CITY OF RIO RANCHO, NEW MEXICO

Comprehensive Annual Financial Report

For the Year Ended June 30, 2014

Rio Rancho™

City of Vision

CITY OF RIO RANCHO, NEW MEXICO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2014

MAYOR AND CITY COUNCIL

Greggory D. Hull ..... Mayor

Chuck Wilkins ..... Councilor – District 1
Dawnn Robinson ..... Councilor – District 2
Cheryl Everett ..... Councilor – District 3
Mark Scott ..... Councilor – District 4
Shelby Smith ..... Councilor – District 5
Lonnie Clayton ..... Councilor – District 6

CITY ADMINISTRATION

Keith J. Riesberg ..... City Manager
Stephen Ruger ..... City Clerk

ACKNOWLEDGMENTS

This report is prepared by the Department of Financial Services:
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Susan Adams
Michelle Ortiz
Kathy Fox
Don Martinez

We express our appreciation to all of the departmental staff throughout the City whose extra time and effort made this report possible.

RioRancho
City of Vision

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RioRancho
City of Vision
Department of Financial Services

November 24, 2014

To the Honorable Mayor, Members of the City Council,
and Citizens of Rio Rancho:

In accordance with New Mexico statutes, we are pleased to present the Comprehensive Annual Financial Report of the City of Rio Rancho (the City) for the fiscal year ended June 30, 2014. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management.

We believe the enclosed information accurately presents the City's financial position and results of operations, in all material respects, in accordance with generally accepted accounting principles. We also believe we have included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities. These assertions are made on the basis of the City's system of internal control over assets and liabilities recorded in the accounting system. These controls have been designed to provide reasonable, but not absolute, assurance of safeguarding assets against loss from unauthorized use or disposition, and to ensure the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the expected benefits, and that the evaluation of costs and benefits requires estimates and judgments by management.

The Report. The Comprehensive Annual Financial Report includes all funds of the City, and includes all departments, agencies, and other organizational units under the control of the Governing Body. The report is presented in four sections: Introductory, Financial, Statistical, and Single Audit. The Introductory Section contains a list of principal officials, this transmittal letter, and the City's organization chart. The Financial Section contains the independent auditors' report, Management's Discussion and Analysis (MD&A), the Basic Financial Statements, and Supplementary Information. The Statistical Section provides a history of selected financial, economic, and demographic information. The Single Audit Section includes the City's schedule of expenditures of federal awards along with the auditors' report on internal controls and compliance with applicable laws and regulations.

Independent Auditors. Heinfeld, Meech & Co., P.C., a certified public accounting firm, has audited the City's financial statements. The firm conducted the audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The firm has issued an unmodified ("clean") opinion on the City's financial statements, as explained in the independent auditors' report at the front of the Financial Section beginning on page 13.

Federal and state regulations also require the City to undergo an annual "single audit" in conformance with the Federal Single Audit Act of 1984, as amended, and the U.S. Office of Management and Budget Circular A–133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to the Single Audit, including the schedule of expenditures of federal awards, audit findings and recommendations, summary of prior audit findings, and the auditors' report, is included in the Single Audit Section that starts on page 173.

Management's Discussion and Analysis (MD&A). The discussion and analysis beginning on page 15 provides an overview and analysis of the City's recent financial performance. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

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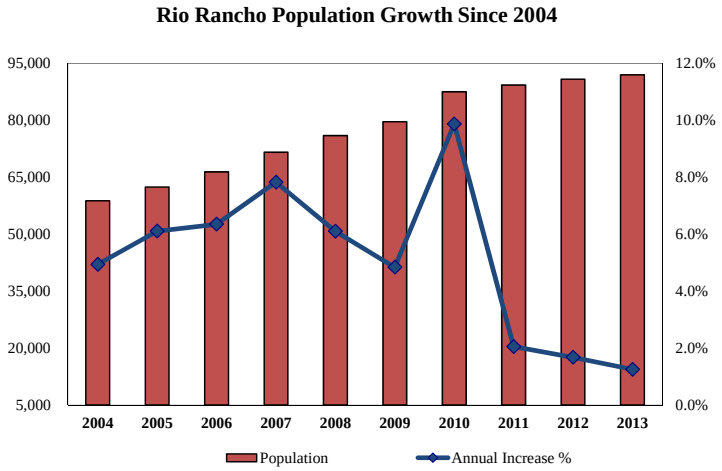
PROFILE OF THE CITY

Geography and Demographics. The City of Rio Rancho is located in Sandoval County in central New Mexico, northwest and adjacent to Albuquerque, New Mexico's largest city. The metropolitan area is serviced by east-west Interstate I-40 and north-south Interstate I-25. The Santa Fe railroad has a major rail line through Albuquerque. The Rail Runner rail provides commuter service between the nearby communities of Bernalillo, Albuquerque, Los Lunas, and Santa Fe. There are two general aviation facilities, including the Albuquerque International Airport, that provide service to the metropolitan area.



