Air Force Base (Civilian)	3,898	9	1.21%
Intel Corporation	3,300	10	0.85%	Lovelace Medical Center	3,300	10	1.02%
Total	79,275		20.59%		58,901		18.24%

Source: Albuquerque Economic Development, Sandia National Labs, City of Albuquerque Annual Information Statement 1998, and NIM Department of Labor
* Fiscal year 2011 information is not available

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

Fiscal Year	City of Albuquerque	MSA Population	Personal Income Billions \$(2)	Per Capita Personal Income(1)	Metropolitan Statistical Area		Civilian Employment	Average Wage/Salary Per Job	Unemployment Rate*
	Population				Civilian Labor Force				
2002	466,455	753,670	21.49	28,520	375,725	357,817	32,609	4.8%	
2003	475,511	766,154	22.24	29,025	378,128	358,021	33,799	5.3%	
2004	486,319	780,865	23.66	30,303	381,897	360,884	34,955	5.5%	
2005	497,543	798,722	25.34	31,723	389,003	368,649	36,423	5.2%	
2006	508,486	817,973	27.38	33,469	397,947	380,099	37,687	4.5%	
2007	517,162	834,685	28.88	34,604	405,756	390,917	38,990	3.7%	
2008	523,240	846,582	29.98	35,415	408,867	394,423	40,059	3.5%	
2009	529,219	857,903	30.17	35,165	410,746	387,477	NA	5.7%	
2010	543,302	(3) 887,077	31.45	35,450	411,550	377,227	NA	8.3%	
2011	545,852	(4) NA	32.70 (5)	NA	406,582	372,121	NA	8.5%	

Sources:

Income and wage/salary from Bureau of Economic Analysis-except where noted
 Population from Census Bureau
 Average Wage/Salary per Job- from Bureau of Economic Analysis
 Bureau of Business and Economic Research University of New Mexico, BBER.

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

(1) Calculated: Personal income divided by MSA population.

(2) Bureau of Economic Analysis

(3) April 2010 Census

(4) 2011 Population data is from the twenty-third United States Census.

(5) Personal Income for Fiscal Years 2011 is estimated based on annual growth rate of 3.98.

City of Albuquerque, New Mexico
Demographic Statistics

Schedule 19

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

	<u>Enrollment</u>	
<u>School Enrollment (1)</u>		
<u>Albuquerque School District</u>		
Person enrolled in school	163,462	100.00%
Elementary schools (including Kindergarten)	45,491	27.83%
Mid-high schools	20,693	12.66%
High schools	26,993	16.51%
Private, alternative, and parochial schools	12,740	7.79%
Community College of New Mexico - Central NM Community College	29,423	18.00%
University of New Mexico - Albuquerque Campus	28,122	17.20%
Percent completed High School	64.7%	

<u>Household by Type (3)</u>		
<u>Albuquerque City</u>		
Total households	217,353	100.0%
Family households	130,876	60.2%
with children under 18 years	64,581	29.7%
Married-couple family	87,321	40.2%
with children under 18 years	37,602	17.3%
Female householder, no husband present	30,487	14.0%
with children under 18 years	19,553	9.0%
Nonfamily households	86,477	39.8%
Average household size	2.41	
Average family size	3.07	

<u>Housing Characteristics (2)</u>		
<u>Albuquerque City</u>		
Total housing units	236,065	
Occupied housing units	217,353	92.1%
Owner-occupied housing units	130,154	59.9%
Renter-occupied housing units	87,199	40.1%
Vacant housing units	18,712	7.9%

<u>Medians (2)</u>		
<u>Albuquerque City</u>		
Population age	34	
Family income	\$54,819	
Monthly housing cost - mortgage	\$1,292	
Monthly housing cost - renting	\$717	

	<u>National Rank</u>	<u>Poverty Rate</u>
<u>National Comparison of Selected Characteristics (3)</u>		
<u>Statewide comparing to nationwide</u>		
Population living below the poverty level	4	18.2%
Children under 18 years below poverty level	4	25.8%
Households with one or more people under 18	14	34.5%
Population 18 years and older who are veterans	13	12.0%
Population 25 years and older who have completed high school	42	81.5%
Population 25 years and over how have completed a Bachelor's degree	33	25.1%
Percent of People 25 Years and Over Who Have Completed an Advanced Degree	16	10.6%

(1) New Mexico Department of Education

(2) 2009 American Community Survey 1-year Estimates (U.S. Census Bureau)

(3) 2009 SAIPE Program Estimates (U.S. Census Bureau)

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

Schedule 20

Full-time Equivalent Employees as of June 30

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Animal Welfare	0	0	0	0	0	0	142 (14)	141	135	135
Aviation	254	254	261	260	262	269	275	276	276	276
Chief Administrative Officer Depa	78	47	55	57	59	40	35	33	33	35
Convention Center	50	46	37	0 (2)	0	0	0	0	0	0
Council Services	18	18	18	21	21	27	27	28	28	26
Cultural Services	378	375	322	362	390	400	411	376	349	338
Economic Development	0	0	0	0	0	10 (7)	11	11	8	8
Environmental Health	174	171	163	185	196	237	96	88	88	83
Family and Community Services	429	379	369	416	429	428	444	416	402	380
Finance and Administrative Servic	330	306	190 (1)	230	328 (4)	343 (8)	343	311	301	297
Fire	602	602	604	665	675	692 (9)	692	708	707	696
Human Resources	42	42	41	41	42	45	45	39	36	34
Legal	71	63	73	77	80	107 (10)	110	106	85	60
Mayor Department	9	9	7	7	7	7	7	7	7	6
Metropolitan Detention Center	494	485	495	510	503	0 (11)	0	0	0	0
Municipal Development	0	0	201 (5)	278	524 (5)	543	541	526	511	461
Office of Internal Audit	11	11	11	12	14	14	14	14	12	9
Office of Inspector General		0	0	0	0	0	0	0	0	3 (15)
Office of City Clerk		0	0	0	0	0	0	0	0	11 (16)
Parks and Recreation	305	300	285	273	264	296 (12)	297	292	282	313
Planning	143	161	168	182	182	191	191	180	156	155
Police	1,308	1,311	1,330	1,363	1,488	1,566	1,566	1,564	1,537	1,530
Public Works	968	841	792	282 (3)	0 (6)	0	0	0	0	0
Senior Affairs	107	92	92	93	95	99	99	102	102	111
Solid Waste	409	403	405	414	418	432	445	450	427	433
Transit Operations	536	512	476	528	531	589 (13)	591	584	595	587
Total	6,716	6,428	6,395	6,256	6,508	6,335	6,382	6,252	6,077	5,987

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

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

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

Function/Program	Fiscal Years									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Aviation										
Passengers enplaned/deplaned	6,311,000	6,007,000	6,228,000	6,466,435	6,563,579	6,489,548	6,600,000	5,955,000	5,762,000	
Number of flights	122,096	130,475	121,511	124,465	120,150	115,749	130,000	107,711	100,143	
Cultural and Recreation										
Library materials in collection	1,326,008	1,378,532	1,304,108	1,326,486	1,341,547	1,391,687	1,300,000	1,316,061	1,338,475	
Library materials borrowed	3,150,628	3,404,772	3,620,494	4,178,204	4,326,904	4,422,245	4,900,000	4,862,599	4,945,413	
Library visits	1,587,510	1,767,502	1,705,622	2,089,730	2,154,040	2,324,698	2,590,000	2,498,927	2,745,930	
BioPark annual attendance	953,585	957,321	973,407	1,039,513	1,111,893	1,048,067	1,123,000	1,172,547	1,176,353	
Explora annual attendance	47,000	60,820	219,378	214,977	190,485	205,055	195,700	221,478	222,315	
Albuquerque Museum attendance	102,460	104,595	170,072	99,473	147,159	112,359	140,000	111,503	124,848	
Park acres maintained	2,359	2,408	2,468	2,514	2,661	2,722	2,776	2,856	2,921	
Open space acres	31,515	26,786	27,513	28,056	28,223	28,373	28,486	28,803	28,812	
Municipal Development										
Street miles maintained	4,058	4,141	4,102	4,118	4,318	4,437	4,450	4,525	4,579	
Street miles resurfaced/crack-seal	300	297	248	303	291	385	285	189	188	
Potholes repaired	3,000	1,280	2,741	3,528	5,889	3,499	3,500	2,476	3,360	
Curb miles swept	36,000	51,925	19,764	58,471	49,616	51,823	50,000	50,251	40,946	
Facility maintained	128	130	133	145	145	168	172	193	179	
Facility sq. ft. area maintained (mil.)	1.90	1.94	1.98	2.00	2.00	2.23	2.32	2.41	2.15	
Planning										
Inspections - code compliance	31,165	37,758	35,973	63,933	51,566	52,511	70,000	68,808	61,462	
Inspections - permits	164,079	192,020	201,932	236,052	244,117	182,438	211,140	72,477	70,616	
Business registrations	6,831	6,501	6,683	7,495	5,862	6,979	6,500	6,657	6,587	
Plans reviewed	10,220	11,492	11,803	9,370	7,707	7,416	7,500	2,656	3,009	
Public Safety - Fire										
Emergency responses	65,387	69,170	68,271	69,877	73,242	76,171	76,171	81,060	76,219	
Fires extinguished (residential)	*	*	201	99	136	138	128	146	129	
Fires extinguished (non-residential)	*	*	191	114	127	115	114	70	92	
Fires extinguished (wildland)	*	*	36	11	21	6	2	6	2	
Hazardous materials incidents	863	1,496	1,002	884	952	1,071	1,184	919	809	
Rescue calls	*	68	43	46	69	74	70	59	30	
Code enforcement inspections	10,837	11,027	11,135	11,200	11,500	3,662	4,200	4,203	5,019	
Public Safety - Police										
Offense reports processed	124,040	79,009	94,406	111,796	120,565	101,560	102,000	67,058	55,874	
Accident reports processed	31,270	25,736	29,330	33,892	32,556	30,556	32,000	24,748	23,456	
Calls received	*	1,284,531	1,176,022	1,156,696	1,130,979	911,071	1,157,416	1,411,816	1,405,290	
Felony arrests	*	*	8,216	10,451	10,501	11,326	10,794	14,325	15,836	
Misdemeanor arrests	*	*	12,195	24,379	19,773	24,179	22,778	14,705	14,705	
Solid Waste										
Refuse collected (tons)	381,548	406,827	423,640	440,541	439,359	452,097	484,964	402,692	392,491	
Recyclables collected (tons)	7,348	12,392	7,046	7,367	9,161	9,750	11,152	11,029	11,583	
Miles litter/weeds cleaned	16,718	17,665	20,014	72,507	80,657	75,317	75,000	18,020	28,463	
Graffiti sites cleaned	19,142	33,367	30,939	33,424	38,230	41,588	40,051	73,571	67,083	
Transit - Bus										
Passenger miles	*	19,621,375	19,631,700	25,046,000	28,300,000	31,163,000	32,000,000	36,011,000	37,406,594	
ABQRide ridership	7,435,000	6,834,508	6,863,216	7,249,621	8,450,000	9,386,450	9,500,000	10,760,000	11,177,000	

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

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

Function/Program	Fiscal Years									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government:										
Bus Lines-minibuses	140	140	151	151	144	144	160	160	160	160
Landfill	1	1	1	1	1	1	1	1	1	1
Refuse Convenience Centers	3	3	3	3	3	3	3	3	3	3
Water mains (miles)	555	580	610	611	611	612	615	618	618	618
Treatment capacity (thousands)										
Public Safety:										
Law Enforcement Center	1	1	1	1	1	1	1	1	1	1
Police Area Command Centers	5	5	5	5	5	5	6	6	6	6
Police Substations	11	12	12	12	12	12	12	12	12	12
Fire Stations	23	23	23	23	23	23	23	23	23	23
Highways and Streets:										
Streets maintained (miles)	3,890	4,141	4,102	4,118	4,264	4,437	4,470	4,525	4,579	4,590
ROW acres	*	*	*	*	7,383	7,383	7,383	7,383	7,383	7,383
Bridges (railroad, river, roads)	31	31	31	31	31	31	150	150	150	150
Urban trails (miles)	54	55	59	60	66	126	128	113	117	126
Traffic signals	533	557	565	571	573	586	593	595	601	605
School flashing beacons	112	112	112	112	117	117	278	280	302	305
Storm lift stations	13	14	14	14	14	14	14	14	14	14
Storm drainage bridges	182	192	193	193	193	193	41	50	50	50
Dams/Dentention basin	14	14	14	14	14	14	110	110	110	110
Cultural and Recreation:										
Open space acreage	*	26,786	27,513	28,056	28,223	28,326	28,786	28,803	28,810	28,933
Park acres	*	2,408	2,468	2,514	2,661	2,769	2,776	2,856	2,921	2,981
Playgrounds	*	138	140	143	145	145	171	160	168	171
Baseball/softball parks	7	7	7	7	6	6	6	7	7	7
Golf courses	4	4	4	4	4	4	4	4	4	4
Swimming pools	12	12	12	12	12	12	14	12	12	12
Tennis courts	32	32	32	32	32	36	136	134	134	134
Community centers	24	24	24	24	24	24	24	24	24	24
Museums/Zoos/Cultural Centers	10	10	10	10	10	10	10	10	10	10
Libraries	17	17	17	17	17	17	17	17	17	17

Source: City of Albuquerque Annual Performance Plan, department records and Infrastructure records.
 Note: Some data are based on estimated, projected, or preliminary information
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Source: City of Albuquerque Annual Performance Plan, department records and Infrastructure records.
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SINGLE AUDIT INFORMATION

Schedule of Expenditures of Federal Awards

Notes to the Schedule of Expenditures of Federal Awards

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

Financial Data Schedule – Albuquerque Public Housing Authority

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

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

Schedule of Findings and Questioned Costs

Status of Prior Year Audit Findings

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2010 through June 30, 2011

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>U.S. Department of Agriculture</u>					
Pass Through					
Child and Adult Care Food Program	0278	10.558	10/1/2010	9/30/2011	\$ 364,025
Child and Adult Care Food Program	0278	10.558	10/1/2009	9/30/2010	97,818
					461,843
National School Lunch Program					
Pass Through					
Summer Food Ser. Prog. FY11/12	3037	10.559	10/1/2009	9/30/2010	639,808
Summer Food Ser. Prog. FY10/11	3037	10.559	10/1/2009	9/30/2010	584,824
Summer Food Ser. Prog. FY09/10	3037	10.559	10/1/2008	9/30/2009	1,047
					1,225,679
<u>Total U.S. Department of Agriculture</u>					\$ 1,687,522
<u>U.S. Department of Housing and Urban Development</u>					
Community Development Block Grants/Entitlement Grants (CDBG - Entitlement Grants Cluster)					
Direct					
Community Develop. Blk Grant 2011	B-11-MC-35-0001	14.218	1/1/2011	Completion	\$ 999,018
Community Develop. Blk Grant 2010	B-10-MC-35-0001	14.218	1/1/2010	Completion	1,140,874
Community Develop. Blk Grant 2009	B-09-MC-35-0001	14.218	1/1/2009	Completion	1,142,953
Community Develop. Blk Grant 2008	B-08-MC-35-0001	14.218	1/1/2008	Completion	806,780
Community Develop. Blk Grant 2007	B-07-MC-35-0001	14.218	1/1/2007	Completion	234,500
					4,324,125
Neighborhood Stabilization					
Pass Through					
Neighborhood Stabilization Program	09-NSP-2-G-03	14.228	7/29/2009	6/20/2013	2,638,085
Emergency Shelter Grants Program					
Direct					
Emergency Shelter Grant Program	S-10-MC-35-0001	14.231	1/1/2010	Completion	184,726
Supportive Housing Program					
Direct					
Supportive Housing Program	NM00118B6000802	14.235	5/1/2010	4/30/2011	194,666
Supportive Housing Program	NM0017B6B000802	14.235	5/1/2010	4/30/2011	685,103
					879,769
Shelter Plus Care					
Direct					
Shelter Plus Care	Admin Component	14.238	4/1/2010	3/31/2011	56,005
Shelter Plus Care	NM0018B6B001003	14.238	5/1/2011	4/30/2011	34,058
Shelter Plus Care	NM0018B6B001003	14.238	5/1/2011	4/30/2011	128,017
Shelter Plus Care	NM0014C6B001003	14.238	5/1/2011	4/30/2011	114,732
Shelter Plus Care	NM0014C6B000802	14.238	4/1/2010	3/31/2011	815,974
Shelter Plus Care	NM0015C6B000803	14.238	4/1/2011	3/31/2012	90,386
Shelter Plus Care	NM0015C6B000801	14.238	4/1/2009	3/31/2010	244,897
					1,484,069
HOME Investment Partnerships Program					
Direct					
Home	M-10-MC-35-0209	14.239	1/1/2010	Completion	503,441
Home	M-09-MC-35-0209	14.239	1/1/2009	Completion	1,263,347
Home	M-08-MC-35-0209	14.239	1/1/2008	Completion	688,418
Home	M-06-MC-35-0209	14.239	1/1/2006	Completion	50,000
Home	M-04-MC-35-0209	14.239	1/1/2004	Completion	33,932
					2,539,138
Section 8 Moderate Rehabilitation (Section 8 Project-Based Cluster)					
Direct					
Single Room Occupancy	NM001SR-0004	14.249	7/1/2010	6/30/2011	43,472

