

Sales Tax Revenue
Improvement and Refunding
Bonds

Series 2002

For Period Ending 6/30/14

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	49.25x
2003	179,520	\$ 25,000	164,562.50	189,562.50	369,082.50	40.28x
2004		205,000	163,562.50	368,562.50	368,562.50	40.33x
2005		215,000	155,362.50	370,362.50	370,362.50	40.14x
2006		225,000	146,762.50	371,762.50	371,762.50	39.99x
2007		230,000	137,762.50	367,762.50	367,762.50	40.42x
2008		245,000	128,562.50	373,562.50	373,562.50	39.79x
2009		255,000	118,762.50	373,762.50	373,762.50	39.77x
2010		270,000	107,925.00	377,925.00	377,925.00	39.33x
2011		255,000	96,315.00	351,315.00	351,315.00	42.31x
2012		265,000	85,095.00	350,095.00	350,095.00	42.46x
2013		275,000	73,170.00	348,170.00	348,170.00	42.70x
2014		290,000	60,382.50	350,382.50	350,382.50	42.43x
2015		305,000	46,317.50	351,317.50	351,317.50	42.31x
2016		315,000	31,525.00	346,525.00	346,525.00	42.90x
2017		335,000	16,247.50	351,247.50	351,247.50	42.32x

(1) Based on Pledged Revenues for Fiscal year ended on June 30, 2014 (the most recent year for which audited figures are available), which were \$14,865,253. 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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Agriculture	\$ 22,477	\$ 15,770	\$ 59,537	\$ 6,894	\$ 1,590	\$ 18,455
Mining	\$ 106,858,238	\$ 125,771,177	\$ 94,361,658	\$ 75,815,849	\$ 51,601,120	\$ 64,758,352
Utilities	\$ 38,671,500	\$ 23,539,933	\$ 17,689,784	\$ 24,717,452	\$ 20,320,008	\$ 24,884,284
Construction	\$ 91,747,457	\$ 86,527,299	\$ 65,678,808	\$ 75,878,214	\$ 53,639,467	\$ 53,921,829
Manufacturing	\$ 81,383,260	\$ 72,287,518	\$ 40,859,947	\$ 32,027,228	\$ 22,505,993	\$ 18,527,461
Transportation	\$ 39,091,564	\$ 26,819,677	\$ 19,319,109	\$ 22,901,188	\$ 2,925,441	\$ 29,845,950
Wholesale Trade	\$ 68,272,364	\$ 83,196,138	\$ 38,494,429	\$ 31,679,673	\$ 24,631,610	\$ 34,465,241
Retail Trade	\$ 349,435,924	\$ 325,939,430	\$ 276,803,710	\$ 211,810,573	\$ 192,674,328	\$ 202,506,459
Information & Cultural Industries	\$ 36,675,217	\$ 29,503,598	\$ 28,476,071	\$ 28,517,879	\$ 19,159,779	\$ 12,379,912
Finance, Insurance, Real Estate	\$ 6,369,743	\$ 5,821,508	\$ 4,240,708	\$ 3,955,350	\$ 3,801,767	\$ 3,594,542
Real Estate & Rental & Leasing	\$ 30,764,246	\$ 39,912,679	\$ 36,097,717	\$ 28,241,836	\$ 13,639,226	\$ 24,996,152
Services	\$ 60,954,116	\$ 56,486,745	\$ 51,141,770	\$ 44,595,711	\$ 42,755,611	\$ 46,862,916
Management of Companies & Enterprises	\$ (10,519)	\$ -	\$ 15,760	\$ 31,805,603	\$ 18,543,701	\$ 14,050,768
Educational Services	\$ 16,250	\$ 30,745	\$ 76,804	\$ 141,041	\$ 136,703	\$ 96,076
Health Care & Social Assistance	\$ 52,579,093	\$ 53,901,984	\$ 55,582,879	\$ 55,223,370	\$ 55,343,228	\$ 56,247,588
Art, Entertainment, & Recreation	\$ 207,507	\$ 183,789	\$ 130,364	\$ 236,291	\$ 54,401	\$ 192,251
Accommodation & Food Services	\$ 98,866,052	\$ 86,045,316	\$ 73,746,400	\$ 61,916,886	\$ 52,894,219	\$ 56,492,526
Other Services	\$ 120,735,993	\$ 103,122,830	\$ 106,319,223	\$ 89,891,814	\$ 89,346,319	\$ 97,800,126
Public Administration	\$ 27,845,181	\$ 29,995,163	\$ 25,852,612	\$ -	\$ -	\$ -
Non-classifiable Establishments	\$ 3,004,399	\$ 1,206,559	\$ 7,790,027	\$ 2,733,753	\$ 4,551,135	\$ 4,675,389
Total Taxable Gross Receipts	\$ 1,213,490,062	\$ 1,150,307,857	\$ 942,737,315	\$ 822,096,603	\$ 668,525,647	\$ 746,316,280
Total Reported Gross Receipts	\$ 1,752,931,989	\$ 1,674,000,685	\$ 1,397,861,453	\$ 1,197,057,552	\$ 1,010,983,888	\$ 1,087,651,622