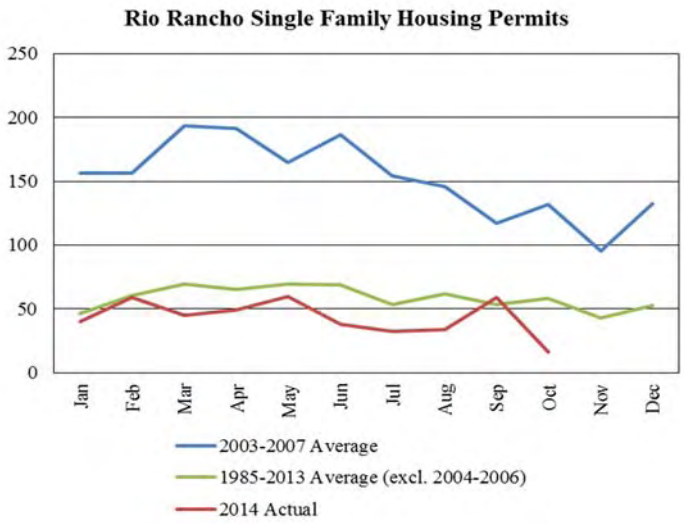
Rio Rancho is the third largest city in New Mexico and is the fastest growing city in the state. Between 2000 and 2010, the City's population increased from 51,765 to 87,521 (69%). As of 2013, the City's population was 91,956, according to the most recent estimates by the U.S. Census Bureau.

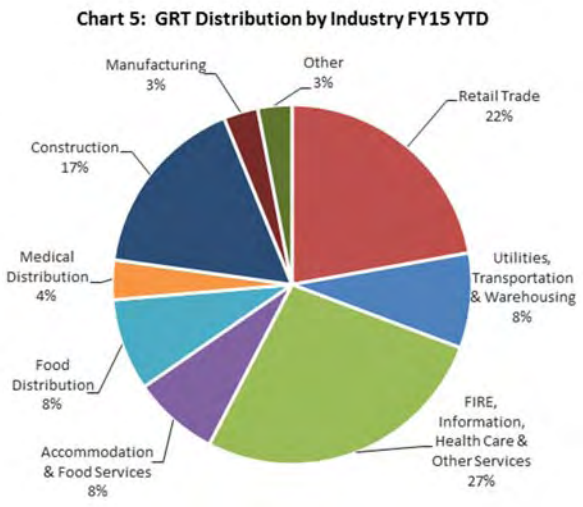
Government Structure. The City was incorporated in 1981 and adopted a municipal charter as a "home rule" city in 1991. The City has a hybrid Council/Manager form of government in which the Mayor is a member of the Governing Body. The City Manager is the Chief Administrative Officer, appointed by the Mayor subject to approval of the Governing Body.

The City provides to its citizens those services that have proven to be necessary and meaningful and has done so with less City employees per capita than similarly sized New Mexico cities. Major services provided include police and fire protection, emergency ambulance service, roads, water and wastewater services, parks and recreational activities, libraries, senior services, and general administrative services.

ECONOMIC CONDITION AND OUTLOOK

Local Economy. Rapid population growth coupled with the increased availability of credit during the housing boom led to a surge in the number of single-family housing permits issued beginning in 2003 and ending in 2007. During this time, annual permits issued rose steadily, peaking at an all-time high of 3,084 permits in 2005. As economic growth slowed in 2008 and the economy entered a recession, Rio Rancho housing market activity declined sharply. Since the peak in 2005, the number of housing permits issued fell 90 percent to 301 in 2011. This weakness in housing construction translated into a significant drop in the City's gross receipts tax revenues and slowed the growth rate of City property tax revenues. Since 2012, tax revenues have stabilized, boosted by the construction of two hospitals and several new retail establishments. In fiscal year 2014, tax revenues grew a modest 1.1%, with higher property taxes offsetting

