

Sales Tax Revenue
Improvement and Refunding
Bonds

Series 2002

For Period Ending 6/30/11

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 ⁽¹⁾</u>
2002	\$ 178,400	--	\$ 123,421.88	\$ 123,421.88	\$ 301,821.88	33.37x
2003	179,520	\$ 25,000	164,562.50	189,562.50	369,082.50	27.29x
2004		205,000	163,562.50	368,562.50	368,562.50	27.32x
2005		215,000	155,362.50	370,362.50	370,362.50	27.19x
2006		225,000	146,762.50	371,762.50	371,762.50	27.09x
2007		230,000	137,762.50	367,762.50	367,762.50	27.38x
2008		245,000	128,562.50	373,562.50	373,562.50	26.96x
2009		255,000	118,762.50	373,762.50	373,762.50	26.94x
2010		270,000	107,925.00	377,925.00	377,925.00	26.65x
2011		255,000	96,315.00	351,315.00	351,315.00	28.67x
2012		265,000	85,095.00	350,095.00	350,095.00	28.77x
2013		275,000	73,170.00	348,170.00	348,170.00	28.92x
2014		290,000	60,382.50	350,382.50	350,382.50	28.74x
2015		305,000	46,317.50	351,317.50	351,317.50	28.67x
2016		315,000	31,525.00	346,525.00	346,525.00	29.06x
2017		335,000	16,247.50	351,247.50	351,247.50	28.67x

(1) Based on Pledged Revenues for Fiscal year ended on June 30, 2011 (the most recent year for which audited figures are available), which were \$10,070,683. 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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Agriculture	\$ 6,894	\$ 1,590	\$ 18,455	\$ (2,949)	\$ 8,078	\$ 176,133
Mining	\$ 75,815,849	\$ 51,601,120	\$ 64,758,352	\$ 43,434,357	\$ 30,136,751	\$ 15,076,790
Utilities	\$ 24,717,452	\$ 20,320,008	\$ 24,884,284	\$ 23,992,059	\$ 20,967,088	\$ 23,616,230
Construction	\$ 75,878,214	\$ 53,639,467	\$ 53,921,829	\$ 62,996,082	\$ 46,069,601	\$ 37,921,950
Manufacturing	\$ 32,027,228	\$ 22,505,993	\$ 18,527,461	\$ 11,406,410	\$ 16,013,061	\$ 13,209,468
Transportation	\$ 22,901,188	\$ 2,925,441	\$ 29,845,950	\$ 26,268,755	\$ 394,845	\$ 18,138,009
Wholesale Trade	\$ 31,679,673	\$ 24,631,610	\$ 34,465,241	\$ 33,430,769	\$ 26,954,946	\$ 23,369,665
Retail Trade	\$ 211,810,573	\$ 192,674,328	\$ 202,506,459	\$ 191,379,008	\$ 183,189,166	\$ 168,142,457
Information & Cultural Industries	\$ 28,517,879	\$ 19,159,779	\$ 12,379,912	\$ 9,425,040	\$ 9,882,940	\$ 10,182,778
Finance, Insurance, Real Estate	\$ 3,955,350	\$ 3,801,767	\$ 3,594,542	\$ 3,868,187	\$ 3,487,013	\$ 3,674,124
Real Estate & Rental & Leasing	\$ 28,241,836	\$ 13,639,226	\$ 24,996,152	\$ 20,219,208	\$ 8,319,031	\$ 5,152,423
Services	\$ 44,595,711	\$ 42,755,611	\$ 46,862,916	\$ 41,132,606	\$ 42,525,757	\$ 37,456,551
Management of Companies & Enterprises	\$ 31,805,603	\$ 18,543,701	\$ 14,050,768	\$ 6,831,487	\$ -	\$ -
Educational Services	\$ 141,041	\$ 136,703	\$ 96,076	\$ 105,931	\$ 37,248	\$ 8,040
Health Care & Social Assistance	\$ 55,223,370	\$ 55,343,228	\$ 56,247,588	\$ 46,343,054	\$ 44,311,804	\$ 41,978,360
Art, Entertainment, & Recreation	\$ 236,291	\$ 54,401	\$ 192,251	\$ 206,125	\$ 130,322	\$ 40,352
Accommodation & Food Services	\$ 61,916,886	\$ 52,894,219	\$ 56,492,526	\$ 50,438,574	\$ 45,087,025	\$ 39,129,273
Other Services	\$ 89,891,814	\$ 89,346,319	\$ 97,800,126	\$ 88,888,465	\$ 90,245,377	\$ 76,805,096
Public Administration	\$ -	\$ -	\$ -	\$ -	\$ 1,493,527	\$ 564,993
Non-classifiable Establishments	\$ 2,733,753	\$ 4,551,135	\$ 4,675,389	\$ 1,676,887	\$ 5,570,194	\$ 16,446,628
Total Taxable Gross Receipts	\$ 822,096,603	\$ 668,525,647	\$ 746,316,280	\$ 662,040,056	\$ 574,823,772	\$ 531,089,320
Total Reported Gross Receipts	\$ 1,197,057,552	\$ 1,010,983,888	\$ 1,087,651,622	\$ 1,017,439,926	\$ 891,611,576	\$ 852,516,215