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2010 through June 30, 2011

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>U.S. Department of Housing and Urban Development continued</u>					
American Recovery Act of 2009 (CDBG - Entitlement Grants Cluster)					
Direct					
Community Develop. Blk Grant Recovery	B-09-MY-MN-0001	14.253	5/22/2009	Completion	165,610
American Recovery Act of 2009					
Direct					
Homeless Prevention and Rapid Re-Housing	S09_MY-35-0001	14.257	8/1/2009	7/31/2012	875,216
Direct					
Low Rent Operating Subsidy	NM00100000011D	14.850	1/1/2011	12/31/2011	1,413,285
Low Rent Operating Subsidy	NM00100510D	14.850	1/1/2010	12/31/2010	1,610,920
					3,024,205
Lower Income Housing Assistance Program (Section 8 Project-Based Cluster)					
Direct					
Section 8 Moderate Rehabilitation	NM001MR-0002	14.856	7/1/2010	6/30/2011	29,084
Section 8 Housing Choice Vouchers					
Direct					
Section 8-Housing Choice Voucher	NM001VO	14.871	7/1/2010	6/30/2011	23,271,556
Public Housing Capital Fund					
Direct					
Public Housing Capital Fund Prog.	NM02P00150110	14.872	7/15/2010	7/14/2014	308,924
Public Housing Capital Fund Prog.	NM02P00150108	14.872	6/13/2009	6/12/2012	485,347
Public Housing Capital Fund Prog.	NM02P00150107	14.872	9/13/2007	9/12/2011	576,445
Public Housing Capital Fund Prog.	NM02P00150106	14.872	7/18/2006	7/17/2010	5,766
					1,376,482
American Recovery Act of 2009					
Direct					
Public Housing Capital Fund Recovery Grant	NM02S001501-09	14.872	3/18/2009	3/17/2012	482,183
Section 8 Housing Choice Voucher Main Stream					
Direct					
Section 8-Housing Choice Voucher 5-year Main Stream	NM001DV0001	14.879	7/1/2010	6/30/2011	248,844
Total U.S. Department of Housing and Urban Development					\$ 41,566,564
<u>U.S. Department of the Interior</u>					
Water Reclamation and Reuse Program					
Direct					
Alb. Metro Area Water Reclamation	99-FC-40-1050	15.504	6/1/1999	12/31/2009	\$ 2,915,161
Southside Municipal Effluent Polishing and Water Reclamation Project	R09AP40R06	15.504	9/30/2009	9/30/2010	155,380
					3,070,541
Fish and Wildlife Coordination Act					
Direct					
Habitat Restoration Project	03-FG-40-2091	15.517	10/1/2003	3/31/2009	9,817
Pass Through					
Interstate Stream Commission	06-FG-40-2549	15.517	3/19/2009	6/30/2010	73,486
Bureau of Reclamation					
Direct					
Low Impact High Yield Habitat Restoration	04-FG-40-2255-26	15.517	10/1/2004	Completion	83,597
Bureau of Reclamation					
Direct					
Southwestern Willow Flycatcher Habitat Restoration Project	R10AP40051	15.537	9/23/2010	9/30/2012	9,949
U.S. Department of Interior					
Pass Through					
CLG Historic Preservation	35-10-21938.24	15.904	2/24/2011	9/30/2011	13,700
Total U.S. Department of the Interior					\$ 3,261,090

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2010 through June 30, 2011

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>U.S. Department of Justice</u>					
Direct					
US Marshall's Reimbursement Program	2011-US- Marshal	16.000	12/1/2010	6/31/2011	\$ 8,113
US Marshall's Reimbursement Program	2010-US- Marshal	16.000	1/1/2010	9/30/2010	8,831
					16,944
2011 DEA Task Force Agreement	FY2011DEATASKFORCE	16.001	1/1/2011	12/31/2011	38,746
FBI Regional Computer Forensics Laboratory Nat'l Program	A0A003628	16.301	11/1/2009	9/30/2014	34,007
FBI Safe Street Task Force Agreement	Mou- 2011FBISAFESTRTS	16.609	1/20/2011	12/31/2011	34,658
Office of Violence Against Women					
Pass Through					
S.T.O.P Violence Against Women	2007-WF-AX-0020	16.588	7/1/2009	6/30/2010	2,412
American Recovery Act of 2009					
Pass Through					
2009 Recovery Stop Violence Against Women	2009-EF-56-0049	16.588	10/1/2009	12/31/2010	81,730
Executive Office for Weed and Seed					
Direct					
Weed and Seed Program (Eastside)	2007-WS-Q7-0233	16.595	10/1/2008	9/30/2009	1,200
Weed and Seed Program (Westside)	2007-WS-Q7-0001	16.595	10/1/2008	9/30/2009	1,150
					2,350
Public Safety Partnerships and Community Policing Grants					
Direct					
COPS Technology Grant 2008	2008-CK-WX-0553	16.710	12/26/2007	12/25/2010	\$ 975
COPS-Technology Grant	2010-CK-WY-0033	16.710	9/30/2010	9/30/2013	15
COPS-Technology Grant	2009-CK-WY-0441	16.710	3/11/2009	3/10/2012	196,836
COPS-Technology Program Grant	2008-CK-WX-0554	16.710	12/26/2007	12/25/2010	15,327
COPS-Methamphetamine Initiative	2007-CK-WX-0235	16.710	9/1/2007	8/31/2009	40,997
					254,150
Office of Juvenile Justice and Delinquency Prevention					
Pass Through					
Enforcing Underage Drinking Laws	10-690-10564-1	16.727	7/1/2010	6/30/2011	46,437
Enforcing Underage Drinking Laws	10-690-10564	16.727	7/1/2009	6/30/2010	3,777
					50,214
Edward Byrne Memorial Justice Assistance Grant Program (JAG Program Cluster)					
Direct					
Edward Byrne Memorial Justice Assistance	2010-DJ-BX-0329	16.738	10/1/2009	9/30/2013	264,634
Edward Byrne Memorial Justice Assistance	2009-DJ-BX-0267	16.738	10/1/2008	9/30/2012	134,692
Edward Byrne Memorial Justice Assistance	2008-DJ-BX-0132	16.738	10/1/2007	9/30/2011	83,279
Edward Byrne Memorial Justice Assistance	2007-DJ-BX-1100	16.738	10/1/2006	9/30/2010	89,485
					572,090
US Department of Justice/National Institute of Justice					
Direct					
Forensic DNA Backlog Reduction Program	2010-DN-BX-K107	16.741	10/1/2010	3/31/2012	68,470
Gang Resistance Education and Training (Great)	2010-JV-FX-0011	16.741	10/1/2010	1/31/2012	12,011
DNA Backlog Reduction	2008-DN-BX-K056	16.741	10/1/2008	3/31/2010	85,340
					165,821
Paul Coverdell Forensic Sciences Improvement Grant Program					
Pass Through					
Paul Coverdell Forensic Science Improvement Grant	2010-PC-APD_SFY11	16.742	10/1/2010	8/31/2012	5,980
Paul Coverdell Forensic Science Improvement Grant	09-PC-APD-SFY10	16.742	10/1/2009	2/25/2011	6,210
					12,190

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2010 through June 30, 2011

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>U.S. Department of Justice continued</u>					
2009 Congressionally Selected Award					
Direct					
FAC Forensic Interview Training and Crisis Support	2009-D1-BX-0283	16.753	10/1/2009	9/30/2012	77,356
American Recovery Act of 2009 (JAG Program Cluster)					
Direct					
2009 Recover Act Byrne Jag Formula Grant	2009-SB-B9-1052	16.804	3/1/2009	2/28/2013	683,705
American Recovery Act of 2009					
Direct					
HIDTA Narcotics/Gang/Enforcement	2009-SS-B9-0036	16.809	7/1/2009	6/30/2011	484,538
Total U.S. Department of Justice					<u>\$ 2,510,911</u>
<u>Department of Labor</u>					
Pass Through					
NM Workforce Solutions- Customized Training	CT-10-006	17.268	7/20/2010	9/30/2010	\$ 517
Total Department of Labor					<u>\$ 517</u>
<u>US Department of Transportation</u>					
Airport Improvement Program					
Direct					
Wildlife Hazard Assessment	3-35-0003-036-2010	20.106	9/17/2010	Completion	\$ 45,180
VALE- Solar Phase 1 (Parking Structure)	3-35-0003-037-2010	20.106	8/24/2010	Completion	2,432,562
DE II - Relocate Airfield Electrical Vault	3-35-0002-016-2010	20.106	9/17/2010	Completion	264,858
Rehabilitate Taxiway Lighting System	3-35-0003-035-2010	20.106	9/17/2010	Completion	2,478,778
					<u>5,221,378</u>
Federal Highway Administration					
Indirect - State Pass Through					
I-25 & I-40 Landscaping	TPE-040-3(190)159	20.205	9/4/2009	9/30/2014	204,089
Coors Blvd Intersection @ Quail	HPP-4001 (7) 02	20.205	4/2/2008	9/30/2012	891
Signal Control	CAQ-TPU-7601(9)	20.205	3/14/2000	9/30/2011	1,817,014
Westside/McMahon	CAQ-HPP-TPU-7601(07) SP-GA-ST-7601(261)	20.205	4/2/1997	6/30/2010	1,557,061
Bicycle Travel Demand Management Program	CAQ-7701(43)	20.205	6/12/2002	9/30/2011	121,360
Tea21 Bicycle/Pedestrian Safety	CAQ-7701(12) Contr No. 9819	20.205	6/20/2005	Completion	(5,340)
Academy Road Bike Lanes	TPU-4064 (1) 00	20.205	5/8/2008	9/30/2012	542,420
North Diversion Channel Crossings	TPU-7701(58)	20.205	3/13/2009	9/30/2013	28,543
Unser and Central TOD	TPU-7600 (12)	20.205	9/18/2008	9/30/2012	5,823
ABQ Great Streets, Central, Girard, & 12th & Menaul	CAQ-7600(14)	20.205	7/2/2009	9/30/2013	24,760
Lead & Coal Ave Bikelanes	4095	20.205	4/19/2010	9/30/2014	10,402,467
McMahon & Universe Blvd Extension	A300270	20.205	3/3/2010	9/30/2014	16,365
Coors Corridor Study fr Bridge to NM528	L3210	20.205	4/30/2010	9/30/2014	287,626
Rio Grande & Candelaria Roundabout	A300650	20.205	3/11/2011	9/30/2015	20,870
					<u>15,023,949</u>
Federal Highway Admin. Planning Construction					
Indirect - State Pass Through					
Rideshare/TDM FY11	MOO1043	20.205	7/1/2010	6/30/2011	952,707
Rideshare/TDM FY10	MOO943	20.205	7/1/2009	6/30/2010	(630)
					<u>952,077</u>
American Recovery Act of 2009					
Direct - Federal Highway Administration					
I-40 Bikeway/Trail Bride over the Rio Grande	CAQ-TPU-040-3(104)155	20.205	7/2/2009	9/30/2012	618,114
Signal Control	ECO-7601(9)	20.205	8/26/2009	9/30/2012	719,689
I-40 Bikeway/Trail Bride over the Rio Grande	ESA3550	20.205	8/17/2010	9/30/2012	936,753
					<u>2,274,556</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2010 through June 30, 2011

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			From	To	
<u>US Department of Transportation continued</u>					
Federal Transit Capital Investment Grants (Federal Transit Cluster)					
Direct					
Construction-Uptown Transfer Center	NM-03-0021	20.500	12/3/1998	Completion	209
WSTF, Buses, ATC Depot	NM-03-0033	20.500	3/1/2002	Completion	14,482
					14,691
Federal Transit Formula Grants (Federal Transit Cluster)					
Direct					
Central and Unser PNR	NM-95-X001	20.507	7/1/2009	Completion	(2,295)
Construction 3 Facilities, Buses	NM-90-X060	20.507	7/1/2001	Completion	4,201
WSTF, Buses, Planning, Yale, Park & Ride	NM-90-X065	20.507	3/1/2002	Completion	(23,146)
Buses, Technology, Planning	NM-90-X078	20.507	10/1/2006	Completion	1,034,628
					1,013,388
American Recovery Act of 2009 (Federal Transit Cluster)					
Direct					
ARRA Kiosks, Farebox, Bus Shelters	NM-96-X001	20.507	6/1/2009	9/15/2010	1,002,765
New Freedom Program					
Pass Through					
New Freedom Smart Travel	5317	20.521	10/1/2010	Completion	24,286
Minimum Penalties for repeat Offenders for Driving While Intoxicated					
Pass Through					
Drug Recognition Expert	10-AL-K8-P07	20.608	10/1/2009	9/30/2011	75,527
Operation DWI	09-AL-64-002	20.608	10/1/2008	9/30/2010	189,780
DWI Drunkbuster Overtime Enforcement	10-AF-64-P34	20.608	10/01/2009	9/30/2010	24,055
08 APD Traffic Statistician	08-AL-64-P29	20.608	02/22/2008	9/30/2010	(1,780)
					287,582
Total U.S. Department of Transportation					\$ 25,814,672
<u>U.S. Environmental Protection Agency</u>					
Air Pollution Control Program Support					
Direct					
FY11 Air Pollution	A-00615810-1	66.001	10/01/2010	09/30/2011	\$ 300,624
FY10 Air Pollution	A-00615809-2	66.001	10/01/2009	09/30/2010	636,025
					936,649
Surveys, Studies, Investigations and Special Purpose Grants					
Direct					
PM Fine Monitoring	PM-9667801-0	66.034	4/1/2008	3/31/2012	157,726
American Recovery Act of 2009					
Pass Through					
NM Clean Diesel ARRA Grant	NM-ARRA/DERA-10-01	66.039	3/3/2010	6/30/2011	65,621
U.S. Climate Communities Grant Funds					
Direct					
Using Landfill Gas as a Renewable Energy	AF-83453501-0	66.041	7/1/2010	7/31/2013	5,657
American Recovery Act of 2009					
Pass Through					
NMFA Loans/Subsidies					
Replace High Flow Urinals and Toilets at COA facilities	2379-ADW	66.468	10/1/2009	Completion	150,207
Water use and efficiency and retrofit analysis study	2381-ADW	66.468	10/1/2009	Completion	343,117
Carnuel	2316_ADW	66.468	10/1/2009	Completion	625,856
					1,119,180
Domestic Water and Waste Water					
Direct					
Carnuel Mutual Domestic Water and Waster Water	XP-976582-01	66.606	03/012004	6/30/2010	9,700
Total U.S. Environmental Protection Agency					\$ 2,294,533
<u>U.S. Department of Energy</u>					
American Recovery Act of 2009					
Direct					
Energy Efficiency & Conservation Block Grant	DE-EE0000680	81.128	12/14/2009	10/25/2012	4,054,930
Total U.S. Department of Energy					\$ 4,054,930

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2010 through June 30, 2011

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>U.S. Department of Education</u>					
American Recovery Act of 2009 Pass Through NM Department of Finance and Administration SCBA	GSF-DFA-03SCBA	84.397A	10/1/2010	9/30/2011	\$ 685,000
Total U.S. Department of Education					<u>\$ 685,000</u>
<u>U.S. Department of Health and Human Services</u>					
Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services Pass Through 2011 Older American Program/ Title III, Part D	11-624-4000-0001	93.043	7/1/2010	06/30/2011	31,369
Special Programs for the Aging Title III, Part B (Aging Cluster) Grants for Supportive Services and Senior Centers Pass Through 2011 Older American Program/ Title III, Part B	11-624-4000-0001	93.044	7/1/2010	06/30/2011	359,508
U.S. Department of Health and Human Services Special Programs for the Aging Title III, Part C (Aging Cluster) Nutrition Services Pass Through 2011 Older American Program/ Title III, Part C	11-624-4000-0001	93.045	7/1/2010	06/30/2011	528,852
Special Programs for the Aging Title III, Part E National Family Caregiver Support Pass Through 2011 Older American Program/ Title III, Part E	11-624-4000-0001	93.052	7/1/2010	06/30/2011	185,619
Pass Through Teen Parent Residency Program	08-690-5061-1	93.590	7/1/2008	6/30/2009	\$ 1,299
Head Start (Head Start Cluster) Direct Early Head Start FY 11 Early Head Start FY 10	06CH7016/09 06CH7016/08	93.600 93.600	7/1/2010 7/1/2009	6/30/2011 6/30/2010	2,715,504 926 <u>2,716,430</u>
American Recovery Act of 2009 (Head Start Cluster) Direct ARRA Early Head Quality Program	06SE701601	93.708	7/1/2009	9/30/2010	86,908
American Recovery Act of 2009 Pass Through Chronic Disease Self Management	12347	93.725	7/1/2010	12/31/2011	<u>56,400</u>
Total U.S. Department of Health and Human Services					<u>\$ 3,966,385</u>
<u>Corporation for National and Community Services</u>					
Retired and Senior Volunteer Program Direct Retired Senior Volunteer Prog.	11-624-4000-0053	94.002	07/01/2010	06/30/2011	\$ 53,622
Foster Grandparent Program (Foster Grandparent/Senior Companion Cluster) Direct Foster Grandparent	11-624-4000-0011	94.011	07/01/2010	06/30/2011	159,501
Senior Companion Program (Foster Grandparent/Senior Companion Cluster) Direct Senior Companion Program	11-624-4000-0032	94.016	07/01/2010	06/30/2011	<u>101,824</u>
Total Corporation for National and Community Services					<u>\$ 314,947</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2010 through June 30, 2011

Grantor Agency and Grant Title	Grant Number- Federal or State	Federal CFDA Number	Grant Period		Expenditures/ Adjustments
			From	To	
<u>Department of Homeland Security</u>					
Emergency Performance Grants					
Pass Through					
10 Emergency Mgmt Performance	2010-EMPG-Albuquerque	97.042	7/1/2010	6/30/2011	\$ 102,786
FEMA					
Direct					
2007 Firefighters Assistance	EMW-2007-FO-12139	97.044	10/1/2007	9/30/2008	(78,376)
Homeland Security Grant Program					
Pass Through					
Homeland Security Grant	2009-SS--T9-000030-ABQ	97.067	7/1/2010	6/30/2011	291,951
Homeland Security Grant	2008-GE-T8-0030	97.067	11/2/2008	6/30/2011	361,113
					<u>653,064</u>
State and Local Government Coordination and Preparedness					
Pass Through					
Homeland Security and Emergency Management	2007-GE-T70023-CABQ-MMRS	97.071	1/15/2008	6/30/2012	28,670
National Explosives Detection Canine Team Program					
Direct					
TSA National Explosives Detection Canine Team	HSTS0208HCAN460	97.072	4/1/2008	3/31/2013	200,500
Total Department of Homeland Security					<u>\$ 906,644</u>
TOTAL					<u>\$ 87,063,715</u>

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CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2011

NOTE A SIGNIFICANT ACCOUNTING POLICY

The accompanying schedule of federal awards is prepared on the modified accrual basis of accounting. The schedule of federal awards includes expenditures of the City of Albuquerque and the discretely presented component unit--Albuquerque Bernalillo County Water Utility Authority.

