

Gross Receipts Tax Revenue  
Bonds

Series 2009

For Period Ending 6/30/13

## DEBT SERVICE SCHEDULE

<u>Fiscal Year</u>	<u>Combined Debt Service Series 2002 Bonds</u>	<u>Principal Amount Series 2009 Bonds</u>	<u>Interest Series 2009 Bonds</u>	<u>Combined Debt Service Series 2009 Bonds</u>	<u>Combined Total Debt Service</u>	<u>Coverage <sup>(1)</sup></u>
2010	\$ 373,763	\$ 1,260,000	\$ 291,099.00	\$ 1,551,099	\$ 1,924,862	7.32x
2011	377,925	1,505,000	279,763.00	1,784,763	2,162,688	6.52x
2012	351,315	225,000	234,613.00	459,613	810,928	17.38x
2013	350,095	235,000	227,863.00	462,863	812,958	17.33x
2014	348,170	240,000	220,813.00	460,813	808,983	17.42x
2015	350,383	245,000	213,613.00	458,613	808,996	17.42x
2016	351,318	255,000	206,263.00	461,263	812,581	17.34x
2017	346,525	265,000	197,975.00	462,975	809,500	17.41x
2018	351,248	270,000	188,700.00	458,700	809,948	17.40x
2019	-	285,000	178,575.00	463,575	463,575	30.40x
2020	-	295,000	167,175.00	462,175	462,175	30.49x
2021	-	305,000	155,375.00	460,375	460,375	30.61x
2022	-	320,000	142,794.00	462,794	462,794	30.45x
2023	-	330,000	129,194.00	459,194	459,194	30.69x
2024	-	345,000	114,344.00	459,344	459,344	30.68x
2025	-	365,000	98,388.00	463,388	463,388	30.41x
2026	-	380,000	81,050.00	461,050	461,050	30.56x
2027	-	400,000	63,000.00	463,000	463,000	30.43x
2028	-	420,000	43,000.00	463,000	463,000	30.43x
2029	-	440,000	22,000	462,000	462,000	30.50x
<b>Total</b>	<b>\$ 3,200,742</b>	<b>\$ 8,385,000</b>	<b>\$ 3,255,597</b>	<b>\$ 11,640,597</b>	<b>\$ 14,841,339</b>	

(1) Based on Pledged Revenues for Fiscal year ended on June 30, 2013 (the most recent year for which audited figures are available), which were \$14,091,271. 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>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Agriculture	\$ 15,770	\$ 59,537	\$ 6,894	\$ 1,590	\$ 18,455	\$ (2,949)
Mining	\$ 125,771,177	\$ 94,361,658	\$ 75,815,849	\$ 51,601,120	\$ 64,758,352	\$ 43,434,357
Utilities	\$ 23,539,933	\$ 17,689,784	\$ 24,717,452	\$ 20,320,008	\$ 24,884,284	\$ 23,992,059
Construction	\$ 86,527,299	\$ 65,678,808	\$ 75,878,214	\$ 53,639,467	\$ 53,921,829	\$ 62,996,082
Manufacturing	\$ 72,287,518	\$ 40,859,947	\$ 32,027,228	\$ 22,505,993	\$ 18,527,461	\$ 11,406,410
Transportation	\$ 26,819,677	\$ 19,319,109	\$ 22,901,188	\$ 2,925,441	\$ 29,845,950	\$ 26,268,755
Wholesale Trade	\$ 83,196,138	\$ 38,494,429	\$ 31,679,673	\$ 24,631,610	\$ 34,465,241	\$ 33,430,769
Retail Trade	\$ 325,939,430	\$ 276,803,710	\$ 211,810,573	\$ 192,674,328	\$ 202,506,459	\$ 191,379,008
Information & Cultural Industries	\$ 29,503,598	\$ 28,476,071	\$ 28,517,879	\$ 19,159,779	\$ 12,379,912	\$ 9,425,040
Finance, Insurance, Real Estate	\$ 5,821,508	\$ 4,240,708	\$ 3,955,350	\$ 3,801,767	\$ 3,594,542	\$ 3,868,187
Real Estate & Rental & Leasing	\$ 39,912,679	\$ 36,097,717	\$ 28,241,836	\$ 13,639,226	\$ 24,996,152	\$ 20,219,208
Services	\$ 56,486,745	\$ 51,141,770	\$ 44,595,711	\$ 42,755,611	\$ 46,862,916	\$ 41,132,606
Management of Companies & Enterprises	\$ -	\$ 15,760	\$ 31,805,603	\$ 18,543,701	\$ 14,050,768	\$ 6,831,487
Educational Services	\$ 30,745	\$ 76,804	\$ 141,041	\$ 136,703	\$ 96,076	\$ 105,931
Health Care & Social Assistance	\$ 53,901,984	\$ 55,582,879	\$ 55,223,370	\$ 55,343,228	\$ 56,247,588	\$ 46,343,054
Art, Entertainment, & Recreation	\$ 183,789	\$ 130,364	\$ 236,291	\$ 54,401	\$ 192,251	\$ 206,125
Accommodation & Food Services	\$ 86,045,316	\$ 73,746,400	\$ 61,916,886	\$ 52,894,219	\$ 56,492,526	\$ 50,438,574
Other Services	\$ 103,122,830	\$ 106,319,223	\$ 89,891,814	\$ 89,346,319	\$ 97,800,126	\$ 88,888,465
Public Administration	\$ 29,995,163	\$ 25,852,612	\$ -	\$ -	\$ -	\$ -
Non-classifiable Establishments	\$ 1,206,559	\$ 7,790,027	\$ 2,733,753	\$ 4,551,135	\$ 4,675,389	\$ 1,676,887
Total Taxable Gross Receipts	\$ 1,150,307,857	\$ 942,737,315	\$ 822,096,603	\$ 668,525,647	\$ 746,316,280	\$ 662,040,056
Total Reported Gross Receipts	\$ 1,674,000,685	\$ 1,397,861,453	\$ 1,197,057,552	\$ 1,010,983,888	\$ 1,087,651,622	\$ 1,017,439,926