Source: State of New Mexico Taxation & Revenue Department

<u>Fiscal Year Ended June 30</u>	<u>State Gross Receipts Tax Revenues</u>
2011 ¹	\$ 10,070,683
2010 ¹	\$ 8,189,439
2009 ¹	\$ 9,142,374
2008 ¹	\$ 8,109,991
2007 ¹	\$ 7,041,591
2006 ¹	\$ 6,505,844

(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>
2011	3.900%	0.250%	3.2875%	7.4375%
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%

*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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
ASSETS						
Cash and CD's	\$ 13,445,323	\$ 8,259,827	\$ 8,667,717	\$ 7,718,847	\$ 8,816,237	\$ 5,775,766
Receivables, net: ⁽²⁾	\$ 5,077,337					
Taxes ⁽¹⁾	\$ -	\$ 4,186,586	\$ 3,558,473	\$ 3,798,020	\$ 3,122,287	
Accounts ⁽¹⁾	\$ -	\$ 467,509	\$ 293,097	\$ 366,716	\$ 4,146	\$ 3,022,926
Interest ⁽¹⁾	\$ -	\$ 2,530	\$ 9,294	\$ 37,709	\$ 85,368	-0-
Due from other funds	-	-	-	1,414,760	-	-
Dues from other governments*	\$ -	\$ 68,441	\$ 31,490	\$ 49,680	\$ 84,216	\$ -
TOTAL ASSETS	<u>\$ 18,522,660</u>	<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>
LIABILITIES EQUITY AND OTHER CREDITS						
Account payable	\$ 236,429	\$ 189,055	\$ 298,034	\$ 133,701	\$ 11,459	\$ 45,039
Accrued expenses	\$ 1,046,536	\$ 984,418	\$ 830,403	\$ 719,650	\$ 563,340	\$ 535,412
Deferred revenue	\$ 133,093	\$ 138,975	\$ 100,720	\$ 87,343	\$ 20,482	\$ 42,397
Due to other funds	\$ 4,985	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>\$ 1,421,043</u>	<u>\$ 1,312,448</u>	<u>\$ 1,229,157</u>	<u>\$ 940,694</u>	<u>\$ 595,281</u>	<u>\$ 622,848</u>
EQUITY AND OTHER CREDITS						
Committed for:						
One twelfth budget reserve	\$ 2,594,303					
Subsequent years' expenditures	\$ 8,272,233					
Assigned	\$ -					
Unassigned	\$ 6,235,081					
Unreserved: ⁽³⁾						
Designated for subsequent year	\$ -	\$ 4,161,982				
Undesignated	\$ -	\$ 7,510,463	\$ 11,330,914	\$ 12,445,038	\$ 11,516,973	\$ 8,175,844
Total equity and other credits	<u>\$ 17,101,617</u>	<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>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 18,522,660</u>	<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>

⁽¹⁾Revised 2007 through 2009 due to different audit presentation starting in 2007.

⁽²⁾Receivables reported net in 2011.