NOTE B SUBRECIPIENTS OF GRANT AWARDS

<u>Grantor Agency / Grant Title and Subrecipients</u>	<u>Grant Number- Federal or State</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grant Amount</u>
U.S. Department of Housing and Urban Development			
Community Development Block Grants/Entitlement Grants			
2011 Calendar Year Grant			
American Red Cross	B-11-MC-35-0001	14.218	\$ 463,602
Greater Albuquerque Housing Partnership	B-11-MC-35-0001	14.218	87,757
Community Dental Services	B-11-MC-35-0001	14.218	62,000
Sawmill Community Land Trust	B-11-MC-35-0001	14.218	18,136
Saint Martins	B-11-MC-35-0001	14.218	8,687
Barrett House	B-11-MC-35-0001	14.218	12,000
Law Access	B-11-MC-35-0001	14.218	62,823
Youth Development	B-11-MC-35-0001	14.218	5,050
Southwest Creations	B-11-MC-35-0001	14.218	23,000
Catholic Charities	B-11-MC-35-0001	14.218	22,018
Community Dental Services	B-11-MC-35-0001	14.218	120,000
Barrett House	B-11-MC-35-0001	14.218	5,886
Independent Living Resource Center	B-11-MC-35-0001	14.218	<u>20,121</u>
Total			<u>911,080</u>
2010 Calendar Year Grant			
American Red Cross	B-10-MC-35-0001	14.218	384,952
Greater Albuquerque Housing Partnership	B-10-MC-35-0001	14.218	85,829
Community Dental Services	B-10-MC-35-0001	14.218	6,542
Sawmill Community Land Trust	B-10-MC-35-0001	14.218	103,293
United South Broadway Corp.	B-10-MC-35-0001	14.218	109,142
Law Access	B-10-MC-35-0001	14.218	36,562
Youth Development	B-10-MC-35-0001	14.218	46,375
Catholic Charities	B-10-MC-35-0001	14.218	33,335
Cuidando Los Ninos	B-10-MC-35-0001	14.218	3,114
Crossroads	B-10-MC-35-0001	14.218	<u>20,997</u>
Total			<u>830,141</u>
2009 Calendar Year Grant			
Sawmill Community Land Trust	B-09-MC-35-0001	14.218	50,000
Independent Living Resource Center	B-09-MC-35-0001	14.218	<u>23,500</u>
Total			<u>73,500</u>
2008 Calendar Year Grant			
Adelante Development Center Inc.	B-08-MC-35-0001	14.218	<u>735,911</u>

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2011

NOTE B SUBRECIPIENTS OF GRANT AWARDS, continued

Grantor Agency / Grant Title and Subrecipients	Grant Number- Federal or State	Federal CFDA Number	Pass-through Grant Amount
U.S. Department of Housing and Urban Development, continued			
Emergency Shelter Grant Program			
Albuq. Rescue Mission	S-10-MC-350001	14.231	133,462
St. Martins Shelter	S-10-MC-350001	14.231	148,717
Good Shephard	S-10-MC-350001	14.231	63,000
Barrett Shelter	S-10-MC-350001	14.231	20,000
Total			<u>365,179</u>
Supportive Housing Program			
Barrett Foundation	NM0017B6B001003	14.235	17,811
Catholic Charities	NM0017B6B001003	14.235	30,995
St. Martin's Hospitality	NM0017B6B001003	14.235	36,547
SAFE House	NM0017B6B001003	14.235	42,665
Ciudando Los Ninos	NM0018B6B001003	14.235	34,057
Ciudando Los Ninos	NM0018B6B000802	14.235	194,666
Barrett Shelter	NM0017B6B000802	14.235	103,426
Catholic Charities	NM0017B6B000802	14.235	183,508
St. Martin's Hospitality	NM0017B6B000802	14.235	192,087
SAFE House	NM0017B6B000802	14.235	206,083
Total			<u>1,041,845</u>
Shelter Plus Care			
Transitional Living Services	NM0015C6B001003	14.238	90,386
Albuquerque Healthcare for the Homeless	NM0014C6B001003	14.238	67,014
St. Martin's Hospitality Center	NM0014C6B001003	14.238	36,090
Transitional Living Services	NM0014C6B001003	14.238	11,628
St. Martin's Hospitality Center	NM0014C6B000802	14.238	434,923
Total			<u>640,041</u>
Homeless Prevention and Rapid Re-Housing Program			
Enlace	S-09-MY-35-0001	14.257	75,000
Catholic Charities	S-09-MY-35-0001	14.257	574,345
Total			<u>649,345</u>
HOME Investment Partnerships Program			
Sawmill Community Landtrust	M-06-MC-35-0209	14.239	100,000
United South Broadway	M-07-MC-35-0209	14.239	113,800
Albq. Habitat for Humanity	M-08-MC-35-0209	14.239	500,000
Greater Albuquerque Housing Project	M-08-MC-35-0209	14.239	197,027
Sawmill Community Landtrust	M-08-MC-35-0209	14.239	16,069
Greater Albuquerque Housing Project	M-09-MC-35-0209	14.239	1,280,542
Greater Albuquerque Housing Project	M-10-MC-35-0209	14.239	372,431
Total			<u>2,579,869</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 7,826,911</u>

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2011

NOTE B SUBRECIPIENTS OF GRANT AWARDS, continued

Grantor Agency / Grant Title and Subrecipients	Grant Number- Federal or State	Federal CFDA Number	Pass-through Grant Amount
U.S. Department of Justice			
Edward Bryne Memorial Justice Assistance Grant Program			
Bernalillo County Sheriff's Office	2007-DJ-BX-1100	16.738	\$ 6,087
Bernalillo County Sheriff's Office	2008-DN-BX-0132	16.738	1,193
Bernalillo County Sheriff's Office	2009-DJ-BX-0267	16.738	<u>82,084</u>
Total			<u>89,364</u>
Total U.S. Department of Justice			<u>\$ 89,364</u>
U.S. Department of Health and Human Services			
Special Programs for the Aging Title III, Part D			
Disease Prevention and Health Promotion Services			
UNM College of Nursing-GEHM Clinic	11-624-4000-0001	93.043	\$ 39,347
Jewish Family Services	11-624-4000-0001	93.043	<u>14,721</u>
Total			<u>54,068</u>
Special Programs for the Aging Title III, Part B			
Outcome, Inc.	11-624-4000-0001	93.044	3,709
Premier Home Healthcare	11-624-4000-0001	93.044	41,468
La Vida Felicidad	11-624-4000-0001	93.044	42,814
Home Instead Senior Care	11-624-4000-0001	93.044	44,365
Home Care Assistance	11-624-4000-0001	93.044	6,051
Addus Healthcare	11-624-4000-0001	93.044	59,979
Jewish Family Services	11-624-4000-0001	93.044	<u>215,000</u>
Total			<u>413,386</u>
Special Programs for the Aging Title III, Part E			
Curtis Graff	11-624-4000-0001	93.052	45,000
Share Your Care-Adult Day Care	11-624-4000-0001	93.052	110,000
Jewish Family Services	11-624-4000-0001	93.052	27,500
Premier Home Healthcare	11-624-4000-0001	93.052	51,237
La Vida Felicidad	11-624-4000-0001	93.052	32,143
Home Instead Senior Care	11-624-4000-0001	93.052	47,131
Home Care Assistance	11-624-4000-0001	93.052	5,700
Addus Healthcare	11-624-4000-0001	93.052	29,816
Cornucopia	11-624-4000-0001	93.052	46,009
Alzheimer's Association	11-624-4000-0001	93.052	20,000
Outcomes	11-624-4000-0001	93.052	<u>1,610</u>
Total			<u>416,146</u>
Head Start			
Early Head Start FY 10			
Catholic Charities	06CH7016/08	93.600	173,000
Cuidando Los Ninos Day Care	06CH7016/08	93.600	<u>207,000</u>
Total			<u>380,000</u>
Total U.S. Department of Health and Human Services			<u>\$ 1,263,600</u>
TOTAL ALL PROGRAMS			<u>\$ 9,179,875</u>

CITY OF ALBUQUERQUE, NEW MEXICO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2011

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

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

Total expenditures per Schedule of Expenditures of Federal Awards		\$ 87,063,715
Loans and loan guarantees:		
Community Development Block Grant	14.218	1,614,538
HOME program	14.239	<u>486,595</u>
Adjusted total expenditures per Schedule of Expenditures of Federal Awards		<u>\$ 89,164,848</u>

CITY OF ALBUQUERQUE, NEW MEXICO
RECONCILIATION OF SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

	Expenditures		Total
	Federal	Non-Federal	
Special Revenue Funds:			
Community Development	6,962,210	840,775	7,802,985
Operating Grants Fund	17,635,985	13,209,250	30,845,235
Total Special Revenue Funds	<u>24,598,195</u>	<u>14,050,025</u>	<u>38,648,220</u>
Capital Projects Funds:			
Capital Acquisition Fund	22,302,799	92,730,651	115,033,450
Total Capital Projects Funds	<u>22,302,799</u>	<u>92,730,651</u>	<u>115,033,450</u>
Enterprise Funds:			
Airport Fund	5,422,395	61,301,074	66,723,469
Transit Fund	2,055,130	51,871,727	53,926,857
Housing Authority Fund	28,475,826	1,683,581	30,159,407
Total Enterprise Funds	<u>35,953,351</u>	<u>114,856,382</u>	<u>150,809,733</u>
Component Unit:			
Water Utility	4,209,370	206,490,102	210,699,472
TOTAL	<u>\$ 87,063,715</u>	<u>\$ 428,127,160</u>	<u>\$ 515,190,875</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2011

FDS Line Item No.	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.885 Formula Capital Fund Stimulus Grant	14.856 Lower Income Housing Assistance Program_Section8 Moderate Rehabilitat
111	Cash - Unrestricted	4,853,136	3,948,739	8,715	-
113	Cash - Other Restricted	14,097	3,275,604		-
114	Cash - Tenant Security Deposits	184,987			-
100	Total Cash	<u>5,052,220</u>	<u>7,224,343</u>	<u>8,715</u>	<u>-</u>
122	Accounts Receivable - HUD Other Projects	144,300	266,580		39,687
124	Accounts Receivable - Other Government	-	4,194		-
125	Accounts Receivable - Miscellaneous				-
126	Accounts Receivable - Tenants	67,373			-
126.1	Allowance for Doubtful Accounts - Tenants	(54,809)			-
128	Fraud Recovery		54,822		-
128.1	Allowance for Doubtful Accounts - Fraud		(54,822)		-
120	Total Receivables, Net of Allowances for Doubtful Accounts	<u>156,864</u>	<u>270,774</u>	<u>-</u>	<u>39,687</u>
132	Investments - Restricted				-
143	Inventories				-
143.1	Allowance for Obsolete Inventories				-
144	Inter Program Due From				-
150	Total Current Assets	<u>5,209,084</u>	<u>7,495,117</u>	<u>8,715</u>	<u>39,687</u>
161	Land	3,767,389			-
162	Buildings	49,635,656			-
163	Furniture, Equipment & Machinery - Dwellings	377,928			-
164	Furniture, Equipment & Machinery - Administration	370,324	233,298		-
166	Accumulated Depreciation	(45,266,001)	(231,989)		-
167	Construction in Progress	741,211			-
160	Total Capital Assets, Net of Accumulated Depreciation	<u>9,626,507</u>	<u>1,309</u>	<u>-</u>	<u>-</u>
180	Total Non-Current Assets	<u>9,626,507</u>	<u>1,309</u>	<u>-</u>	<u>-</u>
190	TOTAL ASSETS	<u>\$ 14,835,591</u>	<u>\$ 7,496,426</u>	<u>\$ 8,715</u>	<u>\$ 39,687</u>

<u>COCC</u>	<u>14. VSH HUD- Veterans Affairs Supportive Housing (HUD VASH) Program</u>	<u>14.181 Supportive Housing for Persons with Disabilities</u>	<u>14.249 Section 8 Moderate Rehabilitation Single Room Occupancy</u>	<u>Subtotal</u>	<u>ELIM</u>	<u>Total</u>
2,279,109	246,889			11,336,588		11,336,588
				3,289,701		3,289,701
				184,987		184,987
<u>2,279,109</u>	<u>246,889</u>	<u>-</u>	<u>-</u>	<u>14,811,276</u>	<u>-</u>	<u>14,811,276</u>
		45,205	68,906	564,678		564,678
		-	-	4,194		4,194
150		-	-	150		150
		-	-	67,373		67,373
		-	-	(54,809)		(54,809)
				54,822		54,822
				<u>(54,822)</u>		<u>(54,822)</u>
<u>150</u>	<u>-</u>	<u>45,205</u>	<u>68,906</u>	<u>581,586</u>	<u>-</u>	<u>581,586</u>
8,036,799				8,036,799		8,036,799
172,493				172,493		172,493
(9,604)				(9,604)		(9,604)
766,498				766,498	(766,498)	-
<u>11,245,445</u>	<u>246,889</u>	<u>45,205</u>	<u>68,906</u>	<u>24,359,048</u>	<u>(766,498)</u>	<u>23,592,550</u>
				3,767,389		3,767,389
2,635,235				52,270,891		52,270,891
338,585				716,513		716,513
				603,622		603,622
(1,990,165)				(47,488,155)		(47,488,155)
				741,211		741,211
<u>983,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,611,471</u>	<u>-</u>	<u>10,611,471</u>
<u>983,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,611,471</u>	<u>-</u>	<u>10,611,471</u>
<u>\$ 12,229,100</u>	<u>\$ 246,889</u>	<u>\$ 45,205</u>	<u>\$ 68,906</u>	<u>\$ 34,970,519</u>	<u>\$ (766,498)</u>	<u>\$ 34,204,021</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2011

FDS Line Item No.	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.885 Formula Capital Fund Stimulus Grant	14.856 Lower Income Housing Assistance Program_Section8 Moderate Rehabilitat
312	Accounts Payable <= 90 Days	234,177			-
321	Accrued Wage/Payroll Taxes Payable			8,715	-
322	Accrued Compensated Absences - Current Portion	6,693	12,092		-
325	Accrued Interest Payable	7,900			-
331	Accounts Payable - HUD PHA Programs		86,487		14,187
341	Tenant Security Deposits	184,987			-
342	Deferred Revenues	55,764			-
343	Current Portion of Long-term Debt - Cap Proj/Mortgage Reve	92,906			-
345	Other Current Liabilities	5,996	24,000		-
347	Inter Program - Due To		682,029		3,167
348	Loan Liability - Current				-
310	Total Current Liabilities	<u>588,423</u>	<u>804,608</u>	<u>8,715</u>	<u>17,354</u>
351	Long-term Debt, Net of Current - Capital Projects/Mortgage	302,171			-
353	Non-current Liabilities - Other	14,097	84,771		-
354	Accrued Compensated Absences - Non Current	37,925	36,278		-
350	Total Non-Current Liabilities	<u>354,193</u>	<u>121,049</u>	<u>-</u>	<u>-</u>
300	Total Liabilities	<u>942,616</u>	<u>925,657</u>	<u>8,715</u>	<u>17,354</u>
508.1	Invested In Capital Assets, Net of Related Debt	9,231,430	1,309		-
511.1	Restricted Net Assets	-	3,170,833		-
512.1	Unrestricted Net Assets	4,661,545	3,398,627	-	22,333
513	Total Equity/Net Assets	<u>13,892,975</u>	<u>6,570,769</u>	<u>-</u>	<u>22,333</u>
600	TOTAL LIABILITIES AND EQUITY/NET ASSETS	<u>\$ 14,835,591</u>	<u>\$ 7,496,426</u>	<u>\$ 8,715</u>	<u>\$ 39,687</u>

COCC	14. VSH HUD- Veterans Affairs Supportive Housing (HUD VASH) Program	14.181 Supportive Housing for Persons with Disabilities	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	Subtotal	ELIM	Total
709,734				943,911		943,911
417,673				426,388		426,388
12,315				31,100		31,100
				7,900		7,900
			6,024	106,698		106,698
				184,987		184,987
				55,764		55,764
				92,906		92,906
2,000				31,996		31,996
		45,205	36,097	766,498	(766,498)	-
<u>1,141,722</u>	<u>-</u>	<u>45,205</u>	<u>42,121</u>	<u>2,648,148</u>	<u>(766,498)</u>	<u>1,881,650</u>
				302,171		302,171
				98,868		98,868
<u>69,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,986</u>	<u>-</u>	<u>143,986</u>
<u>69,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>545,025</u>	<u>-</u>	<u>545,025</u>
<u>1,211,505</u>	<u>-</u>	<u>45,205</u>	<u>42,121</u>	<u>3,193,173</u>	<u>(766,498)</u>	<u>2,426,675</u>
983,655				10,216,394		10,216,394
8,036,799				11,207,632		11,207,632
<u>1,997,141</u>	<u>246,889</u>	<u>-</u>	<u>26,785</u>	<u>10,353,320</u>	<u>-</u>	<u>10,353,320</u>
<u>11,017,595</u>	<u>246,889</u>	<u>-</u>	<u>26,785</u>	<u>31,777,346</u>	<u>-</u>	<u>31,777,346</u>
<u>\$ 12,229,100</u>	<u>\$ 246,889</u>	<u>\$ 45,205</u>	<u>\$ 68,906</u>	<u>\$ 34,970,519</u>	<u>\$ (766,498)</u>	<u>\$ 34,204,021</u>

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2011

FDS Line Item No.	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.885 Formula Capital Fund Stimulus Grant	14.856 Lower Income Housing Assistance Program_Section8 Moderate Rehabilitat
70300	Net Tenant Rental Revenue	2,180,722			-
70500	Total Tenant Revenue	2,180,722	-	-	-
70600	HUD PHA Operating Grants	4,018,722	24,409,102	45,472	482,183
70610	Capital Grants	381,966			29,724
70710	Management Fee				-
70720	Asset Management Fee				-
70730	Book Keeping Fee				-
70700	Total Fee Revenue				-
71100	Investment Income - Unrestricted		1,869		-
71400	Fraud Recovery		44,236		-
71500	Other Revenue	168,628	20,541		-
72000	Investment Income - Restricted		5,608		-
70000	Total Revenue	6,750,038	24,481,356	45,472	482,183
91100	Administrative Salaries	531,314	846,015		6,012
91200	Auditing Fees	6,000	3,000		-
91300	Management Fee	654,459	555,746		-
91310	Book-keeping Fee	84,240	331,455		-
91500	Employee Benefit contributions - Administrative	235,253	367,316		-
91600	Office Expenses	108,418	67,947		-
91700	Legal Expense	297			-
91800	Travel	627	443		-
91900	Other	24,660			-
91000	Total Operating - Administrative	1,645,268	2,171,922	-	6,012
92000	Asset Management Fee	114,240			-
92100	Tenant Services - Salaries		78,909	31,765	-
92300	Employee Benefit Contributions - Tenant Services		18,210	13,707	-
92400	Tenant Services - Other				-
92500	Total Tenant Services	-	97,119	45,472	-
93100	Water	418,073			-
93200	Electricity	199,062			-
93300	Gas	101,999			-
93000	Total Utilities	719,134	-	-	-
94100	Ordinary Maintenance and Operations - Labor	451,173			-
94200	Ordinary Maintenance & Operations - Mat & Other	377,977	18,569		-
94300	Ordinary Maintenance and Operations Contracts	824,875			-
94500	Employee Benefit Contributions - Ordinary Maint	191,380			-
94000	Total Maintenance	1,845,405	18,569	-	-