Source: State of New Mexico Taxation & Revenue Department

<u>Fiscal Year Ended June 30</u>	<u>State Gross Receipts Tax Revenues</u>
2013 <sup>1</sup>	\$ 14,091,271
2012 <sup>1</sup>	\$ 11,548,532
2011 <sup>1</sup>	\$ 10,070,683
2010 <sup>1</sup>	\$ 8,189,439
2009 <sup>1</sup>	\$ 9,142,374
2008 <sup>1</sup>	\$ 8,109,991

(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>
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%
2008	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

Fiscal year Ending June 30	2013	2012	2011	2010	2009	2008
<b>ASSETS</b>						
Cash and CD's	\$ 18,462,113	\$ 10,948,609	\$ 13,445,323	\$ 8,259,827	\$ 8,667,717	\$ 7,718,847
Receivables, net: <sup>(2)</sup>	\$ 7,025,345	\$ 6,971,372	\$ 5,077,337			
Taxes <sup>(1)</sup>	\$ -	\$ -	\$ -	\$ 4,186,586	\$ 3,558,473	\$ 3,798,020
Accounts <sup>(1)</sup>	\$ -	\$ -	\$ -	\$ 467,509	\$ 293,097	\$ 366,716
Interest <sup>(1)</sup>	\$ -	\$ -	\$ -	\$ 2,530	\$ 9,294	\$ 37,709
Due from other funds	-	-	-	-	-	1,414,760
Dues from other governments*	\$ -	\$ -	\$ -	\$ 68,441	\$ 31,490	\$ 49,680
<b>TOTAL ASSETS</b>	<b>\$ 25,487,458</b>	<b>\$ 17,919,981</b>	<b>\$ 18,522,660</b>	<b>\$ 12,984,893</b>	<b>\$ 12,560,071</b>	<b>\$ 13,385,732</b>
<b>LIABILITIES EQUITY AND OTHER CREDITS</b>						
Account payable	\$ 544,628	\$ 154,509	\$ 236,429	\$ 189,055	\$ 298,034	\$ 133,701
Accrued liabilities	\$ 44,720	\$ 57,118	\$ 1,046,536	\$ 984,418	\$ 830,403	\$ 719,650
Accrued salaries	\$ 522,992	\$ 362,941				
Deferred revenue <sup>(4)</sup>	\$ -	\$ 159,933	\$ 133,093	\$ 138,975	\$ 100,720	\$ 87,343
Due to other funds	\$ -	\$ 4,491	\$ 4,985	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>\$ 1,112,340</b>	<b>\$ 738,992</b>	<b>\$ 1,421,043</b>	<b>\$ 1,312,448</b>	<b>\$ 1,229,157</b>	<b>\$ 940,694</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Deferred revenues <sup>(4)</sup>	\$ 115,845					
<b>EQUITY AND OTHER CREDITS</b>						
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	\$ 14,572,244	\$ 13,327,225	\$ 6,235,081			
Unreserved: <sup>(3)</sup>						
Designated for subsequent year	\$ -	\$ -	\$ -	\$ 4,161,982		
Undesignated	\$ -	\$ -	\$ -	\$ 7,510,463	\$ 11,330,914	\$ 12,445,038
Total fund balances <sup>(5)</sup>	\$ 24,259,273	\$ 17,180,989	\$ 17,101,617	\$ 11,672,445	\$ 11,330,914	\$ 12,445,038
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES<sup>(5)</sup></b>	<b>\$ 25,371,613</b>	<b>\$ 17,919,981</b>	<b>\$ 18,522,660</b>	<b>\$ 12,984,893</b>	<b>\$ 12,560,071</b>	<b>\$ 13,385,732</b>

<sup>(1)</sup>Revised 2007 through 2009 due to different audit presentation starting in 2007.

