

Sales Tax Revenue  
Improvement and Refunding  
Bonds

Series 2002

For Period Ending 6/30/10

## DEBT SERVICE SCHEDULE

<u>Fiscal Year</u>	<u>1994 Bonds</u>	<u>2002 Bonds Principal</u>	<u>2002 Bonds Interest</u>	<u>Annual Debt Service on the 2002 Bonds</u>	<u>Combined Total Debt Service</u>	<u>Coverage <sup>(1)</sup></u>
2002	\$ 178,400	--	\$ 123,421.88	\$ 123,421.88	\$ 301,821.88	27.13x
2003	179,520	\$ 25,000	164,562.50	189,562.50	369,082.50	22.19x
2004		205,000	163,562.50	368,562.50	368,562.50	22.22x
2005		215,000	155,362.50	370,362.50	370,362.50	22.11x
2006		225,000	146,762.50	371,762.50	371,762.50	22.03x
2007		230,000	137,762.50	367,762.50	367,762.50	22.27x
2008		245,000	128,562.50	373,562.50	373,562.50	21.92x
2009		255,000	118,762.50	373,762.50	373,762.50	21.91x
2010		270,000	107,925.00	377,925.00	377,925.00	21.67x
2011		255,000	96,315.00	351,315.00	351,315.00	23.31x
2012		265,000	85,095.00	350,095.00	350,095.00	23.39x
2013		275,000	73,170.00	348,170.00	348,170.00	23.52x
2014		290,000	60,382.50	350,382.50	350,382.50	23.37x
2015		305,000	46,317.50	351,317.50	351,317.50	23.31x
2016		315,000	31,525.00	346,525.00	346,525.00	23.63x
2017		335,000	16,247.50	351,247.50	351,247.50	23.32x

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(1) Based on Pledged Revenues for Fiscal year ended on June 30, 2010 (the most recent year for which audited figures are available), which were \$8,189,439. There is no assurance that Pledged Revenues received in the future will equal the Pledged Revenues used in the coverage computation.

## Taxable and Total Reported Gross Receipts

<u>Period Ending 6/30</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Agriculture	\$ 1,590	\$ 18,455	\$ (2,949)	\$ 8,078	\$ 176,133	\$ 7,160
Mining	\$ 51,601,120	\$ 64,758,352	\$ 43,434,357	\$ 30,136,751	\$ 15,076,790	\$ 12,597,341
Utilities	\$ 20,320,008	\$ 24,884,284	\$ 23,992,059	\$ 20,967,088	\$ 23,616,230	\$ 18,056,594
Construction	\$ 53,639,467	\$ 53,921,829	\$ 62,996,082	\$ 46,069,601	\$ 37,921,950	\$ 29,719,451
Manufacturing	\$ 22,505,993	\$ 18,527,461	\$ 11,406,410	\$ 16,013,061	\$ 13,209,468	\$ 11,191,532
Transportation	\$ 2,925,441	\$ 29,845,950	\$ 26,268,755	\$ 394,845	\$ 18,138,009	\$ 8,297,496
Wholesale Trade	\$ 24,631,610	\$ 34,465,241	\$ 33,430,769	\$ 26,954,946	\$ 23,369,665	\$ 22,017,759
Retail Trade	\$ 192,674,328	\$ 202,506,459	\$ 191,379,008	\$ 183,189,166	\$ 168,142,457	\$ 179,882,981
Information & Cultural Industries	\$ 19,159,779	\$ 12,379,912	\$ 9,425,040	\$ 9,882,940	\$ 10,182,778	\$ 10,169,500
Finance, Insurance, Real Estate	\$ 3,801,767	\$ 3,594,542	\$ 3,868,187	\$ 3,487,013	\$ 3,674,124	\$ 3,592,981
Real Estate & Rental & Leasing	\$ 13,639,226	\$ 24,996,152	\$ 20,219,208	\$ 8,319,031	\$ 5,152,423	\$ 3,119,697
Services	\$ 42,755,611	\$ 46,862,916	\$ 41,132,606	\$ 42,525,757	\$ 37,456,551	\$ 32,720,305
Management of Companies & Enterprises	\$ 18,543,701	\$ 14,050,768	\$ 6,831,487	\$ -	\$ -	\$ 28,279
Educational Services	\$ 136,703	\$ 96,076	\$ 105,931	\$ 37,248	\$ 8,040	\$ 68,554
Health Care & Social Assistance	\$ 55,343,228	\$ 56,247,588	\$ 46,343,054	\$ 44,311,804	\$ 41,978,360	\$ 43,141,822
Art, Entertainment, & Recreation	\$ 54,401	\$ 192,251	\$ 206,125	\$ 130,322	\$ 40,352	\$ 62,391
Accommodation & Food Services	\$ 52,894,219	\$ 56,492,526	\$ 50,438,574	\$ 45,087,025	\$ 39,129,273	\$ 35,319,484
Other Services	\$ 89,346,319	\$ 97,800,126	\$ 88,888,465	\$ 90,245,377	\$ 76,805,096	\$ 84,262,442
Public Administration	\$ -	\$ -	\$ -	\$ 1,493,527	\$ 564,993	\$ 87,607
Non-classifiable Establishments	\$ 4,551,135	\$ 4,675,389	\$ 1,676,887	\$ 5,570,194	\$ 16,446,628	\$ 19,674,478
Total Taxable Gross Receipts	\$ 668,525,647	\$ 746,316,280	\$ 662,040,056	\$ 574,823,772	\$ 531,089,320	\$ 514,017,854
Total Reported Gross Receipts	\$ 1,010,983,888	\$ 1,087,651,622	\$ 1,017,439,926	\$ 891,611,576	\$ 852,516,215	\$ 766,171,101