COCC	14. VSH HUD- Veterans Affairs Supportive Housing (HUD VASH) Program	14.181 Supportive Housing for Persons with Disabilities	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	Subtotal	ELIM	Total
-	-	-	-	2,180,722	-	2,180,722
-	-	-	-	2,180,722	-	2,180,722
	488,058	248,844	43,472	29,765,577		29,765,577
				381,966		381,966
1,210,205				1,210,205	(1,210,205)	-
114,240				114,240	(114,240)	-
415,695				415,695	(415,695)	-
1,740,140				1,740,140	(1,740,140)	-
				1,869		1,869
8,438				44,236		44,236
18,190				197,607		197,607
1,766,768	488,058	248,844	43,472	23,798		23,798
				34,335,915	(1,740,140)	32,595,775
862,048		23,704	10,321	2,279,414		2,279,414
2,000			500	11,500		11,500
				1,210,205	(1,210,205)	-
375,613		17,882		415,695	(415,695)	-
58,977				996,064		996,064
				235,342		235,342
				297		297
929				1,999		1,999
37,643				62,303		62,303
1,337,210	-	41,586	10,821	5,212,819	(1,625,900)	3,586,919
				114,240	(114,240)	-
				110,674		110,674
				31,917		31,917
-	-	-	-	142,591	-	142,591
1,746				419,819		419,819
10,438				209,500		209,500
3,371				105,370		105,370
15,555	-	-	-	734,689	-	734,689
				451,173		451,173
2,604				399,150		399,150
41,963				866,838		866,838
				191,380		191,380
44,567	-	-	-	1,908,541	-	1,908,541

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2011

FDS Line Item No.	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.885 Formula Capital Fund Stimulus Grant	14.856 Lower Income Housing Assistance Program_Section8 Moderate Rehabilitat
96110	Property Insurance	167,616	65,932	-	-
96100	Total insurance Premiums	167,616	65,932	-	-
96200	Other General Expenses	158,574	130,067	-	-
96210	Compensated Absences	(9,380)	(14,122)	-	-
96400	Bad debt - Tenant Rents	250,074	-	-	-
96600	Bad debt - Other	-	1,992	-	-
96000	Total Other General Expenses	399,268	117,937	-	-
96700	Total Interest Expense and Amortization Cost	27,557	-	-	-
96900	Total Operating Expenses	4,918,488	2,471,479	45,472	6,012
97000	Excess of Operating Rev over Operating Exp	1,831,550	22,009,877	-	482,183
97100	Extraordinary Maintenance	460,693	-	482,183	-
97300	Housing Assistance Payments	-	20,558,906	-	23,712
97400	Depreciation Expense	1,216,124	11,539	-	-
90000	Total Expenses	6,595,305	23,041,924	45,472	482,183
10010	Operating Transfer In	147,034	-	-	-
10020	Operating transfer Out	(147,034)	-	-	-
10100	Total Other financing Sources (Uses)	-	-	-	-
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ 154,733	\$ 1,439,432	\$ -	\$ -

COCC	14. VSH HUD- Veterans Affairs Supportive Housing (HUD VASH) Program	14.181 Supportive Housing for Persons with Disabilities	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	Subtotal	ELIM	Total
63,060				296,608		296,608
63,060	-	-	-	296,608	-	296,608
14,255				288,641		288,641
				(9,247)		(9,247)
				250,074		250,074
14,255	-	-	-	1,992		1,992
				531,460	-	531,460
-	-	-	-	27,557	-	27,557
1,474,647	-	41,586	10,821	8,968,505	(1,740,140)	7,228,365
292,121	488,058	207,258	32,651	25,367,410	-	25,367,410
	241,169	207,258	32,652	942,876		942,876
130,334				21,063,697		21,063,697
1,604,981	241,169	248,844	43,473	1,357,997		1,357,997
				32,333,075	(1,740,140)	30,592,935
				147,034		147,034
				(147,034)		(147,034)
-	-	-	-	-	-	-
\$ 161,787	\$ 246,889	\$ -	\$ (1)	\$ 2,002,840	\$ -	\$ 2,002,840

ALBUQUERQUE HOUSING AUTHORITY FUND
AN ENTERPRISE FUND OF THE CITY OF ALBUQUERQUE, NEW MEXICO
FINANCIAL DATA SCHEDULE
Year Ended June 30, 2011

FDS Line Item No.	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.885 Formula Capital Fund Stimulus Grant	14.856 Lower Income Housing Assistance Program_Section8 Moderate Rehabilitat
11020	Required Annual Debt Principal Payments	92,906	-	-	-
11030	Beginning Equity	13,723,310	5,103,984	-	49,686
11040	Prior Period Adj, Equity Transfers and Corrections	14,932	27,353		(27,353)
11190	Unit Months Available	11,424	47,784	-	84
11210	Number of Unit Months Leased	11,229	44,194	-	84
11270	Excess Cash	4,222,746			-
11620	Building Purchases	308,145			-
11640	Furniture & Equipment - Administrative Purchases	73,822			-

<u>COCC</u>	<u>14. VSH HUD- Veterans Affairs Supportive Housing (HUD VASH) Program</u>	<u>14.181 Supportive Housng for Persons with Disabilities</u>	<u>14.249 Section 8 Moderate Rehabilitation Single Room Occupancy</u>	<u>Subtotal</u>	<u>ELIM</u>	<u>Total</u>
-	-	-	-	92,906		92,906
10,855,808	-	-	26,786	29,759,574		29,759,574
	600	600	144	14,932		14,932
	313	589	144	60,636		60,636
				56,553		56,553
				4,222,746		4,222,746
-				308,145		308,145
-				73,822		73,822

* The differences that exist between the change in net assets on the financial statements for the Fund and the amounts shown on line 10000 on the Financial Data Schedule (FDS) are due to corrections in the financial statements related to the change in the market value of pooled cash and investments and FDS prior period adjustments recognized as current year expenditures.

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INTEGRITY COUNTS®

Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Albuquerque, New Mexico (the "City") as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements. We also have audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds presented in the accompanying combining financial statements and the budgetary comparison schedules as of and for the year ended June 30, 2011, and have issued our report thereon dated March 14, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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ALBUQUERQUE

7425 Jefferson St NE, Albuquerque, NM 87109

P: 505.998.3200 F: 505.998.3333

redw.com

PHOENIX

3333 E Camelback Rd, Suite 253, Phoenix, AZ 85018

P: 602.840.4551 F: 602.840.6065

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

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

Compliance and Other Matters

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

We also noted certain other matters that are required to be reported pursuant to *Government Auditing Standards July 2007 Revision* paragraphs 5.14 and 5.16 and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as items 05-13, 01-17 and 09-14, 07-10, 08-12, 08-13, 09-18, 09-21, 10-01, 10-04, 10-06, 10-08, and SA 11-01 through SA 11-10.

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

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

REDW LLC

Albuquerque, New Mexico
March 14, 2012

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

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

Compliance

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

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

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 05-13, 07-09, 10-12, and FA 11-01 through FA 11-08.

Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to

federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as an item 07-09 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 05-13, 10-12, and FA 11-01 through FA 11-08 to be significant deficiencies.

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

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

REDW LLC

Albuquerque, New Mexico
March 14, 2012

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CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011

A — Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	Yes
Significant deficiencies identified?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	Yes
Significant deficiencies identified?	Yes
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes

CITY OF ALBUQUERQUE
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
 For the Year Ended June 30, 2011

A — Summary of Auditors' Results — continued

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.218/14.253	Community Development Block Grants/Entitlement Grants/Community Development Block Grant ARRA Entitlement Grants (CDBG Cluster)
14.228	Community Development Block Grants/State's Program (Neighborhood Stabilization Program)
14.850	Public and Indian Housing (Low Rent Operating Subsidy)
14.871	Section 8 Housing Choice Vouchers
15.504	Water Reclamation and Reuse Program
20.106	Airport Improvement Program
20.205	Highway Planning and Construction
81.128	Energy Efficiency and Conservation Block Grant Program
93.600/93.708	Head Start/ARRA-Head Start (Head Start Cluster)

Dollar threshold used to distinguish
 between type A and type B programs:

\$2,611,912

Auditee qualified as low-risk auditee?

No

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings

06-16 Operating Grants Fund Balance (Repeated and Modified) (Significant Deficiency)

Condition: The Operating Grants Fund is used to account for various grants from federal and state agencies and other sources which are restricted by the granting agency to expenditures for specified purposes (City Enactment No. 51-1979). Prior-year audits noted a fund balance in the Operating Grants Fund for which the City had not identified the cause and/or source. Approximately \$4.6 million remains unidentified as of June 30, 2011.

Criteria: Generally, grant revenues are reported only to the extent of expenditures, resulting in no fund balance. Departures from this general rule – resulting in fund balance being reported in grant funds – should be identified and documented.

Effect: Revenues resulting in fund balance may be incorrectly reported in grant funds.

Cause: Consistent review processes have not been established to ensure that revenues in excess of expenditures, resulting in grant fund balances, are appropriate and adequately documented. Grant accounting is decentralized, resulting in inconsistent processes increasing the possibility of undetected errors.

Auditors' Recommendations: Research and identify the reasons for the fund balance. Establish procedures that ensure that grant funds are tracked, with periodic reconciliations of grant expenditures to receipts, and identification and documentation of the propriety of any resulting fund balances. The City should consider centralizing the grant accounting function so that accounting has better control over recording and reporting of grants.

Management's Response: The City concurs with the finding. The City Accounting Division is continuing to identify the grants that make up the excess fund balance in the grant fund and is working with the appropriate City departments. In addition, City match allocations are being done each year instead of the first year of the grant which will prevent the excess fund balance from accumulating going forward. However, additional resources are needed to reconcile grants on a life-to-date basis. The City has also put in controls to ensure project activity combinations are properly coded.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

08-02 Manual Payroll Checks Handling (Repeated and Modified) (Significant Deficiency)

Condition: Payroll staff initiates, prints, and distributes manual payroll checks. This may create a lack of segregation of duties because a payroll staff member that processes a manual check may also be the one who prints and distributes it.

Criteria: Segregation of duties between those who process transactions from those who handle the related assets is an important element of internal control.

Effect: There is an increased risk of theft.

Cause: The current configuration of the PeopleSoft Payroll module requires the manual checks to be printed as processed and does not allow for batch printing independent of payroll processing.

Auditors' Recommendations: Policies and procedures should be changed to provide a segregation of duties so payroll personnel are no longer authorized to handle the checks that they process. Only personnel whom do not process payroll should be authorized to distribute checks to employees.

Management's Response: The City concurs with the finding. There are internal controls in place that require the manual check amounts to be dual verified by a payroll employee other than the initiator. The checks are picked up by the respective City department personnel authorized to handle checks, who must review and sign a copy of the check which is retained for the Payroll Section's files.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

08-16 Bank Reconciliation Process (Repeated and Modified) (Material Weakness)

Condition: General ledger cash balances of the common fund, accounts payable, and payroll accounts are adjusted monthly to equal balances derived from adjusting bank balances for the effect of known outstanding items. Adjustments to cash resulting from this process are accumulated throughout the fiscal year and allocated to investment income among various funds at year-end. This process does not result in a true reconciled bank balance, nor does it allow City personnel to accurately track and resolve reconciling items on a timely basis. Moreover, the process does not ensure that book/bank differences are identified and resolved.

Criteria: Bank reconciliations are an important element of internal control, facilitating timely detection of book/bank differences so they can be investigated and resolved. Such reconciliations are consistent with New Mexico statutes, Section 6-6-3 A NMSA 1978, which require that the City “keep all the books, records, and accounts in their respective offices in a form as prescribed by the Local Government Division.” The Local Government Division of the Department of Finance and Administration has, pursuant to this statute, published the Budgeting and Accounting Manual and other guidance for New Mexico municipalities to follow.

Effect: Errors in general ledger amounts, and/or bank errors, may not be detected. Moreover, the current process does not reconcile the general ledger activity and balances with the corresponding bank activity and balances and, therefore, does not facilitate identification and correction of errors on a timely basis, resulting in potential misstatements.

Cause: Reports that would facilitate reconciliation of general ledger balances to the corresponding bank balance are not currently produced by the accounting system.

Auditors’ Recommendations: Establish and implement procedures to ensure book balances are regularly reconciled to corresponding bank balances. Unreconciled differences should be investigated and resolved on a timely basis.

Management’s Response: The City concurs that additional steps must be taken to research and clear out the old reconciling items. The reconciliation template was modified for compatibility with the PeopleSoft general ledger system at the point of conversion. The issues related to the integration of data from various source systems (both PeopleSoft and non-PeopleSoft) will be addressed in the PeopleSoft remediation effort. In addition, the City is looking at the PeopleSoft capabilities and will make changes where possible.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

**09-04 Payroll – Lack of Approval for Time Adjustments (Repeated and Modified)
(Significant Deficiency)**

Condition: We reviewed a sample of 45 payroll transactions totaling \$87,689. Thirteen of these transactions in the amount of \$33,243 involved adjustments to the employee's reported time to make corrections related to previous payroll periods. These adjustments result from the way the payroll department is processing the Police Department (APD) payroll.

Criteria: Section 301.17 of the City's Personnel Rules and Regulations state that timesheets for all departments are to be processed according to the established pay periods.

Effect: Due to the way APD is processing payroll, subsequent adjustments were made to employees' time in the PeopleSoft system without approval. Accordingly, employees may be paid for time not worked.

Cause: Lack of adherence to the City's policies and inadequate management oversight.

APD is unable to submit the employee's actual time worked to the payroll department by the deadline, causing the payroll department to estimate employee hours worked for the 2nd week of the payroll cycle and adjusting through journal entries after the payroll has been processed.

Auditors' Recommendations: We recommend the City enforce their internal policies and require all departments to submit their payroll in uniform fashion in order to ensure that the amount paid to the employee reflects actual time worked during the period.

Management's Response: The City concurs with this finding. The City is in the process of simplifying the time keeping process which will increase the accuracy of time entries and give supervisors more time to review and approve entries. In addition, the Personnel Rules and Regulations regarding approvals will be reviewed with City department Directors and timekeepers through Payroll User Group meetings and email communications.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

**09-15 Timely Closing of General Ledger and Reconciliation of Subsidiary Ledgers
(Modified and Repeated) (Material Weakness)**

Condition: The general ledger for fiscal year ended June 30, 2011, was not closed until January 2012. We also noted that various subsidiary ledgers were not timely reconciled to the general ledger on a monthly or year-end basis.

Criteria: Timely reconciliation of subsidiary ledgers is essential to the detection of errors and/or irregularities so that corrections can be made to facilitate timely closing of the general ledger and production of timely, accurate financial reports.

Effect: When subsidiary ledgers are not timely reconciled to general ledger, there is an increased risk of errors and irregularities not being detected and corrected in a timely manner. Completion of the City's Comprehensive Annual Financial Report (CAFR) was delayed, which could affect the City's bond ratings and federal funding. Other important deadlines were missed, which places the City out of compliance with various regulations, such as the 2011 New Mexico State Auditor Rule.

Cause: The City converted their general ledger system to PeopleSoft in January 2009. Certain aspects of the new software did not function as needed, which created a backlog of information in the system. Information in the system was not accurate, creating the need for in depth review of information by accounting, resulting in many adjusting journal entries to correct the information in the system. Additionally, there are a number of standalone subsidiary ledgers in the various departments that are not interfaced with the general ledger system, which further complicates the reconciliation and closing process.

Auditors' Recommendations: The City should continue to work diligently to catch up the information in the new general ledger system. The City should perform monthly reconciliations to the general ledger and close out each month. The City should devote appropriate resources in gaining better functionality of the new system.

All standalone subsidiary ledgers should be interfaced with the general ledger system and reconciled timely to the general ledger.

Management's Response: The City concurs with this finding. The Accounting Division has resolved a majority of the general ledger issues that resulted from the PeopleSoft conversion. The monthly closing and reconciliation of the subsidiary ledgers will be done on a timely basis in the next fiscal year.

There are a few subsidiary systems within the City that are specific to the operations of the respective departments, such as Aviation and Housing, which cannot be interfaced to the PeopleSoft system without additional monetary and staff resources. At this time, the transactions in these systems are recorded in PeopleSoft general ledger through journal entries.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

09-20 Developer Loans (Modified and Repeated) (Significant Deficiency)

Condition: The City provides loans for the development of residential real estate. We noted the following related to these loans:

- The City and the developers have not come to terms regarding two Housing and Neighborhood Economic Development fund loans or on written extensions as of the date of the audit report. One of the developer's loans has a balance outstanding of \$295,216, as of June 30, 2011, and was to be completed as of December 31, 2009. The other developer's loan has an outstanding balance of \$599,995, as of June 30, 2011, and was to be completed on June 30, 2009. Also there was another loan for \$250,000 that the City did not have any supporting documentation for.
- The subsidiary records of developer loans for a renovation/construction project in the Parking Facilities fund were not adjusted to reflect loan payments already received. An analysis of the adequacy of the allowance for doubtful accounts was not performed for these loans.
- One developer loan in the Operating Grant fund did not accrue loan interest.

Criteria: The City should review the development loans frequently and ensure the loans are either paid off as of the termination date on the agreement or agree to an amendment extending the due date. Development loan supporting documentation should be maintained in accordance with City's policies and procedures. Analysis of allowance for doubtful accounts for loans that are past due should be performed.

Effect: If loans are not repaid, the City's financial condition could be compromised. Balances of loans could be misstated if supporting documentation is not maintained for all loans or current year activities are not reconciled on a timely basis.

Cause: The City was not keeping track of all loans with required supporting documentation, accruing loan interest, and estimating allowance for doubtful accounts as needed.