⁽³⁾Equity reported using new GASB requirements in 2011.

Source: City of Carlsbad, Audited Financial Statements, 2006-2011.

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	2011	2010	2009	2008	2007	2006
Revenues						
Gross Receipts Taxes ⁽¹⁾⁽²⁾	\$ 25,478,709	\$ 21,325,197	\$ 21,682,186	\$ 19,729,485	\$ 16,879,928	\$ 7,475,757
Property Taxes ⁽¹⁾⁽³⁾	2,041,913	2,695,140	2,688,595	2,563,463	2,388,989	10,619,093
Franchise Taxes	747,496					
Public Service Taxes	5,437					
Licenses and permits	241,240	227,320	179,920	183,704	249,901	190,731
Charges for services	1,306,927	949,310	756,193	777,685	475,194	532,990
Fines and forfeits	273,309	233,559	260,609	292,305	364,147	375,772
Intergovernmental ⁽⁴⁾	801,273	830,674	796,817	1,997,103	738,603	438,920
Federal Grants	-	-	-	-	223,415	112,425
Interest	11,657					
Miscellaneous	58,312	288,535	509,947	487,394	582,686	936,108
Total Revenues	\$ 30,966,273	\$ 26,549,735	\$ 26,874,267	\$ 26,031,139	\$ 21,902,863	\$ 20,681,796
Expenditures						
Current:						
General government	\$ 3,913,551	\$ 3,903,155	\$ 3,556,996	\$ 4,183,978	\$ 2,965,772	\$ 2,985,885
Public safety	13,366,259	12,762,145	11,929,000	11,539,533	10,201,541	9,923,278
Public works	4,059,922	3,921,432	3,644,860	3,522,344	2,948,038	2,957,786
Culture and recreation	3,480,985	3,261,094	3,201,416	3,161,904	2,470,280	2,537,321
Public health and welfare	254,529	196,229	176,376	150,849	143,302	140,501
Economic development	-	135,653	133,692	122,770	300,116	269,693
Capital outlay	454,929	1,117,339	886,447	498,120	546,508	690,080
Total Expenditures	\$ 25,530,175	\$ 25,297,047	\$ 23,528,787	\$ 23,179,498	\$ 19,575,557	\$ 19,504,544
Excess (deficiency) of revenues over expenditures	5,436,098	1,252,688	3,345,480	2,851,641	2,327,306	1,177,252
Other Financing Sources (Uses):						
Sale of assets	-	-	-	-	-	244,700
Operating transfers in	3,723,951	2,524,658	2,977,677	3,241,144	2,882,872	1,741,747
Operating transfers (out)	(3,730,877)	(3,435,815)	(7,437,281)	(5,465,052)	(1,869,048)	(2,963,039)
Net Other Financing Sources (Uses)	(6,926)	(911,157)	(4,459,604)	(2,223,908)	1,013,824	(976,592)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,429,172	341,531	(1,114,124)	627,733	3,341,130	200,660
Fund Balance (deficit) beginning	\$ 11,672,445	\$ 11,330,914	\$ 12,445,038	\$ 11,516,974	\$ 8,175,844	\$ 7,975,184
Prior period adjustment				300,331		
Fund Balance - beginning of year as restated	11,672,445	11,330,914	12,445,038	11,817,305	8,175,844	7,975,184
Fund Balance (deficit) ending	<u>\$ 17,101,617</u>	<u>\$ 11,672,445</u>	<u>\$ 11,330,914</u>	<u>\$ 12,445,038</u>	<u>\$ 11,516,974</u>	<u>\$ 8,175,844</u>

⁽¹⁾Revised 2007 through 2009 due to different audit presentation starting in 2007.

⁽²⁾Title changed from State Shared Taxes to Gross Receipts Taxes because Public Service Taxes were reported separately in 2011.

⁽³⁾Title changed from Local Effort Taxes to Property Taxes because Franchise Taxes were reported separately in 2011.

⁽⁴⁾Title changed to Intergovernmental because State, County, and Federal Grants were reported together in 2011.

Source: City of Carlsbad, Audited Financial Statements, 2006-2011.