Source: State of New Mexico Taxation & Revenue Department

<u>Fiscal Year Ended June 30</u>	<u>State Gross Receipts Tax Revenues</u>
2009 <sup>1</sup>	\$ 8,189,439
2009 <sup>1</sup>	\$ 9,142,374
2008 <sup>1</sup>	\$ 8,109,991
2007 <sup>1</sup>	\$ 7,041,591
2006 <sup>1</sup>	\$ 6,505,844
2005 <sup>1</sup>	\$ 6,296,719

(1) 1.225% of the taxable gross receipts within a municipality is distributed to that municipality.

Source: City of Carlsbad

### **Historical Gross Receipts Tax Rates**

<u>As of July 1</u>	<u>State of New Mexico</u>	<u>Eddy County</u>	<u>City of Carlsbad</u>	<u>Total</u>
2010	3.900%	0.250%	3.2875%	7.4375%
2009	3.775%	0.250%	3.2875%	7.3125%
1/1/2009**	3.775%	0.250%	3.2875%	7.3125%
2008	3.775%	0.250%	2.7875%	6.8125%
2007	3.775%	0.250%	2.7875%	6.8125%
2006	3.775%	0.250%	2.7875%	6.8125%
2005	3.775%	0.250%	2.7875%	6.8125%
1/1/2005*	3.775%	0.250%	2.7875%	6.8125%

\*The gross receipts tax rate changed for the City of Carlsbad effective January 1, 2005

\*\*The gross receipts tax rate changed for the City of Carlsbad effective January 1, 2009

Source: State of New Mexico Taxation and Revenue Department

## Historical General Fund Balance Sheet

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>ASSETS</b>						
Cash and CD's	\$ 8,259,827	\$ 8,667,717	\$ 7,718,847	\$ 8,816,237	\$ 5,775,766	\$ 5,730,028
Receivables, net:						
Taxes*	\$ 4,186,586	\$ 3,558,473	\$ 3,798,020	\$ 3,122,287		
Accounts*	\$ 467,509	\$ 293,097	\$ 366,716	\$ 4,146	\$ 3,022,926	\$ 2,632,198
Interest*	\$ 2,530	\$ 9,294	\$ 37,709	\$ 85,368	\$ -0-	\$ -0-
Due from other funds	-	-	1,414,760	-	-	79,149
Dues from other governments*	\$ 68,441	\$ 31,490	\$ 49,680	\$ 84,216	\$ -	\$ -
<b>TOTAL ASSETS</b>	<u>\$ 12,984,893</u>	<u>\$ 12,560,071</u>	<u>\$ 13,385,732</u>	<u>\$ 12,112,254</u>	<u>\$ 8,798,692</u>	<u>\$ 8,441,375</u>
<b>LIABILITIES EQUITY AND OTHER CREDITS</b>						
Account payable	\$ 189,055	\$ 298,034	\$ 133,701	\$ 11,459	\$ 45,039	\$ -
Accrued expenses	\$ 984,418	\$ 830,403	\$ 719,650	\$ 563,340	\$ 535,412	\$ 413,730
Deferred revenue	\$ 138,975	\$ 100,720	\$ 87,343	\$ 20,482	\$ 42,397	\$ 52,461
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>\$ 1,312,448</u>	<u>\$ 1,229,157</u>	<u>\$ 940,694</u>	<u>\$ 595,281</u>	<u>\$ 622,848</u>	<u>\$ 466,191</u>
<b>EQUITY AND OTHER CREDITS</b>						
Unreserved:						
Designated for subsequent year	\$ 4,161,982					
Undesignated	\$ 7,510,463	\$ 11,330,914	\$ 12,445,038	\$ 11,516,973	\$ 8,175,844	\$ 7,975,184
Total equity and other credits	<u>\$ 11,672,445</u>	<u>\$ 11,330,914</u>	<u>\$ 12,445,038</u>	<u>\$ 11,516,973</u>	<u>\$ 8,175,844</u>	<u>\$ 7,975,184</u>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<u>\$ 12,984,893</u>	<u>\$ 12,560,071</u>	<u>\$ 13,385,732</u>	<u>\$ 12,112,254</u>	<u>\$ 8,798,692</u>	<u>\$ 8,441,375</u>