Auditors' Recommendations: The City should develop and implement policies and procedures to ensure all developer loan agreements are either paid off or extended prior to the termination date of the agreement and to also ensure that all supporting documentation is maintained for all loans. The City should reconcile loan activities to the general ledger periodically and evaluate the adequacy of the allowance for doubtful accounts.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

09-20 Developer Loans (Modified and Repeated) (Significant Deficiency) — continued

Management's Response: The City concurs with this finding. The loans provided by the City, in both instances, are secured by mortgages on the residential real estate. The development agreements are incorporated into the mortgages, by reference, and certain obligations of the developer continue as long as the mortgage remains on the residential real estate. Specifically, the developer is obligated to sell the units and remit the proceeds to the City. The City is implementing a development agreement tracking system. The tracking system will utilize a spreadsheet that will identify the agreement, the start date, end date and amount. The spreadsheet will be maintained on the departments share drive, and reviewed by management on a quarterly basis. Where appropriate, development agreements will be extended or paid off.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

10-03 Inaccurate Inventory Record Keeping (Modified and Repeated) (Significant Deficiency)

Condition: Controls were not in place to ensure that inventory counts are made quarterly and reconciled to inventory system's quantity on hand.

Criteria: Periodic reconciliation of recorded inventory amounts to inventory quantities on hand is an important element of internal control.

Effect: Failure to reconcile recorded inventory to inventory counts may lead to an inaccurate accounting of the City's inventory.

Cause: Lack of adherence to the City's inventory policies and procedures and inadequate management oversight.

Auditors' Recommendations: The City should enforce its established policies and procedures and periodically monitor to ensure the inventory system is reconciled to inventory counts as required.

Management's Response: The City concurs with the finding. The City implemented new Inventory Policies and Procedures in December requiring inventory reconciliations to be done every quarter. The city has also strengthened their policy on internal controls respective to inventory management. Additional City employees are being hired to ensure proper separation of duties.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

FS 11-01 Accounts Payable Controls (Significant Deficiency)

Condition: E-payable wire transfers to vendors are not independently reviewed for accuracy prior to making the transfers. An aged payables report is not routinely produced by the accounting system.

Criteria: Controls over disbursements should include procedures that ensure prior independent review of wire transfers. Production of an aged payable report would facilitate identification of accounts that are not paid timely.

Effect: Payments could be made through wire transfers for inappropriate amounts or to the wrong party. There is increased risk that invoices may be paid late.

Cause: The City converted their general ledger system to PeopleSoft in January 2009. Certain aspects of the new software did not function as needed; and an aged payables report cannot be produced. The City has also been operating with limited resources and has not had an adequate amount of staff required to review wire transfers.

Auditors' Recommendations: Establish procedures to ensure prior independent review of all wire transfers. The City should also identify a way to review the aging of accounts payables, and assign persons to review E-payable wire transfers.

Management's Response: The City concurs with this finding. A preliminary aged payable report has been developed in PeopleSoft and data input issues are being reviewed. The volume of ACH payments have increased dramatically over the last few years. Accounting staff is reviewing processes and procedures that will enable the department to review ACH and check payments.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

FS 11-02 Grant Accounting (Significant Deficiency)

Condition: The City received Family and Community Services grant money as a reimbursement for money spent in fiscal year 2009 but never recorded a corresponding accrued revenue and grant revenue for those 2009 expenditures. The money received is recorded as a deferred revenue instead in fiscal year 2011. The error was discovered as part of the audit.

Criteria: An accrued revenue and grant revenue should be recorded when a request for reimbursement for expenditures made is submitted.

Effect: The deferred revenue balance is incorrectly stated.

Cause: The City did not record an accrued revenue in fiscal year 2009 and is unsure where to record the Family and Community Services grant money received in fiscal year 2011.

Auditors' Recommendations: Ensure the accrued/deferred revenue balances are recorded correctly when a request for expenditures reimbursement is submitted and reconcile the money received with the corresponding accrued revenue recorded.

Management's Response: The City concurs with this finding. The PeopleSoft conversion and its impact on the reconciliation process coupled with the retirement of the Fiscal Officer who was primarily responsible for the AAA grant reconciliations led to the delay in discovering the unrecorded 2009 revenue. To ensure that grant revenue is recorded in the fiscal year grant funds are expended, The City has implemented a monthly reconciliation of the general ledger where the grant expenditures will be reconciled to grant reimbursement requests.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

B — Financial Statement Findings — continued

FS 11-03 Capital Assets Records (Material Weakness)

Condition: General ledger balances of buildings, infrastructure, land, improvements, and right-of-ways are not supported by subsidiary records detailing the pertinent information about each asset, or asset category, necessary to manage and account for these assets. Generally, records maintained by the City consist of the annual dollar amount of additions in each category; however, these amounts are not associated with the specific assets acquired.

Criteria: The City should have procedures in place to record detailed information on all categories of capital assets. These detailed records should be regularly reconciled to the corresponding general ledger control totals and to periodic inspections of the assets and/or other evidence such as insurance records (buildings), and repair and maintenance records (infrastructure).

Effect: Capital asset balances of financial statements may be incorrect.

Cause: Internal controls were not in place to ensure that a detail supporting all capital assets is created, maintained, and reconciled to capital asset amounts reported in the financial statements.

Auditors' Recommendations: Create and maintain capital asset detail supporting all categories of capital assets. Detail records should be periodically verified by comparison to physical observation of assets and/or other appropriate sources.

Management's Response: The City concurs with this finding. Prior to GASB 34, Governments we not required to report capital assets in the financial statements. GASB 34 allowed governments to estimate the value buildings, roads and infrastructure. The City hired consultants to help determine these values. Since then, the City has kept track of additions by project and activity. Project ID's have descriptions that can identify the capital asset. If a project takes years to develop, the City would have to summarize the additions for multiple years to calculate the historical cost of the specific capital asset. The City agrees that some of the project names are not descriptive enough to accurately determine the capital asset location. Going forward, the City will compile a list of additions and apply this to specific buildings. The City will continue to utilize the GIS system to identify roads and infrastructure added by mileage totals.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs

05-13 Timely Submission of Reports (Repeated and Modified)

Federal program information:

Funding agency:	All major programs
Title:	All major programs

Condition: The fiscal year 2011 Comprehensive Annual Financial Report was not submitted to the New Mexico Office of the State Auditor by the December 1, 2011, submission deadline. The 2010 Single Audit Reporting Package was not submitted to the Federal Single Audit Clearinghouse by the March 31, 2011, deadline.

Criteria: Section 2.2.2.9A (1) (d) of NMAC Audit Rule 2011, Requirements for Contracting and Conducting Audits of Agencies, requires that annual audit reports be received in the Office of the State Auditor on or before December 1st. The Federal Single Audit Act and related regulations require submission of Single Audit reports within nine months of fiscal year-end.

Effect: The City is not in compliance with the OMB Circular A-133 and the New Mexico State Auditor Rule.

Cause: The City was unable to close the books in a timely manner and have the records ready for the audit, primarily because of the continuing impact of the implementation of a new accounting system in January 2009.

Auditors' Recommendations: The City should work towards having their books closed and ready for audit in a timely manner.

Management's Response: The City concurs with this finding and is taking actions to prevent this situation in the future.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

**07-09 Schedule of Expenditures of Federal Awards (SEFA) (Modified and Repeated)
(Material Weakness)**

Federal program information:

Funding agency:	All major programs
Title:	All major programs

Condition: The City does not have a process in place to ensure that the federal expenditures incurred are reported completely and accurately on the Schedule of Expenditures of Federal Awards (SEFA). Some expenditures were initially reported using the incorrect Catalog of Federal Domestic Assistance (CFDA) numbers on the SEFA; corrections were made based on review as part of the audit.

Criteria: Procedures should include processes to verify and review the accuracy of financial information reported in the SEFA.

Questioned Costs: None.

Context: We reviewed and tested the fiscal year 2011 SEFA.

Effect: Corrections of the draft SEFA were required to comply with single audit reporting requirements.

Cause: Federal grant reporting is decentralized. DFAS accountants rely upon the information provided by the departments and there is no process in place for DFAS to verify the accuracy of the information provided. In addition, federal and nonfederal expenditures are not separately tracked in the general ledger system. There is no process in place to separately identify ARRA expenditures on the SEFA.

Auditors' Recommendations: Processes should be in place that will ensure the accuracy and completeness of the reporting of federal expenditures on the SEFA. These processes should include utilizing the general ledger system to allow for the separate recording and tracking of federal and nonfederal expenditures and revenues. Ideally, the grant accounting function should be centralized such that City Accounting is provided with accurate and timely support for federal award transactions. Each department should have a life-to-date tracking of each grant to ensure expenditures are posted to the correct project ID, reimbursement requests are made timely, and ARRA grants are separately identified on the SEFA.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

07-09 Schedule of Expenditures of Federal Awards (SEFA) (Modified and Repeated) (Material Weakness) — continued

Management's Response: The City concurs with this finding. The new Grant Administration Section of the Accounting Division has focused their efforts in assisting City departments in the accurate recording and tracking of federal expenditures, including grants receivable and deferred revenue. The City Grant Administrator is also currently working with ERP consultants to develop processes and procedures within the new ERP system that will assist in properly identifying and monitoring grant expenditures and receipts that are managed by departments at the program level. Additional resources have been hired to reconcile the grants on a life to date basis for current and inactive grants.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

10-12 Documentation of Employee Time and Effort (Repeated and Modified) (Significant Deficiency)

Federal Program Information:

Funding Agency:	U.S. Department of Housing and Urban Development
Title:	Public Housing – Low Rent Operating Subsidy Program
CFDA Number:	14.850
Award Number:	NM00100509D, NM00100510D, NM00100511D
Award Period:	2009, 2010, 2011

Condition: Procedures are not in place to ensure that time and effort certifications and/or personnel activity reports are prepared to support charges to federal award programs by Housing Authority personnel. Such certifications were not completed by Housing Authority personnel.

Criteria: OMB Circular A-87 requires at least semiannually Time and Effort Certifications and monthly personnel activity reports support personnel charges to federal award programs.

Questioned Costs: None.

Context: Time and effort reports and personnel activity reports were not completed by Housing Authority personnel.

Effect: The programs are not in compliance with grant requirements and employee's time has the potential to be misstated which could result in unallowable expenditures.

Cause: Housing Authority personnel were not aware of the requirements and do not have controls in place to ensure Time and Effort Certifications and personnel activity reports support charges to federal awards.

Auditors' Recommendations: The City should develop and implement policies and procedures to ensure Time and Effort Certifications and personnel activity reports are completed and retained to support charges to federal awards.

Management's Response: The Housing Authority concurs with this finding. The Housing Authority experienced significant management turnover during the fiscal year and did not identify and implement a change in process to document time certifications for employees working on single audit federal awards. The Housing Authority will develop and implement process to ensure time certifications are documented and signed by employees.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

FA 11-01 Reporting (Significant Deficiency)

Federal program information:

Funding agency:	U.S. Department of Housing and Urban Development
Title:	Community Development Block Grants (CDBG)/Entitlement Grants; Community Development Block Grants ARRA Entitlement Grants
CFDA Number:	14.218; 14.253
Award year and number:	2011, B-11-MC-35-0001; B-09-MY-MN-0001

Condition: Two out of two reports (SF-425) tested did not include cumulative amounts.

Criteria: The SF-425 Federal Financial Report requires agencies to include cumulative amounts on each report completed.

Questioned Costs: None.

Context: Two out of two SF-425 reports tested.

Effect: Noncompliance with this requirement could result in reduced funding.

Cause: Internal controls were not in place to ensure the cumulative amounts were reported in SF-425 reports as required.

Auditors' Recommendations: The City should implement policies and procedures to ensure that all required cumulative information is included on SF-425 reports.

Management's Response: The City agrees with this finding. There were errors on the SF-425 reports. The reports were accepted by the Federal government. Management will review the instructions for filling out the report. In addition, management will review proper procedures for filing policies with staff so proper documentation can be provided when requested.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

FA 11-02 Equipment and Real Property Management (Significant Deficiency)

Federal program information:

Funding agency:	U.S. Department of Housing and Urban Development
Title:	Community Development Block Grants (CDBG)/Entitlement Grants; Community Development Block Grants ARRA Entitlement Grants
CFDA Number:	14.218; 14.253
Award year and number:	2011, B-11-MC-35-0001; B-09-MY-MN-0001

Condition: The physical inventory performed in May 2011 was incomplete and was not reconciled to the accounting records. A listing of equipment did not include one item that was purchased during the year.

Criteria: A-102 Common Rule for equipment acquired under Federal awards states that equipment records shall be maintained and that a physical inventory of equipment taken should be reconciled to the equipment records.

Questioned Costs: None.

Context: Community Development Block Grants capital assets meeting the City's \$5,000 threshold.

Effect: Noncompliance with this requirement could result in the City losing equipment to theft as it is not being properly accounted for.

Cause: Internal controls were not in place to ensure a complete inventory of capital asset items was performed and updated with accounting detail records.

Auditors' Recommendations: A physical inventory count of capital assets should be completed of all assets and reconciled to the City's detailed capital assets listing and the general ledger control totals to ensure accuracy of capital asset accounting records.

Management's Response: The City concurs with this finding. The asset was coded to a non-asset account and was subsequently moved when the mistake was discovered. This asset is properly recorded. Management will review the process to ensure all expenditures are put in the proper accounts.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

FA 11-03 Reporting (Significant Deficiency)

Federal program information:

Funding agency:	U.S. Department of Transportation
Title:	Highway Planning and Construction
CFDA Number:	20.205
Award year and number:	2010, MOO1043

Condition: Two quarterly reports were not prepared or submitted to the funding agency.

Criteria: The grant memorandum of agreement requires quarterly reports to be submitted on a quarterly basis no later than the 25th of the month following the end of the quarter.

Questioned Costs: None.

Context: Two out of two quarterly reports tested.

Effect: Noncompliance with reporting requirements increases the risk that federal funds may be delayed or sanctioned.

Cause: Control procedures have not been implemented to ensure such reports are being prepared and submitted timely.

Auditors' Recommendations: Reports should be submitted as outlined in the grant agreement. Proper documentation of the reports submitted should be maintained on file. The City should create a report tracking system to identify what reports are required and when they are due.

Management's Response: The City concurs with this finding. The transit department has implemented a plan to submit all NMDOT grant reimbursements with the quarterly FTA requests. This process will enable the department to eliminate missed deadlines. The Transit department was in contact with NMDOT and they were notified verbally that the submissions would be late. In addition, the Accounting department will be closing monthly which will allow transit to pull expenditure information in a timely manner.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

FA 11-04 Matching (Significant Deficiency)

Federal program information:

Funding agency:	U.S. Department of Transportation
Title:	Highway Planning and Construction
CFDA Number:	20.205
Award year and number:	2010, MOO1043

Condition: Internal controls were not in place to ensure matching expenditures were recorded consistently. We noted that the program recorded matching expenditures to different activity codes or programs in accounting system.

Criteria: According to applicable grant agreements, the City is required to match a certain percentage of federal expenditures with City funds under federal program.

Questioned Costs: None.

Context: Matching expenditures reported during fiscal year 2011.

Effect: The total expenditures spent under federal programs could be understated if the City's matching expenditures were not recorded and tracked correctly.

Cause: The City did not have a formal standardized process to code, track, and report applicable matching expenditures under each federal program in the City's accounting system.

Auditors' Recommendations: The City should develop a standardized process for which City matching expenditures by program are tracked and reported.

Management's Response: The City concurs with this finding that there is no formal method for tracking and reporting applicable expenditure requirements. The Department of Municipal Development has a process of matching the total expenditures spent under the federal program. The Department has agreed to add an additional step by creating sub-activities so that one-to-one correlations can be provided for reporting. The Department of Municipal Developments Fiscal Division will work closely with the Financial Reporting section of DFAS to communicate those sub-activities that correlate with federal expenditures.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

FA 11-05 Reporting (Significant Deficiency)

Federal program information:

Funding agency:	U.S. Department of Housing and Urban Development
Title:	Community Development Block Grants (CDBG)/ State's Program
CFDA Number:	14.228
Award year and number:	2009, 09-NSP-2-G-03

Condition: One of the required bimonthly progress reports was submitted after the due date.

Criteria: Bimonthly progress report (March/April) is due on or before the first of the May as outlined in the grant agreement.

Questioned Costs: None.

Context: One out of two progress reports tested.

Effect: Noncompliance could result in reduced funding.

Cause: Several program audits were due during a period when the fiscal division experienced significant staff changes, so the report was overlooked.

Auditors' Recommendations: The City should keep track of reporting due dates and submit reports on or before those dates as outlined in the grant agreement.

Management's Response: The City concurs with this finding. Staff turnover led to the delay in report submission. Also, it was the understanding of City staff that the report submission was due within 10 days of the following month. This misunderstanding was clarified during a technical assistance meeting with State grant administrators in December 2012. The City recognizes the importance of timely grant reporting. As a result, program and fiscal staff are keeping track of reporting due dates and submitting reports in accordance with those due dates. The City has also improved the timeliness of processing the data to provide accurate expenditure data.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

FA 11-06 Earmarking (Significant Deficiency)

Federal program information:

Funding agency:	U.S. Department of Health and Human Services
Title:	Head Start; ARRA–Head Start
CFDA Number:	93.600; 93.708
Award year and number:	2010, 06CH7016/09; 2010, 06SE701601

Condition: The Head Start program did not meet its required enrollment of 228 children as outlined in the grant agreements.

Criteria: Each Head Start agency must enroll 100 percent of its funded enrollment in accordance with targeted earmark requirement.

Questioned Costs: None.

Context: N/A.

Effect: Noncompliance with this requirement could result in the City being denied Head Start funding in the future.

Cause: Internal controls were not in place to ensure that Head Start maintained its required funded level of children throughout the year.

Auditors' Recommendations: Aggressive student recruitment and increased information sessions/community outreach events could help increase enrollment.

Management's Response: The City concurs with this finding. In August 2010 when the new Early Head Start Director was hired, the enrollment in the program was at 186, severely under-enrolled. Some factors that affected the City's enrollment were a 3-year delay in opening a new City site, the opening of 3 new Early Head Start programs in the area competing for enrollment, an MOU in place with two other Early Head Start programs creating boundaries of where the City can serve, and losing families who need Center Base services versus Home Base services which is a first option of the City's programs. As a result of the City's under-enrollment, the regional Head Start office intervened and assisted the City in developing a (Risk Management) plan setting goals and objectives on how to increase enrollment to the funded amount; and the plan was implemented April 2011. One of the implemented strategies was using billboards to advertise the City's Head Start program in its catchment area. Another strategy was to focus on opening the Center Base site that was on hold for three years, the opening of which is scheduled for March 2012. Since the implementation of the plan, enrollment increased to a high of 222 children in November 2011, and we are currently at 209 due to several children aging out. In addition, the City is looking into the possibility of changing its program options to allow families to enter Center Base immediately versus Home Base services.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

FA 11-07 Rent Reasonableness Documentation Missing (Significant Deficiency)

Federal Program Information:

Funding Agency:	U.S. Department of Housing and Urban Development
Title:	Section 8 Housing Voucher Program
CFDA Number:	14.871
Award Number:	NM001V00159
Award Period:	2011

Condition: During single audit testwork over Section 8 Voucher Program, we noted two out of forty tenant files did not contain a proof of a rent reasonableness calculation.