<sup>(2)</sup>Receivables reported net in 2011.

<sup>(3)</sup>Equity reported using new GASB requirements in 2011.

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

<sup>(5)</sup>Title changed per GASB requirements in 2013

Source: City of Carlsbad, Audited Financial Statements, 2008-2013.

## 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	2013	2012	2011	2010	2009	2008
<b>Revenues</b>						
Gross Receipts Taxes <sup>(1)(2)</sup>	\$ 34,628,577	\$ 29,302,066	\$ 25,478,709	\$ 21,325,197	\$ 21,682,186	\$ 19,729,485
Property Taxes <sup>(1)(3)</sup>	2,269,624	2,110,630	2,041,913	2,695,140	2,688,595	2,563,463
Franchise Taxes	727,743	745,441	747,496			
Public Service Taxes	-	-	5,437			
Licenses and permits	274,061	308,294	241,240	227,320	179,920	183,704
Charges for services	1,522,313	1,240,581	1,306,927	949,310	756,193	777,685
Fines and forfeits	331,825	359,111	273,309	233,559	260,609	292,305
Intergovernmental <sup>(4)</sup>	732,242	719,428	801,273	830,674	796,817	1,997,103
Federal Grants	47,538	66,679	-	-	-	-
Interest	7,752	8,085	11,657			
Miscellaneous	101,615	27,835	58,312	288,535	509,947	487,394
<b>Total Revenues</b>	<b>\$ 40,643,290</b>	<b>\$ 34,888,150</b>	<b>\$ 30,966,273</b>	<b>\$ 26,549,735</b>	<b>\$ 26,874,267</b>	<b>\$ 26,031,139</b>
<b>Expenditures</b>						
Current:						
General government	\$ 4,933,558	\$ 4,001,100	\$ 3,913,551	\$ 3,903,155	\$ 3,556,996	\$ 4,183,978
Public safety	15,159,944	13,929,703	13,366,259	12,762,145	11,929,000	11,539,533
Public works	4,713,121	4,090,908	4,059,922	3,921,432	3,644,860	3,522,344
Culture and recreation	3,734,000	3,387,597	3,480,985	3,261,094	3,201,416	3,161,904
Public health and welfare	824,766	741,857	254,529	196,229	176,376	150,849
Economic development	-	-	-	135,653	133,692	122,770
Capital outlay	2,025,397	1,241,281	454,929	1,117,339	886,447	498,120
<b>Total Expenditures</b>	<b>\$ 31,390,786</b>	<b>\$ 27,392,446</b>	<b>\$ 25,530,175</b>	<b>\$ 25,297,047</b>	<b>\$ 23,528,787</b>	<b>\$ 23,179,498</b>
Excess (deficiency) of revenues over expenditures	9,252,504	7,495,704	5,436,098	1,252,688	3,345,480	2,851,641
<b>Other Financing Sources (Uses):</b>						
Sale of assets	259,633	33,384	-	-	-	-
Operating transfers in	3,883,493	2,757,790	3,723,951	2,524,658	2,977,677	3,241,144
Operating transfers (out)	(6,317,346)	(10,207,506)	(3,730,877)	(3,435,815)	(7,437,281)	(5,465,052)
<b>Net Other Financing Sources (Uses)</b>	<b>(2,174,220)</b>	<b>(7,416,332)</b>	<b>(6,926)</b>	<b>(911,157)</b>	<b>(4,459,604)</b>	<b>(2,223,908)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	7,078,284	79,372	5,429,172	341,531	(1,114,124)	627,733
Fund Balance (deficit) beginning	\$ 17,180,989	\$ 17,101,617	\$ 11,672,445	\$ 11,330,914	\$ 12,445,038	\$ 11,516,974
Prior period adjustment						300,331
Fund Balance - beginning of year as restated	17,180,989	17,101,617	11,672,445	11,330,914	12,445,038	11,817,305
Fund Balance (deficit) ending	<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>	<u>\$ 12,445,038</u>

<sup>(1)</sup>Revised 2007 through 2009 due to different audit presentation starting in 2007.

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

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

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

Source: City of Carlsbad, Audited Financial Statements, 2008-2013.