\*Revised 2007 through 2009 due to different audit presentation starting in 2007.

Source: City of Carlsbad, Audited Financial Statements, 2005-2010.

## Historical General Fund Revenue and Expenditures

The General Fund is used to account for all financial resources of the City except for those required to be accounted for in one of the other funds.

Fiscal year Ending June 30	2010	2009	2008	2007	2006	2005
<b>Revenues</b>						
State shared taxes*	\$ 21,325,197	\$ 21,682,186	\$ 19,729,485	\$ 16,879,928	\$ 7,475,757	\$ 6,945,427
Local Effort Taxes*	2,695,140	2,688,595	2,563,463	2,388,989	10,619,093	9,845,516
Licenses and permits	227,320	179,920	183,704	249,901	190,731	170,388
Charges for services	949,310	756,193	777,685	475,194	532,990	480,576
Fines and forfeits	233,559	260,609	292,305	364,147	375,772	361,326
State and county grants	830,674	796,817	1,997,103	738,603	438,920	497,262
Federal Grants	-	-	-	223,415	112,425	36,174
Miscellaneous	288,535	509,947	487,394	582,686	936,108	734,856
<b>Total Revenues</b>	<b>\$ 26,549,735</b>	<b>\$ 26,874,267</b>	<b>\$ 26,031,139</b>	<b>\$ 21,902,863</b>	<b>\$ 20,681,796</b>	<b>\$ 19,071,525</b>
<b>Expenditures</b>						
Current:						
General government	\$ 3,903,155	\$ 3,556,996	\$ 4,183,978	\$ 2,965,772	\$ 2,985,885	\$ 2,642,672
Public safety	12,762,145	11,929,000	11,539,533	10,201,541	9,923,278	9,254,074
Public works	3,921,432	3,644,860	3,522,344	2,948,038	2,957,786	2,891,383
Culture and recreation	3,261,094	3,201,416	3,161,904	2,470,280	2,537,321	2,182,572
Public health and welfare	196,229	176,376	150,849	143,302	140,501	130,584
Economic development	135,653	133,692	122,770	300,116	269,693	225,653
Capital outlay	1,117,339	886,447	498,120	546,508	690,080	528,848
<b>Total Expenditures</b>	<b>\$ 25,297,047</b>	<b>\$ 23,528,787</b>	<b>\$ 23,179,498</b>	<b>\$ 19,575,557</b>	<b>\$ 19,504,544</b>	<b>\$ 17,855,786</b>
Excess (deficiency) of revenues over expenditures	1,252,688	3,345,480	2,851,641	2,327,306	1,177,252	1,215,739
<b>Other Financing Sources (Uses):</b>						
Sale of assets	-	-	-	-	244,700	2,000
Operating transfers in	2,524,658	2,977,677	3,241,144	2,882,872	1,741,747	2,280,937
Operating transfers (out)	(3,435,815)	(7,437,281)	(5,465,052)	(1,869,048)	(2,963,039)	(1,553,665)
<b>Net Other Financing Sources (Uses)</b>	<b>(911,157)</b>	<b>(4,459,604)</b>	<b>(2,223,908)</b>	<b>1,013,824</b>	<b>(976,592)</b>	<b>729,272</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	341,531	(1,114,124)	627,733	3,341,130	200,660	1,945,011
Fund Balance (deficit) beginning	\$ 11,330,914	\$ 12,445,038	\$ 11,516,974	\$ 8,175,844	\$ 7,975,184	\$ 5,196,264
Prior period adjustment			300,331			833,909
Fund Balance - beginning of year as restated	11,330,914	12,445,038	11,817,305	8,175,844	7,975,184	6,030,173
Fund Balance (deficit) ending	<b>\$ 11,672,445</b>	<b>\$ 11,330,914</b>	<b>\$ 12,445,038</b>	<b>\$ 11,516,974</b>	<b>\$ 8,175,844</b>	<b>\$ 7,975,184</b>

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Source: City of Carlsbad, Audited Financial Statements, 2005-2010.