Criteria: In accordance with HUD's compliance requirements, the PHA must determine that the rent to the owner is reasonable at the time of leasing. The PHA must maintain records to document the basis for the determination that rent to owner is a reasonable rent (24 CFR sections 982.4, 982.54(d)(15), 982.158(f)(7), and 982.507).

Questioned Costs: None.

Context: Two out of 40 tenant files tested.

Effect: There is a risk that the Housing Authority may be paying rent to owners that is not determined reasonable in accordance with the Housing Authority's standards.

Cause: The Housing Authority did not administer or document the determination that the rent to owner was reasonable in accordance with the Housing Authority's standards, at the time of initial leasing.

Auditors' Recommendations: Management should ensure that all tenant files are complete and that all rent payments have been compared to a rent reasonableness calculation.

Management's Response: The Section 8 Program has implemented a quality control program that is designed to review 10-15% of all tenant files annually to ensure that tenant files are complete and contain all required documentation. Additionally, the Section 8 Program has outsourced the rent reasonableness survey work to a third party, through the GoSection8 website. The Housing Authority is able to upload information about the rental location to the website and determine the rent reasonableness with greater efficiency and accuracy. Going forward management feels that the quality control program and their new rent reasonableness tools will help to minimize errors in the future.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

C — Federal Award Findings and Questioned Costs — continued

FA 11-08 Incorrect Utility Allowance Payment (Significant Deficiency)

Federal Program Information

Funding Agency:	U.S. Department of Housing and Urban Development
Title:	Section 8 Housing Voucher Program
CFDA Number:	14.871
Award Number:	NM001V00159
Award Period:	2011

Condition: During single audit testwork over Section 8 Voucher Program, we noted one of forty tenants incorrectly received a utility allowance payment, when the landlord was paying for all utilities for the tenant. Additionally, the file did not contain the utility allowance schedule showing the calculation for the amount of the payment.

Criteria or Specific Requirement: According to HUD compliance requirements, the PHA must use a schedule of utility allowances to determine the amount an assisted family needs to cover the cost of utilities (24 CFR section 982.517).

Questioned Costs: \$54.

Context: One of 40 tenant allowances tested.

Cause: The Housing Authority did not ensure that the tenant satisfactorily qualified for utility allowance payments, nor review adequate supporting documentation qualifying the tenant for the program.

Effect: The Housing Authority did not review the tenants file and landlord lease to determine that the tenant did not qualify for utility allowance payments.

Auditors' Recommendations: Management should review tenant files and ensure tenants qualify for utility assistance payments. Utility allowance schedules should be maintained in all tenant files. Furthermore, for tenants that are not required to pay utilities, management should ensure that tenants are not receiving utility allowance payments for which they do not qualify.

Management's Response: The discrepancy will be investigated and any corrective action that is required to fix the error will be taken. Additionally, the Section 8 Program has implemented a quality control program that is designed to review 10-15% of all tenant files annually to ensure that tenant files are complete, contain all required documentation, and that payments have been accurately calculated. Going forward management feels that this was an isolated incident, and that the quality control program will help to detect and minimize such errors in the future.

CITY OF ALBUQUERQUE
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
 Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978

01-17 and 09-14 Accurate and Timely Budget to Actual Information and Budget Overspending (Repeated and Modified)

Condition: Procedures were not in place to ensure that expenditures did not exceed budgets. As a result, expenditures in the following funds exceeded budget amounts:

<u>Fund/Program</u>	<u>Overspent Amount</u>
General Fund – DFAS – Strategic Support	\$ 930
General Fund – Communications and Records	59,354
General Fund – Family Advocacy Center	2,867
General Fund – Aviation Landscape	13,173
General Fund – Balloon Museum	2,049
General Fund – Biopark	3,116
General Fund – CIP Library	1,772
General Fund – Community Events	27,851
General Fund – Cultural Services – Strategic	7,514
General Fund – Explora	1,831
General Fund – Library	1,077
General Fund – Museum	4,034
General Fund – Parks and Recreation Strategic Support	170
General Fund – Promote Safe Use of Firearms	19,676
General Fund – Quality Recreation	563
General Fund – Storm Drainage	2,376
General Fund – Supportive Services to Homeless	257
General Fund – Provide Transitional Housing	850
Biological Park Projects Fund	314,852
Operating Grants Fund	2,464,223
Housing & Neighborhood Economic Development Fund	1,420,711
Transit Fund	346,157

In addition, the Authority's expenses exceeded budgeted amounts during fiscal year 2011.

Criteria: According to City Ordinance Section 2-11-12 ROA 1994 and the Authority's Budget Policies and Procedures Ordinance, Section 2-1-6, the City and Authority cannot overspend their budget.

Effect: Budgets were overspent in violation of the City and Authority Ordinance.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

01-17 and 09-14 Accurate and Timely Budget to Actual Information and Budget Overspending (Repeated and Modified) — continued

Cause: The City and Authority converted their general ledger system to PeopleSoft in January 2009. Certain aspects of the new software did not function as needed, which created a backlog of information in the system that has caused a delay in timely closing and reconciliation of subsidiary ledgers. Thus, budget to actual reports were not timely, and were only generated during the trial balance close and financial statement preparation process.

Auditors' Recommendations: The City should continue to work diligently to catch up the information in the new general ledger system so that timely budget to actual reports can be prepared to facilitate timely monitoring of budgetary compliance.

Management's Response: The City somewhat agrees with this finding. The Accounting Division has resolved a majority of the general ledger issues that resulted from the PeopleSoft conversion. Beginning this year, the general ledger will be closed on monthly basis to ensure that City department and WUA managers have accurate and timely data for budget to actual analysis.

The City has made a conscious decision to report actual program expenditures. In order to minimize and monitor overspending, the City produces quarterly expenditure reports and provides the information to the Departments and the Office of Internal Audit and Investigation. The Office of Internal Audit and Investigation uses the information to produce quarterly expenditure reports to the City Council. This process has shown a successful track record of reducing the number of programs overspent at the end of the year. The new budgeting software recently implemented by the City will enable the departments to manage their budgets in a timely manner.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

07-10 P-Card and T-Card Transactions (Repeated and Modified)

Condition and Context: The City recorded 9,671 purchase card (P-Card) transactions and 363 travel card (T-card) transactions during this fiscal year. We reviewed a sample of 10 P-Card and T-Card transactions totaling \$2,074. We noted the following exceptions related to P-Card and T-Card transactions:

- Nine out of 10 transactions, totaling \$2,008, did not have reconciled transaction logs that were approved by department directors, as required by purchasing card policies and procedures.
- Five out of 10 transactions, totaling \$458, did not have Card Request/Employee Agreement forms on file signed by card administrators, as required by purchasing card policies and procedures.
- One out of 10 transactions, totaling \$90, was approved by the same person who purchased the item, which is inconsistent with purchasing card policies and procedures.

Criteria: Purchasing cards policies and procedures require the following: department directors are to review and sign reconciled transaction logs supporting transactions; card administrators are to approve the issuance of cards; card holders are required to read, sign, and date the Card Request/Employee Agreement form.

Effect: Unauthorized purchases could be made.

Cause: Lack of adherence to the City's policies and inadequate management oversight.

Auditors' Recommendations: The City should emphasize that P-Card and T-Card policies and procedures are to be adhered to in all cases.

Management's Response: The City concurs with this finding. DFAS will continue to communicate the City's Purchasing Card Policies and Procedures and reconciliation requirements of the P-Card Policy to department Directors, fiscal staff and Card Coordinators through Financial User Group Meetings, Purchasing Liaison User Group meetings, and email communications. There are internal procedures currently in place that prevent the P-Card Administrators from processing new travel or purchasing cardholder agreements without the proper authorization from the respective department Director, and distributing cards to new or existing cardholders without proper evidence of training/re-training. Procurement Card Training is required for new cardholders before issuance of the card. Existing cardholders must re-attend the training every two years before issuance of cards that are renewed for normal expiration.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

08-12 New Mexico State Public Money Law Requirements (Repeated and Modified)

Condition and Context: We reviewed a sample of 25 cash receipts transactions totaling \$2,395,274. One of those tested, in the amount of \$545, was not deposited before the close of the next succeeding business day after the receipt of the money.

Criteria: The New Mexico Statutes, Section 6-10-3 NMSA 1978 requires all public money to be deposited before the close of the next succeeding business day after the receipt of the money.

Effect: The City did not comply with the State statutes regarding timely deposit of public money.

Cause: The Transit department hired a third party to collect and deposit cash receipts. There was an oversight by this third party to deposit cash in a timely manner.

Auditors' Recommendations: The City should implement procedures to ensure deposit of all receipts to the City's Treasury or bank before the close of the succeeding business day after the receipt of the money.

Management's Response: The City concurs with the finding. All City employees that handle cash receipts are required to attend a class on cash handling procedures where the requirement to deposit cash receipts by the next business day is discussed.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

08-13 Controls Over Equipment Tagging (Repeated and Modified)

Condition:

City – Our audit procedures revealed that one of five current year machinery and equipment additions tested was not tagged. Control procedures have not been implemented to ensure that all equipment additions meeting the criteria for capitalization are tagged with an asset number or other identifying characteristic.

Authority – Machinery and equipment additions in the current year were assigned tag numbers in the capital asset records. However, audit procedures revealed that none of the current year machinery and equipment additions were attached to the asset. Control procedures have not been implemented to ensure that all machinery and equipment additions meeting the criteria for capitalization are tagged with an asset number or other identifying characteristic.

Criteria: The City's and Authority's policies and procedures require the department to mark capitalized machinery and equipment with an asset number or other identifying characteristic that will allow it to be traced from the machinery and equipment records to the physical asset.

Effect: Without marking of machinery and equipment additions, reconciliation from accounting records to the physical assets is not feasible, which could result in inaccurate accounting records.

Cause: A process has not been established to ensure marking of capitalized machinery and equipment to facilitate reconciliation with the accounting records at the City.

Auditors' Recommendations:

City – The City should ensure that property asset liaisons for all departments understand the importance of tagging capital assets and put controls in place to ensure that all capital assets are tagged.

Authority – The Authority should enforce current policies and procedures and ensure that all machinery and equipment tags are attached to the asset.

Management's Response: The City concurs with this finding. The City will review its fixed asset tagging procedures and standardized the process. In addition, the Accounting Division will review the policy and procedures with all Departments to ensure that the property tags are added to the equipment. Additional training will be provided through Financial User Group Meetings on the proper accounting of fixed assets.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

09-18 Albuquerque Bernalillo County Water Utility Authority (Authority) Bond Covenants (Repeated) (Significant Deficiency)

Condition: The Authority was not in compliance with the rate covenant ratio as of June 30, 2011.

Criteria: According to the Bond Ordinance of the Authority's revenue bonds, the Authority is required to set rates sufficient to produce net revenues annually to pay 133% of the annual debt service requirements on all outstanding system obligations.

Effect: The Authority is not maintaining the debt covenant requirements, which could cause the Authority to have to repay outstanding bond obligations.

Cause: The Authority did not increase rates in fiscal year 2011 sufficient to produce net revenues to pay 133% of annual debt service requirements.

Auditors' Recommendations: The Authority should adjust rates in order to generate sufficient revenues to satisfy this covenant.

Management's Response: Based upon the Authority's rate Covenant, the Authority has taken the necessary actions to bring the Authority to the appropriate debt service levels. In January of 2011 the Authority hired Red Oak Consulting to review the Authority's rates. As a result, two 5% rate increases were approved by the Authority Board, the first being effective July 1, 2011 and the next on July 1, 2013. Based upon the work done by the Authority's rate consultant and upon their analysis, the Authority will generate sufficient revenues to maintain its debt service coverage levels. At this time FY12 revenues have been coming in at budgeted amounts and expenditures have been held at or below budgeted amounts. Through the 2nd quarter of FY12 the Authority is in a position to achieve its desired debt service coverage levels.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

09-21 Refuse Disposal Accounts Receivable

Condition and Context: The allowance for doubtful accounts receivable did not consider the impact of customers in bankruptcy that owe the City's Refuse Department \$267,900 at June 30, 2011.

Criteria: The City should have procedures in place to ensure all bankruptcy accounts are considered when determining the allowance for doubtful accounts.

Effect: The allowance for doubtful accounts was understated by \$267,900.

Cause: The general ledger account for receivables that went into bankruptcy was not part of the estimate of allowance for doubtful accounts, which included only general ledger accounts that have aging listing schedules.

Auditors' Recommendations: Establish procedures to ensure that customer bankruptcies are considered in determining the allowance for doubtful accounts.

Management's Response: The City agrees with this finding. The bankruptcy accounts receivable is set up in a separate account and it was over looked when the allowance entries were being made. The Accounting department will ensure that the allowance for doubtful accounts is made each year.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

10-01 Senior Affairs Cash Receipts (Repeated and Modified)

Condition and Context: Of 25 cash receipt transactions tested, a cash receipt transaction in the amount of \$9.40 was not supported by a deposit ticket/slip or other supporting documentation.

Criteria: Accurate and complete cash receipt records are essential for sound internal controls and to ensure that transactions are recorded properly.

Effect: Financial records necessary to track cash receipts and revenues were not maintained.

Cause: The department packed away documentation during their remodel and was unable to locate supporting documentation.

Auditors' Recommendations: The City should maintain all documentation supporting cash receipts.

Management's Response: The City concurs with the finding. The department was in the process of moving its office and could not access the supporting information. The City will review document retention guidelines with personnel.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

10-04 Reporting Unclaimed Property (Repeated and Modified)

Condition: The City and Authority did not report unclaimed property to the State, as required by the Uniform Unclaimed Property Act (1995).

Criteria: The Uniform Unclaimed Property Act (1995) Article SA states that property held by a court, government, governmental subdivision, or agency is assumed abandoned if it is unclaimed by the apparent owner one year after the property becomes distributable. Such funds must be escheated to the State of New Mexico.

Effect: Noncompliance with the Uniform Unclaimed Property Act (1995) Article SA.

Cause: Procedures were not in place to ensure compliance that unclaimed property has been reported to the State on a yearly basis.

Auditors' Recommendations: Policies and procedures should be implemented to ensure compliance. The City and Authority should evaluate all unclaimed property and exercise due diligence in reporting unclaimed property to the State.

Management's Response: The City concurs with this finding. The Accounting department has reviewed the policy regarding reporting unclaimed property with accounting staff.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

10-06 Business Continuity and Disaster Recovery Plan (BCP/DRP) (Modified and Repeated)

Condition: The City does not have a comprehensive written BCP/DRP. Information Technology Services Department (ITSD) has developed a partial plan but it has not been fully tested and is not complete. IT has identified Pino Yards as a suitable hot site for recovery of critical systems and applications. However there is not yet a budget to develop this further. In the event of a disaster, the City may be unable to effectively manage the recovery effort and continue business in a timely manner without a written and tested BCP/DRP.

Criteria: The City's Security Policies (last updated in 2006) state that the City is responsible to protect against disruption of the operation of its technology assets and thereby help to protect the citizens, economy, essential human and government services, and public safety of the City. Information must be protected according to its sensitivity, criticality and value, regardless of the media on which it is stored, the manual or automated systems that process it, or the methods by which it is distributed. A written BCP/DRP should be comprehensive in scope addressing all areas and departments, covering staff roles and responsibilities, system recovery steps, data restoration procedures, and how to maintain operations. The plan should be periodically tested to ensure its effectiveness.

Effect: The lack of comprehensive written and tested BCP/DRP may pose a serious risk to the City's ability to maintain continuing of operations and recover critical data and applications in the event of a disaster.

Cause: ITSD does not have a budget to develop a hot site for recovery of critical applications and systems. The City is still working on updating its BCP/DRP.

Auditors' Recommendations: The City should develop a comprehensive written BCP/DRP. The plan and the recovery strategies should be based on a comprehensive business impact analysis and risk assessment. Once the plan is has been developed, it should be tested to ensure the viability of the plan and the timeliness of recovery. The City should consider developing Pino Yards as an information systems hot site. System recovery testing should be conducted periodically and the tests should be documented and formalized to be included with the City's overall BCP/DRP and testing.

Management's Response: The City concurs with the finding. The City has written documentation defining a disaster recovery strategy for PeopleSoft ERP which details the specific steps to perform a disaster recovery. Components of this plan have been successfully executed. The plan is currently being updated. The City will regularly review the plan to ensure it remains up to date.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

10-08 Password Policies (Repeated and Modified)

Condition: Password security settings for the accounts receivable system require passwords consisting at 4 to 8 characters. This does not comply with the City's password policies which require at least 8 characters.

Criteria: The City's Password Policies (dated January 21, 2010) provide for the following:

- Passwords shall contain at least eight characters including a number or special character.
- Passwords shall be set to expire in 90 days.
- Passwords shall not be reused for three cycles or one year.
- Accounts shall be locked after 5 unsuccessful attempts.
- When possible, Active Directory is to be used for system authentication.
- It is recommended that passwords should not contain words that can easily be guessed like "password," your child's name, your dog's name, etc. and should not be written down in an accessible location.

Effect: Access to data may not be restricted to authorized personnel.

Cause: Members of IT were not aware that accounts receivable system passwords were not in compliance with the City's password policies and are in the process of changing the password policies.

Auditors' Recommendations: Establish procedures to ensure that password policies comply with the City's password policy.

Management's Response: The City concurs with this finding. The GEAC Accounts/Receivable (AR) runs on the City's mainframe and requires access through specialized terminal emulation software to the mainframe, and then to GEAC. Access to this functionality is tightly controlled and as the only remaining non-budget ERP application on the mainframe, has a very small user community. The GEAC password setting has been in place for at least 15 years without issue. Research will need to be performed to determine if the recommended password policy can be implemented.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-01 Support for Cash Disbursements

Condition: Based on our testing of a sample of 40 disbursements, totaling \$27,017, a \$4,124 invoice for phone service was paid on September 21, 2010, based on a vendor contract that expired on January 10, 2010. Two disbursements totaling \$226 did not have time stamps on the invoices.