Source: State of New Mexico Taxation & Revenue Department

<u>Fiscal Year Ended June 30</u>	<u>State Gross Receipts Tax Revenues</u>
2014 ¹	\$ 14,865,253
2013 ¹	\$ 14,091,271
2012 ¹	\$ 11,548,532
2011 ¹	\$ 10,070,683
2010 ¹	\$ 8,189,439
2009 ¹	\$ 9,142,374

(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>
2014	3.900%	0.250%	3.2875%	7.4375%
2013	3.900%	0.250%	3.2875%	7.4375%
2012	3.900%	0.250%	3.2875%	7.4375%
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%

*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

Fiscal year Ending June 30	2014	2013	2012	2011	2010	2009
ASSETS						
Cash and CD's	\$ 20,657,621	\$ 18,462,113	\$ 10,948,609	\$ 13,445,323	\$ 8,259,827	\$ 8,667,717
Receivables, net: ⁽²⁾	\$ 7,711,903	\$ 7,025,345	\$ 6,971,372	\$ 5,077,337		
Taxes ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ 4,186,586	\$ 3,558,473
Accounts ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ 467,509	\$ 293,097
Interest ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ 2,530	\$ 9,294
Due from other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dues from other governments*	\$ -	\$ -	\$ -	\$ -	\$ 68,441	\$ 31,490
TOTAL ASSETS	\$ 28,369,524	\$ 25,487,458	\$ 17,919,981	\$ 18,522,660	\$ 12,984,893	\$ 12,560,071
LIABILITIES EQUITY AND OTHER CREDITS						
Account payable	\$ 661,566	\$ 544,628	\$ 154,509	\$ 236,429	\$ 189,055	\$ 298,034
Accrued liabilities	\$ 47,889	\$ 44,720	\$ 57,118	\$ 1,046,536	\$ 984,418	\$ 830,403
Accrued salaries	\$ 640,939	\$ 522,992	\$ 362,941			
Deferred revenue ⁽⁴⁾	\$ -	\$ -	\$ 159,933	\$ 133,093	\$ 138,975	\$ 100,720
Due to other funds	\$ -	\$ -	\$ 4,491	\$ 4,985	\$ -	\$ -
TOTAL LIABILITIES	\$ 1,350,394	\$ 1,112,340	\$ 738,992	\$ 1,421,043	\$ 1,312,448	\$ 1,229,157
DEFERRED INFLOWS OF RESOURCES:						
Deferred revenues ⁽⁴⁾	\$ 488,491	\$ 115,845				
EQUITY AND OTHER CREDITS						
Committed for:						
One twelfth budget reserve	\$ -	\$ 3,406,368	\$ 2,866,261	\$ 2,594,303		
Subsequent years' expenditures	\$ -	\$ 6,280,661	\$ 987,503	\$ 8,272,233		
Assigned	\$ -	\$ -	\$ -	\$ -		
Unassigned	\$ 26,530,639	\$ 14,572,244	\$ 13,327,225	\$ 6,235,081		
Unreserved: ⁽³⁾						
Designated for subsequent year	\$ -	\$ -	\$ -	\$ -	\$ 4,161,982	
Undesignated	\$ -	\$ -	\$ -	\$ -	\$ 7,510,463	\$ 11,330,914
Total fund balances ⁽⁵⁾	\$ 26,530,639	\$ 24,259,273	\$ 17,180,989	\$ 17,101,617	\$ 11,672,445	\$ 11,330,914
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES⁽⁵⁾	\$ 28,369,524	\$ 25,487,458	\$ 17,919,981	\$ 18,522,660	\$ 12,984,893	\$ 12,560,071

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

⁽²⁾Receivables reported net in 2011.