Criteria: The City's disbursement policy states that invoices must be time stamped upon receipt. It also states that contracts for vendors should be kept current.

Effect: Unauthorized payments could be made.

Cause: Lack of adherence to the City's policies and inadequate management oversight.

Auditors' Recommendations: The City should enforce their internal policies to ensure proper payment of disbursements.

Management's Response: The City concurs with this finding. The Department of Finance and Administration will work with the department staff to ensure proper procedures are followed.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-02 Lack of Payroll Supporting Documentation

Condition: Nine hours of overtime paid to a police department employee in the pay period ended July 2, 2010, was not supported by a timesheet or other documentation of hours worked.

Criteria: Payroll disbursements should be supported by approved timesheets or other evidence of hours worked. Documentation supporting payroll transactions should be maintained.

Effect: The City could be paying their employees for unauthorized hours.

Cause: Procedures were not in place to ensure all documentation supporting payroll was maintained.

Auditors' Recommendations: Strengthen existing payroll procedures to ensure that adequate support for time worked is maintained for all payroll disbursements.

Management's Response: The City concurs with this finding. The department could not locate the backup documentation. The City will review the Rules and Regulations regarding approvals with City department Directors and timekeepers through Payroll User Group meetings and email communications.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-03 Classification of Transit Fund Capital Asset Additions

Condition: Four vehicles and one piece of equipment totaling \$252,500 acquired in fiscal year 2011 were incorrectly capitalized as additions to buildings instead of machinery and equipment in the Transit Fund. Total capital asset additions in the Transit Fund were approximately \$1 million. An adjustment was required to correct the error.

Criteria: Capital assets should be recorded to their appropriate asset classifications. Vehicles, machinery and equipment purchases should not be reported as building additions.

Effect: Capital assets are not correctly reported and related depreciation expense could be misstated.

Cause: Review procedures were not in place to detect account coding errors.

Auditors' Recommendations: Additional review procedures should be established to ensure that capital asset additions are coded correctly.

Management's Response: The City concurs with this finding. The coding error was fixed and put in the proper classification prior to the completion of the audit. As a result, the proper amount of depreciation has been recorded and the assets are in the proper classifications.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-04 Debt Compliance

Condition: The Golf Course fund did not meet the debt service coverage ratios specified by its debt agreements. Also, the debt service coverage calculation was not performed on a timely basis for the Stadium fund.

Criteria: According to applicable bond/loan agreements, the City is required to maintain and monitor certain debt service coverage ratios on an annual basis.

Effect: Noncompliance with debt covenants increases the risk that the City's debt could be called by creditors or increases the City's cost of borrowing.

Cause: The City does not have policies in place to increase the rates at the Golf Courses sufficient to produce revenues to meet its required debt ratio. Policies requiring timely monitoring debt covenant are not consistently followed for all funds.

Auditors' Recommendations: The City should enforce its policies to ensure that it can produce sufficient revenues to meet the required debt ratio and that all funds consistently monitor their debt covenants.

Management's Response: The City concurs with the finding. The City will review expenditures relative to revenues and make appropriate adjustments to ensure compliance with debt service coverage.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-05 Information Technology (IT) Policies and Procedures

Condition: IT policies and standards (including those related to PeopleSoft) have not been updated to address current practices and systems. Many of the policies, particularly the IT security policies, have latest revision dates in 2004, 2005, 2006 or 2007.

Criteria: IT including systems, applications, and infrastructure are essential and integral to the efficiency of the City's operations. Updated IT internal controls, policies, standards, and procedures are essential to maintain the confidentiality, integrity and availability of data.

Effect: Inadequate and/or outdated IT policies, standards and procedures may result in security issues, security breaches, inability to hold employees accountable for activities on the network, and possible noncompliance with laws and regulations.

Cause: The Information Technology Services Department and the PeopleSoft Group are aware that the current policies, standards and procedures are in need of updating. Some IT policies and standards are in the process of being updated.

Auditors' Recommendations: Management should ensure that all IT policies, standards and procedures are updated and that a continuous update and review process is implemented.

Management's Response: The City concurs with this finding. The City has begun an IT Policy review. All IT policies are being evaluated and updated as required. Any updated policies will require approval by the City's IT Commission (ITC). The target date for completion is set for the end of fiscal year 2012.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-06 PeopleSoft Implementation

Condition: The City's implementation of PeopleSoft ERP is incomplete and significant issues remain unresolved. This has caused operational efficiency issues. City employees lack trust in the financial data as a result of the PeopleSoft implementation, resulting in employees developing "workarounds," and making extensive use of spreadsheets and other tools to compensate for the perceived deficiencies in PeopleSoft. These issues impeded efficient monthly and year-end closing, and timely annual financial reporting, because multiple non-integrated systems are used in order to complete these tasks.

Criteria: The successful implementation and end-user acceptance of a new enterprise-wide system requires buy-in from end-users and extensive hands-on training with the new system. Another critical success factor is process re-engineering to ensure that legacy processes and procedures are not carried forward to the new system.

Effect: Accounting and financial reporting processes are inefficient and susceptible to error.

Cause: There was lack of employee training and process re-engineering to accommodate the PeopleSoft system when it was implemented. Also, modules for accounts receivable, asset management, and financial reporting were not installed.

Auditors' Recommendations: A third-party consultant was engaged to perform an assessment of the City's PeopleSoft implementation. They provided their final report to the City in May 2011, which is a very comprehensive report that provides detailed steps to address the City's PeopleSoft issues. Management should carefully consider this remediation road map and provide the resources and support to complete this project.

Management's Response: The City concurs with the finding. Many of the purchased modules have not been implemented which has caused workarounds and impeded the monthly close process. The City is in the process of selecting a vendor to remediate the modules implemented in 2009 and implement the modules owned but not implemented. In 2010 the City added several edit checks to limit input errors. This has drastically decreased the occurrence of data input problems. The City has the ability to access financial data through several queries previously set up to access legacy system tables. The City has resolved many of the issues associated with PeopleSoft conversion and will be able to provide timely posting of journals. The recent increase in staffing levels in the ERP division will enable the users to get training on how to run reports created in the query system.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-07 Lack of Backup for Key IT Personnel

Condition: Cross-training of IT personnel is limited. There are nine key positions in Information Technology Services Department for which there is no backup or replacement person. These represent “single points of human failure.” If the person in one of these key positions leaves or for any reason is unable to work, IT functionality and performance is likely to be impaired and it may fail in that area. Areas that may be affected include: finance, accounts receivable, budgets, the Mayor’s office, City Clerk and the City’s public website.

Criteria: Technology is a rapidly changing and developing subject that requires constant training to keep up with evolving technologies. As operations depend more and more on IT systems, they become increasingly complex. In keeping with this increased complexity, IT personnel are no longer generalists, but have become specialized in different areas.

Effect: Loss of key IT personnel for whom there is no backup may result in essential tasks going undone or not being performed in a timely manner.

Cause: Lack of IT resources and training budgets make it difficult to designate and cross-train backup personnel for key IT positions.

Auditors’ Recommendations: Management should identify key IT personnel and tasks for which there is no backup and cross-train other personnel in those key areas. IT personnel should keep abreast of new technologies through a structured training and cross-training program.

Management’s Response: The City concurs with the finding. The Information Technology Systems Department (ITSD) has begun the process of “one-deep” identification of key staff and functions. Where possible, we are cross-training and re-classifying positions to meet this demand. This will continue to be a challenge as we work with static budgets and do not have the ability to add staff or provide complete backup capability.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-08 Timeliness of Grant Reimbursement Requests

Condition: The City does not have a process in place to ensure that reimbursement requests are being completed on a timely basis, and federal expenditures are being posted to incorrect project codes in the system.

Criteria: Good accounting procedures require that grant fund requests be made in a timely manner in order to avoid using City resources when it is not necessary.

Effect: The City may not have drawn down on federal awards that were available causing the City to cover current year federal expenditures, and the City could lose federal funding if reimbursement is not requested timely within the funding period.

Cause: The grants department is decentralized and some departments are slow in completing reimbursement requests.

Auditors' Recommendations: The City's grant department should go through their grant receivables and obtain the status for all of their drawdowns.

Management's Response: The City concurs with this finding. Central Grant Accounting staff plan to meet with their assigned departments monthly to review and help reconcile the grants. Drawdown requests will also be reviewed for timeliness.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-09 Component Unit Identification and Evaluation

Condition: The City does not have a process in place to identify and evaluate potential component units in order to determine if they should be included in the City's Comprehensive Annual Financial Report. It is likely that some excluded organizations, such as the New Mexico BioPark Society and the Albuquerque Museum Foundation, meet the criteria to be included.

Criteria: GASB 39 requires organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria be presented as component units in a government's financial statements:

- The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
- The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
- The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Effect: The City's Comprehensive Annual Financial Report could omit component units required to be included by generally accepted accounting principles.

Cause: The City does not have procedures in place to ensure that potential component units are identified and evaluated, to determine if they should be included in the City's financial reporting entity.

Auditors' Recommendations: Establish procedures to identify potential component units and evaluate each to determine if it should be included in the City's financial reporting entity and the Comprehensive Annual Financial Report.

Management's Response: The City concurs with this finding. The analysis has been done in the past and it was determined that there were no other entities that should be included in the City's Comprehensive Annual Report because they did not qualify or were not material to the City. The City is in the process of updating this analysis.

CITY OF ALBUQUERQUE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS — CONTINUED
Year Ended June 30, 2011

D — Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978 — continued

SA 11-10 Capital Assets Inventory — Albuquerque Bernalillo County Water Utility Authority (Authority)

Condition: The Authority did not perform an annual physical inventory of machinery and equipment during fiscal year 2011.

Criteria: According to Section 12-6-10(A) NMSA 1978, each agency shall conduct an annual physical inventory of movable chattels and equipment on the inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory is performed. This certification should be provided to the agency's auditors.

Effect: The Authority's capital assets listing for machinery and equipment may be incorrect.

Cause: The Authority is not performing annual physical inventory counts of its capital assets to ensure compliance with state statutes.

Auditors' Recommendations: Management should complete a physical inventory of capital assets every year in compliance with Section 12-6-10(A) NMSA 1978. Results from this physical inventory should be reconciled to the Authority's detailed capital assets listing for machinery and equipment.

Management's Response: The Authority concurs with this finding and recognizes that an annual physical inventory is required by State Statute. However, given the lack of available technology to assist in the inventory taking, the amount of labor and effort that would be required to complete a physical inventory makes doing the task impractical. While the Authority has benefitted from technological advances in almost every aspect of its business operations, the fixed asset inventory process has remained in the paper and pencil era.

The Authority recognizes it will have to move out of the paper and pencil era and utilize technology and financial systems so that an annual physical inventory can be done and have it represent a useful business process. The Authority has an asset management system, an upgraded Maximo work order system which is integrated with its Geographical Information System (GIS) and will be acquiring its own ERP financial system. As those resources are developed and some new technology is acquired, the Authority expects it will be able to do an annual physical inventory and be in compliance with State Statutes.

CITY OF ALBUQUERQUE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2011

Prior Audit Findings	Current Status
Financial Statement Findings	
06-16 — Operating Grants Fund Balance	Repeated
08-02 — Manual Payroll Checks Handling	Repeated
08-16 — Bank Reconciliation Process	Repeated
09-04 — Payroll – Lack of Approval	Repeated
09-15 — Timely Closing of General Ledger and Reconciliation of Subsidiary Ledgers	Repeated
09-20 — Development Loans	Repeated
10-03 — Inaccurate Inventory Record Keeping	Repeated
Federal Awards Findings	
05-13 — Audit Report Due Date	Repeated
07-09 — Schedule of Expenditures of Federal Awards	Repeated
10-12 — Allowable Costs – Documentation of Employee Time and Effort – CDBG and Low Rent	Resolved (CDBG), Repeated (Low Rent); (Federal Awards Findings)
Other Findings	
01-17 — Budget Overspending	Repeated
09-14 — Accurate and Timely Budget to Actual Information	Repeated and combined with 01-17
09-05 — Purchase and Travel Card Request/Cardholder agreements authorization	Repeated and combined with 07-10
07-10 — Purchase and Travel Card – Purchase Log/Reconciliation	Repeated
08-12 — Noncompliance with the New Mexico State Public Money Law Requirements	Repeated
08-13 — Classification of Transit Fund Capital Asset Additions	Repeated

CITY OF ALBUQUERQUE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS — CONTINUED
For the Year Ended June 30, 2011

Prior Audit Findings	Current Status
Other Findings — continued	
09-18 — ABC Water Authority Bond Covenants	Repeated
09-21 — Refuse Disposal Accounts Receivable	Repeated
10-01 — Lack of Supporting Documentation for Cash Receipts – Treasury/Senior Affairs	Repeated
10-04 — Reporting Unclaimed Property	Repeated
10-06 — Business Continuity and Disaster Recovery Plan (BCP/DRP)	Repeated
10-08 — Password Policies	Repeated
06-13 — Infrastructure Capital Asset Variances	Resolved
09-01 — Credit Card Receipts (Transit) – Credit Card Reconciliations	Resolved
09-02 — Premature Purchase of Airline Tickets	Resolved
09-23 — FDS Reporting, HUD, Public Housing, Low Rent	Resolved
10-02 — Improper Capitalization of Expenditures – Aviation	Resolved
10-05 — Bank Reconciliation Approval Process (Housing)	Resolved
10-07 — Access Administration	Resolved
10-09 — Timely Submission Reports – Transit	Resolved
10-10 — Housing Depository Agreements with Financial Institutions	Resolved
10-11 — Procurement Finding – Water Utility Authority	Resolved
10-13 — Reporting – Water Reclamation and Reuse Program	Resolved
10-14 — Eligibility – Housing	Resolved

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STATE COMPLIANCE

Schedule of Deposits And Investments By Financial Institutions

Schedule of Pledged Collateral By Financial Institutions

Joint Powers Agreements

Exit Conference

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEPOSITS AND INVESTMENTS BY FINANCIAL INSTITUTION
June 30, 2011

Financial Institution: Account name	Type of Account	Bank Balance	Outstanding (Checks) Deposits	Book Balance
Deposits:				
Wells Fargo Bank				
APD Evidence	Checking	\$ 1,741,672	\$ (21,450)	\$ 1,720,222
Las Cruces Land	Savings	43,094	-	43,094
Library Petty Cash	Checking	1,100	(1,100)	-
Bluewater Apartments - operating and maintenance	Checking	257,312	(28,428)	228,884
Mayor and First Lady's Charity Ball	Checking	-	73,650	73,650
		<u>2,043,178</u>	<u>22,672</u>	<u>2,065,850</u>
Bank of America				
Common Fund	Checking	152,378,216	1,918,991	154,297,207
City Payroll	Checking	-	(136,997)	(136,997)
Water Utility Authority Payroll	Checking	-	(3,760)	(3,760)
City Accounts Payable	Checking	(17,330)	(6,371,940)	(6,389,270)
Water Utility Authority Accounts Payable	Checking	(12,323)	(2,956,569)	(2,968,892)
Real Property	Checking	369	(369)	-
Legal Department	Checking	1,957	81,701	83,658
Employee Health Services	Checking	2,449	(395)	2,054
APD Criminal Investigations	Checking	1,004	(29)	975
Housing Authority - Public Housing	Checking	8,539,247	(1,214,097)	7,325,150
Housing Authority - Section 8	Checking	469	(41,109)	(40,640)
Housing Authority - Modernization	Checking	-	-	-
Housing Authority - Section 8	Checking	104,771	-	104,771
Housing Authority - Public Housing FSS	Checking	14,096	-	14,096
		<u>161,012,925</u>	<u>(8,724,573)</u>	<u>152,288,352</u>
New Mexico Bank & Trust (all related to The Apartments Fund)				
Candelaria Gardens - Tenant security deposits	Checking	2,317	-	2,317
Santa Barbara - Tenant security deposits	Checking	1,203	-	1,203
Tucson - Tenant security deposits	Checking	1,206	-	1,206
Manzano Vista-Tenant security deposits	Checking	29,794	-	29,794
Glorieta-Tenant security deposits	Checking	3,050	-	3,050
Beach-Tenant security deposits	Checking	15,632	-	15,632
Bluewater-Tenant security deposits	Checking	44,600	-	44,600
Manzano Vista- Operating and maintenance	Checking	64,167	(63,517)	650
Santa Barbara - Operating and maintenance	Checking	10,679	(814)	9,865
Tucson - Operating and maintenance	Checking	51,763	(1,349)	50,414
Beach - Operating and maintenance	Checking	82,825	(8,353)	74,472
Candelaria Gardens - Operating and maintenance	Checking	128,511	(1,903)	126,608
Glorieta - Operating and maintenance	Checking	71,332	(904)	70,428
Candelaria Gardens - Property reserve	Checking	95,002	-	95,002
Glorieta - Property reserve	Checking	41,127	-	41,127
Tucson - Property reserve	Checking	63,633	-	63,633
Santa Barbara - Property reserve	Checking	39,037	-	39,037
FCSD property management trust	Checking	153,325	(16)	153,309
		<u>899,203</u>	<u>(76,856)</u>	<u>822,347</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF DEPOSITS AND INVESTMENTS BY FINANCIAL INSTITUTION
June 30, 2011

Financial Institution: Account name	Type of Account	Bank Balance	Outstanding (Checks) Deposits	Book Balance
Deposits continued:				
First Community Bank				
Common Fund	Checking	\$ 28,515	\$ -	\$ 28,515
Water Utility Authority Water Clearing	Checking	1,006,110	-	1,006,110
APD SID	Checking	81,374	(403)	80,971
APD SID	Checking	473,915	-	473,915
APD SID	Checking	369,356	-	369,356
		<u>1,959,270</u>	<u>(403)</u>	<u>1,958,867</u>
Bank of the West				
Certificate of Deposit	Investment	237,060,038	(60,038)	237,000,000
Total deposit accounts		<u>402,974,614</u>	<u>(8,839,198)</u>	<u>394,135,416</u>
Investments:				
Bank of America				
Working Capital Account	Investment	293,586,711	(851,285)	292,735,426
Short-Term Investment Account (Repurchase Agreement)	Investment	31,000,000	-	31,000,000
Short-Term Investment Account (Repurchase Agreement)	Investment	7,407,100	-	7,407,100
State of New Mexico				
Local Government Investment Pool				
LGIP Fund Pool-4101	Investment	8,013,601	-	8,013,601
LGIP Fund Pool-4102	Investment	803,067	-	803,067
LGIP Fund Pool-4102	Investment	23,198	-	23,198
Bank of New York Mellon Trust Company				
U.S. Treasury Money Market Fund	Investment	1,164,776	180,070	1,344,846
Bank of Albuquerque				
U.S. Treasury Money Market Fund	Investment	1,584,128	(1,607)	1,582,521
Wells Fargo Trust in Denver, Colorado				
U.S. Treasury Money Market Fund	Investment	1,173,066	-	1,173,066
U.S. Treasury Money Market Fund	Investment	500,560	-	500,560
U.S. Treasury Money Market Fund	Investment	498,539	-	498,539
U.S. Treasury Money Market Fund	Investment	282,224	-	282,224
U.S. Treasury Money Market Fund	Investment	1	(1)	-
Total investments		<u>346,036,971</u>	<u>(672,823)</u>	<u>345,364,148</u>
Total cash and investments		<u>\$ 749,011,585</u>	<u>\$ (9,512,021)</u>	<u>\$ 739,499,564</u>
Imprest cash not in bank				42,809
Accrued interest investment fund				703,064
Fiduciary cash				(4,556,701)
Cash and Investments on Statement of Net Assets				<u>\$ 735,688,736</u>

CITY OF ALBUQUERQUE, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL BY FINANCIAL INSTITUTION
June 30, 2011

The collateral for deposit accounts is as follows:

Financial Institution Collateral Description	Original Face	Current Face	Current Market	Maturity Date	Coupon Rate
Bank of the West					
FHLMC FH 1Q1162	\$ 61,000,000	\$ 57,386,952	\$ 60,011,939	02/01/2036	2.38%
FHLMC FHR 3339 HF	72,000,000	34,556,959	34,636,402	07/15/2037	0.71%
FHLMC FG A95831	50,000,000	49,024,465	51,137,901	12/01/2040	4.50%
FNMA FN MA0654	50,000,000	47,467,141	49,812,180	2/02/2021	3.50%
FHLMC FH 1Q0682	42,488,732	18,583,637	19,591,310	04/01/2038	3.48%
FNMA FN AA7681	42,000,000	34,614,999	36,172,152	06/01/2039	4.50%
FHLMC FH 1B4492	12,000,000	7,121,915	7,471,721	10/01/2039	3.74%
FNMA FN AH0951	10,000,000	9,857,655	10,310,342	12/01/2040	4.50%
FHLMC FH 1Q1195	8,000,000	7,628,236	8,053,683	05/01/2037	2.75%
FNMA FN AH0951	5,605,000	5,525,215	5,778,947	12/01/2040	4.50%
FNMA FNR 2010-43 FD	2,265,000	2,092,373	2,100,224	05/25/2040	0.79%
FNMA FN 872467	13,957,485	3,453,702	3,638,699	05/01/2036	2.72%
FNMA FN AB1366	74,000,000	62,551,003	65,563,048	08/01/2025	4.00%
	<u>\$ 443,316,217</u>	<u>\$ 339,864,252</u>	<u>\$ 354,278,548</u>		

Location of collateral: Bank of the West, Walnut Creek, CA

Total all banks \$ 354,278,548

The collateral for repurchase agreements is as follows:

Financial Institution Collateral Description	Original Face	Current Face	Current Market	Maturity Date	Coupon Rate
Bank of America					
City of Albuquerque Common Fund					
FNMA FNAR LBAH7804	\$ 28,387,844	\$ 28,499,358	\$ 29,069,345	04/01/2041	3.12%
FNMA FNMS CIAE1806	2,680,355	2,500,642	2,550,655	10/01/2025	3.50%
	<u>\$ 31,068,199</u>	<u>\$ 31,000,000</u>	<u>\$ 31,620,000</u>		

102% collateral requirement 31,620,000

Collateral in excess (deficit) of requirement \$ -

Location of collateral: Bank of New York Mellon, New York, N.Y.

The market value shown of the pledged collateral for the common fund repurchase agreement is as of the time of purchase on 6/30/2011.

Bank of America					
Housing Authority					
Gov Natl Mtg Assoc	\$ 7,627,320	\$ 7,407,100	\$ 7,555,242	02/20/2036	0.00%
		<u>\$ 7,407,100</u>	<u>\$ 7,555,242</u>		

102% collateral requirement 7,555,242

Collateral in excess (deficit) of requirement \$ -

Location of collateral: Bank of America, N.A, Charlotte, N.C.

All pledged collateral is held in the city's name at each financial institution.

Directed trades (portfolio investment purchases) are held at the Federal Reserve Bank, Richmond, Virginia in an account separate from the account where the collateral for the common fund repurchase agreement is held.

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2011

<u>Joint Powers Agreements</u>	<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>
City County Building CCN 88-0161	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	For the ownership, care, control, improvement, operation and maintenance of the jointly held City/County Building
Law Enforcement Center CCN 86-0063 & CCN 88-0161	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	For the ownership, care, control, improvement, operation and maintenance of the jointly Law Enforcement Center
Middle Rio Grande Conservancy District	City of Albuquerque and MRGCD	City of Albuquerque and the MRGCD	Blanket permit for discharges of storm runoff to the Alameda/Riverside Drain system and fees for operation and maintenance
N.M. State Highway & Transportation Department / Municipal Development CCN 200101280.5 / J00671	City of Albuquerque and the NM State Highway and Transportation Department	City of Albuquerque	Bicycle Travel Demand Management Program
Wildland Protection Equipment and Supplies	New Mexico Energy, Minerals and Natural Resources Department, City of Albuquerque	All Participants	Wildland Protection Equipment and Supplies
Health and Dental CCN 200900183	City of Albuquerque/ Human Resources/ Benefits and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Employee dental benefits program for eligible employees
City of Belen Health and Dental CCN 200900653	City of Albuquerque/ Human Resources/ Insurance and the City of Belen	City of Albuquerque and the City of Belen	Employee dental benefits program for eligible employees
County of Sandoval Health and Dental CCN 200900655	City of Albuquerque/ Human Resources/ Insurance and the County of Sandoval	City of Albuquerque and the County of Sandoval	Employee dental benefits program for eligible employees
Middle Rio Grande Conservancy District CCN 200900656	City of Albuquerque/ Human Resources/ Insurance and the MRGCD	City of Albuquerque and the MRGCD	Employee health benefits program for eligible employees
Southern Sandoval County Arroyo Flood Control Authority Health & Dental CCN 200900657	City of Albuquerque/ Human Resources/ Insurance and SSCAFCA	City of Albuquerque and the SSCAFCA	Employee health benefits program for eligible employees
Town of Bernalillo Health and Dental CCN 200900658	City of Albuquerque/ Human Resources/ Insurance and the Town of Bernalillo	City of Albuquerque and the Town of Bernalillo	Employee health benefits program for eligible employees

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
12/28/88	Indefinite	Not specified	\$599,157	City of Albuquerque/and the County of Bernalillo
08/05/86	Ongoing until terminated by a 6-month notice	Not specified	Varies yearly	City of Albuquerque/and the County of Bernalillo
04/21/88	Ongoing	Amount varies each year based on the original agreement and the current Consumer Price Index.	\$121,315	N/A
04/20/00	09/30/14	\$1,775,000	\$150,016	City of Albuquerque
07/01/10	10-Day Notice	N/A	N/A	All Parties
07/01/03	06/30/11	\$65,000	\$65,000	N/A
07/01/06	06/30/11	\$1,837	\$1,837	N/A
07/01/03	06/30/11	\$14,510	\$14,510	N/A
07/01/03	06/30/11	\$6,350	\$6,350	N/A
07/01/06	06/30/11	\$740	\$740	N/A
07/01/03	06/30/11	\$1,837	\$1,837	N/A

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2011

<u>Joint Powers Agreements</u>	<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>
Town of Cochiti Lake Health and Dental CCN 200900659	City of Albuquerque/ Human Resources/ Insurance and the Town of Cochiti Lake	City of Albuquerque and the Town of Cochiti Lake	Employee health benefits program for eligible employees
Town of Mountainair Health and Dental CCN 200900661	City of Albuquerque/ Human Resources/ Insurance and the Town of Mountainair	City of Albuquerque and the Town of Mountainair	Employee health benefits program for eligible employees
Village of Corrales Health and Dental CCN 200900663	City of Albuquerque/ Human Resources/ Insurance and the Village of Corrales	City of Albuquerque and the Village of Corrales	Employee health benefits program for eligible employees
Village of Cuba Health and Dental CCN 200900664	City of Albuquerque/ Human Resources/ Insurance and the Village of Cuba	City of Albuquerque and the Village of Cuba	Employee health benefits program for eligible employees
Village of Los Ranchos Health and Dental CCN 200900665	City of Albuquerque/ Human Resources/ Insurance and the Village of Los Ranchos	City of Albuquerque and the Village of Los Ranchos	Employee health benefits program for eligible employees
Village of San Ysidro Health and Dental CCN 200900666	City of Albuquerque/ Human Resources/ Insurance and Village of San Ysidro	City of Albuquerque and the Village of San Ysidro	Employee health benefits program for eligible employees
Village of Tijeras Health and Dental CCN 200900668	City of Albuquerque/ Human Resources/ Insurance and Village of Tijeras	City of Albuquerque and the Village of Tijeras	Employee health benefits program for eligible employees
Village of Bosque Farms Health and Dental CCN 200900662	City of Albuquerque/ Human Resources/ Insurance and the Village of Bosque Farms	City of Albuquerque and the Village of Bosque Farms	Employee health benefits program for eligible employees
N.M. Department of Transportation / J00131	N.M. Department of Transportation and City of Albuquerque	N.M. Department of Transportation and City of Albuquerque	Bicycle/Pedestrian safety program
Metropolitan Criminal Justice / CCN 2003-0385	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Provides criminal justice services to deter, and prevent crime in the community
Conduct of Community Programs on Aging CCN 1995-0739	City of Albuquerque/ Village of Los Ranchos/Village of Tijeras/ and the County of Bernalillo	City of Albuquerque	Provide programs and services to older residents through a centralized system of administration
Eminent domain powers CCN 2004-0692	Albuquerque Bernalillo County Water Utility Authority (ABCWUA)/Bernalillo County/ City of Albuquerque (CoA)	All Participants	City, County & Authority have right-of-way eminent domain powers

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
07/01/06	06/30/11	\$650	\$650	N/A
07/01/06	06/30/11	\$1,837	\$1,837	N/A
07/01/03	06/30/11	\$2,750	\$2,750	N/A
07/01/03	06/30/11	\$1,837	\$1,837	N/A
07/01/03	06/30/11	\$770	\$770	N/A
07/01/06	06/30/11	\$600	\$600	N/A
07/01/03	06/30/11	\$1,010	\$1,010	N/A
07/01/03	06/30/11	\$1,700	\$1,700	N/A
05/04/95	09/30/14	\$466,666	\$22,130	N.M. Department of Transportation
07/01/03	90-day notice	Not specified	\$0	City of Albuquerque, County of Bernalillo, DFA, State Auditor
11/13/95	90-day Notice	Not specified	Unknown	City of Albuquerque
09/22/04	Indefinite	Not specified	Unknown	All Parties

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2011

Memorandums of Understanding & Other Agreements

<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>	
Unified Library System CCN 93-0516, 2003-0589 & 2006-0421	City of Albuquerque, the County of Bernalillo, Village of Tijeras, and Village of Los Ranchos	City of Albuquerque and the County of Bernalillo	Provide well-balanced collections of books and other media for residents
City County Building	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Annual budget for the ownership, care, custody, control, improvement operation and maintenance of the City/County Building and Law Enforcement Center
Bernalillo County	City of Albuquerque, Bernalillo County	City of Albuquerque	Household Hazardous Waste Collection Program
Bernalillo County	City of Albuquerque, Bernalillo County	City of Albuquerque	Insect, Rodent Control and Plague Surveillance Programs
Fire Inspections	State Fire Marshal's Office, City of Albuquerque, Albuquerque Public Schools	City of Albuquerque	Fire Inspections
Use of 1995 Fire Engine w/single stage pump	City of Albuquerque, Village of Fort Sumner, New Mexico	All Participants	Use of 1995 Fire Engine w/single stage pump
Bernalillo County	City of Albuquerque, Bernalillo County	City of Albuquerque	Metropolitan Traffic Court Arraignment Program
Bernalillo County	City of Albuquerque, Bernalillo County	City of Albuquerque, Bernalillo County	Data-sharing between County Assessor and City of Albuquerque
Joint Metropolitan Forensic Science Center (MFSC) CCN 1999-0226, CCN 2005- 0688	City of Albuquerque and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Maintain and manage a joint crime laboratory for the processing, analysis and secured storage of evidence
Bus Services/Sun Van	City of Albuquerque/ Transit/and the County of Bernalillo	City of Albuquerque and the County of Bernalillo	Perform Transit and Sun Van service.
Original Agreement	CoA/ABCWUA	All Participants	Full scope of the understanding between the City, and services to be provided by each party upon the Authority acquiring all the powers necessary to operate a public water and wastewater utility

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
04/29/91	90 Day Notice	Not specified	\$1,138,925	City of Albuquerque and the County of Bernalillo
07/01/10	06/30/11	\$948,000	\$948,000	N/A
07/01/10	06/30/11	\$108,000	\$108,000	N/A
07/01/10	06/30/11	\$141,000	\$141,000	N/A
09/12/06	06/30/11	N/A	N/A	N/A
08/06/04	06/30/14	N/A	N/A	N/A
12/17/02	Until terminated in writing	\$30,000 yearly	\$30,000	N/A
12/16/04	Until terminated in writing	Not specified	Unknown	N/A
12/11/09	4 years or until cancelled	\$12,000,000	\$693,312	City of Albuquerque
07/01/07	July 1, 2008 or until subsequent agreement is executed by parties.	Based on routes / usage	\$1,763,758	N/A
07/01/07	06/30/12	N/A	N/A	All Parties

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2011

**Memorandums of
Understanding & Other
Agreements**

		<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>
First Amendment 0045	2008-	CoA/ABCWUA	All Participants	Provides the City's Solid Waste Department or other City agency with the use of the Authority's billing and collection system based upon a mutually agreed cost
Third Amendment 0021	2009-	CoA/ABCWUA	All Participants	Provide a practical mechanism for the review and identification of real property transferred from the City to the Authority by operation of law so that the City can convey record title to the Authority
2008-0046		CoA, Fire Dept./ABCWUA	All Participants	The City will paint up to 3,187 fire hydrants per year at a cost of \$8 per hydrant for an annual cost to the Authority not to exceed \$25,500
2008-0076		CoA, Parks & Recreation Dept./Fire Dept./ABCWUA	All Participants	Landscaping and irrigation system improvements to be made by the Authority along Campbell Road and the Rio Grande Compound made necessary by damages from the San Juan Chama drinking water project and the Parks and Recreation Department agreement to provide yearly maintenance of such improvements
2008-0151		CoA, Office of Emergency Management/ABCWUA	All Participants	Allows the use of the Authority's facilities at Pino Yards on a no notice basis as an alternate emergency operations facility in the event the primary emergency operations facility is unavailable
2009-0132		ABCWUA	All Participants	The Authority agrees to reimburse the City for low flow toilets and urinals purchased, retrofitted and installed by the City in City facilities
2010-0117		CoA, Parks and Recreation Department, Black Cattle Ranch LLC, Quail Ranch/ABCWUA	All Participants	Bio solids assisted sustainable grazing study on City of Albuquerque Open Space land and on land leased by Black Cattle Ranch LLC from Quail Ranch
2011-0137		ABCWUA	All Participants	Conditions and terms for the Authority requesting barricade and excavation permits and the fees to be charged for such permits by the City

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
07/01/07	06/30/12	N/A	N/A	All Parties
09/16/08	06/30/12	N/A	N/A	All Parties
08/10/07	Terminated by either party with a six month written notice	\$25,500 per year	Unknown	All Parties
12/06/07	12/31/50	\$103,530	\$0	All Parties
04/30/08	12/31/50	N/A	N/A	All Parties
04/01/09	04/01/13	\$156,825	\$0	All Parties
03/16/10	02/28/13	N/A	N/A	All Parties
04/12/11	06/30/12	N/A	N/A	All Parties

CITY OF ALBUQUERQUE, NEW MEXICO
JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING
JUNE 30, 2011

**Memorandums of
Understanding & Other
Agreements**

<u>Participants</u>	<u>Responsible Party</u>	<u>Description</u>	
2012-0020	ABCWUA	All Participants	Requires the City Fire Department and the Authority to perform various inspection and maintenance services on public fire hydrants and the Authority will map in its GIS system all public and private fire hydrants
2011-0111	CoA, Solid Waste Dept./ABCWUA	All Participants	Use of non-potable water from storage tank at the Metropolitan Detention Center for dust control at the Cerro Colorado landfill operated by the City Solid Waste Department

<u>Beginning Date</u>	<u>Ending Date</u>	<u>Project Amount</u>	<u>Current Year Contributions</u>	<u>Audit Responsibility</u>
08/10/11	08/10/16	N/A	N/A	All Parties
05/02/11	12/31/60	N/A	N/A	All Parties

CITY OF ALBUQUERQUE, NEW MEXICO
EXIT CONFERENCE
June 30, 2011

An exit conference was held on March 16, 2012, and attended by the following:

City Personnel:

Ken Sanchez
Finance Committee Chair, City Council

Lou Hoffman
Director of Finance and Administrative Services

Pamela Berry
Accounting Officer

Jesse Muniz
Assistant Accounting Officer

Mari Hughes
Accounting Manager

Amanda Vigil
Grants Administrator

Stephanie Yara
City Council Policy Analyst II

Nela Wilkinson
Accounting Systems Coordinator

Cliff Wintrode
Albuquerque/Bernalillo County Water Utility Authority

REDW, LLC Personnel:

Bruce Bleakman
Principal

James Montoya
Principal

Chien-chih Yeh
Senior Manager

Joshua Trujillo
Senior Manager

Danny Martinez
Audit Senior

The City of Albuquerque acknowledges its continuing commitment to protecting individuals rights and privileges. In accordance with this commitment, the City prohibits Discrimination in the operations of Government on the basis of race, color, religion, national origin or ancestry, physical/mental disability, age, gender, Vietnam era or disabled Veteran status, marital status, sexual orientation, pregnancy or medical condition.