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

⁽⁴⁾Deferred Revenue moved to Deferred Inflows of Resources as per GASB requirements in 2013

⁽⁵⁾Title changed per GASB requirements in 2013

Source: City of Carlsbad, Audited Financial Statements, 2009-2014.

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	2014	2013	2012	2011	2010	2009
Revenues						
Gross Receipts Taxes ⁽¹⁾⁽²⁾	\$ 36,118,268	\$ 34,628,577	\$ 29,302,066	\$ 25,478,709	\$ 21,325,197	\$ 21,682,186
Property Taxes ⁽¹⁾⁽³⁾	2,359,013	2,269,624	2,110,630	2,041,913	2,695,140	2,688,595
Franchise Taxes	766,560	727,743	745,441	747,496		
Public Service Taxes	-	-	-	5,437		
Licenses and permits	375,146	274,061	308,294	241,240	227,320	179,920
Charges for services	1,387,665	1,522,313	1,240,581	1,306,927	949,310	756,193
Fines and forfeits	388,692	331,825	359,111	273,309	233,559	260,609
Intergovernmental ⁽⁴⁾	193,313	732,242	719,428	801,273	830,674	796,817
Federal Grants	31,087	47,538	66,679	-	-	-
Interest	6,152	7,752	8,085	11,657		
Miscellaneous	259,875	101,615	27,835	58,312	288,535	509,947
Total Revenues	\$ 41,885,771	\$ 40,643,290	\$ 34,888,150	\$ 30,966,273	\$ 26,549,735	\$ 26,874,267
Expenditures						
Current:						
General government	\$ 5,942,661	\$ 4,933,558	\$ 4,001,100	\$ 3,913,551	\$ 3,903,155	\$ 3,556,996
Public safety	16,469,573	15,159,944	13,929,703	13,366,259	12,762,145	11,929,000
Public works	5,254,109	4,713,121	4,090,908	4,059,922	3,921,432	3,644,860
Culture and recreation	4,356,117	3,734,000	3,387,597	3,480,985	3,261,094	3,201,416
Public health and welfare	848,865	824,766	741,857	254,529	196,229	176,376
Economic development	-	-	-	-	135,653	133,692
Capital outlay	2,836,987	2,025,397	1,241,281	454,929	1,117,339	886,447
Total Expenditures	\$ 35,708,312	\$ 31,390,786	\$ 27,392,446	\$ 25,530,175	\$ 25,297,047	\$ 23,528,787
Excess (deficiency) of revenues over expenditures	6,177,459	9,252,504	7,495,704	5,436,098	1,252,688	3,345,480
Other Financing Sources (Uses):						
Sale of assets	41,182	259,633	33,384	-	-	-
Operating transfers in	3,785,584	3,883,493	2,757,790	3,723,951	2,524,658	2,977,677
Operating transfers (out)	(7,732,859)	(6,317,346)	(10,207,506)	(3,730,877)	(3,435,815)	(7,437,281)
Net Other Financing Sources (Uses)	(3,906,093)	(2,174,220)	(7,416,332)	(6,926)	(911,157)	(4,459,604)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	2,271,366	7,078,284	79,372	5,429,172	341,531	(1,114,124)
Fund Balance (deficit) beginning	\$ 24,259,273	\$ 17,180,989	\$ 17,101,617	\$ 11,672,445	\$ 11,330,914	\$ 12,445,038
Prior period adjustment						
Fund Balance - beginning of year as restated	24,259,273	17,180,989	17,101,617	11,672,445	11,330,914	12,445,038
Fund Balance (deficit) ending	<u>\$ 26,530,639</u>	<u>\$ 24,259,273</u>	<u>\$ 17,180,989</u>	<u>\$ 17,101,617</u>	<u>\$ 11,672,445</u>	<u>\$ 11,330,914</u>

⁽¹⁾Revised 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, 2009-2014.