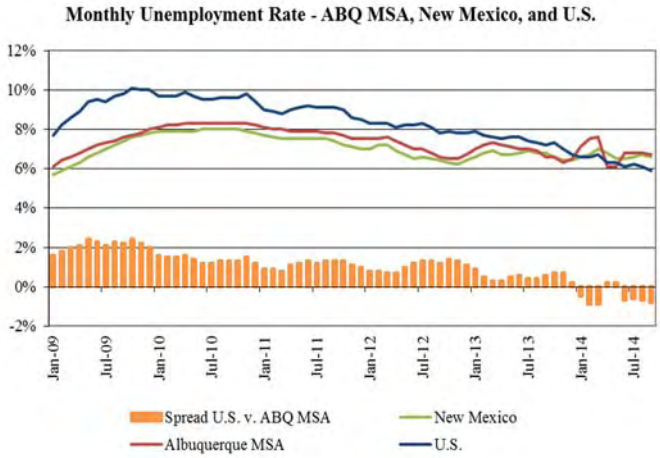




a slight decline in gross receipts and franchise taxes. The City's elected officials and management continue to seek opportunities to diversify the City's economic base. Having a diverse mix of construction, retail, and service industries will help buffer the City's budget against future downturns in any one sector.

The City's current financial condition reflects a local economy that is slowly improving. Single-family building permits are on track to match last year's growth rate of 15%; gross receipts taxes are expected to grow 4.2% in fiscal year 2015; and personal income growth is expected to range from 4.3% to 5.2% through 2017.

The unemployment rate in the metro area has remained steady for the past two years, hovering between 6.7% and 7.2% since 2012. The Bureau of Business and Economic Research expects employment growth to be positive but slow in the Albuquerque MSA over the next three years, growing at rates of 1.2% in 2015, 1.5% in 2016, and 1.4% in 2017. Sectors leading the job growth include the healthcare and social assistance sector, due to the Medicaid expansion signed by the Governor; construction, as the housing market continues to recover; and the transportation and warehousing sector, as the metro area expands its reach in this sector to take advantage of growth in other areas of the state.



Local Economic Growth Highlights. Despite a slow economy, development continues in Rio Rancho. Earthwork has started on the new Solcito subdivision located north of Northern Boulevard. Phase I will consist of 51 lots and is the first new subdivision to get underway in several years. The Neighborhood by La Vida Llena, a $50 million senior-living project in the Loma Colorado community, broke ground in September. Commercial projects currently under construction include the following:

- Presbyterian Rust Medical Center's $86 million expansion
- Rio at Cabezon 24/7 skilled health care facility
- Sandia Laboratory Federal Credit Union
- Unser Pavilion Building No. 3 for multiple tenants, including Hangar Prosthetics
- Walmart Neighborhood Market
- Presbyterian medical clinic in Enchanted Hills.

Future projects include TJ Maxx, Bed, Bath & Beyond, Michael's, Kirkland's, Famous Footwear, Petsmart, and Rue 21 at the Plaza at Enchanted Hills; a 7-11 convenience store; and a U-Haul and storage facility.

Additionally, other businesses have opened or expanded in Rio Rancho in the last year:

- Alliance Data announced plans to add 200 jobs, growing its workforce to 500
- DHF Technical Products relocated from San Diego to Rio Rancho, creating a minimum of 35 jobs
- S&P Data announced plans to bring up to 425 jobs over the next five years into the HP building

Finally, the City has partnered with Sandoval County to help fund the Sandoval Economic Alliance, a new regional organization that will help spur economic development in Rio Rancho and the surrounding areas.

Long-term Financial Planning and Policies. The General Fund ended fiscal year 2014 with a fund balance of $13.7 million, which equals 26% of the fund's annual expenditures and is well above the industry's recommended level of 15%. On a budgetary basis, the General Fund's reserves ended the year at 13.2% which exceeds the State of New Mexico requirement of 1/12th (8.3%) of expenditures and is just under the City's stated policy target of 15%.

The City continues to budget and spend within its means. The fiscal year 2015 budget for the General Fund includes a modest $1.2 million (2.3%) increase in expenditures, most of which is for increases to employee compensation. For all funds, 2015 budgeted operating expenditures are nearly unchanged, increasing only $450,000 (0.5%). The City's five-year infrastructure and capital improvement plan (ICIP) includes funding for critical transportation, utility, and equipment projects. The ICIP is a rolling five-year plan that identifies the City's most important capital needs and the funding sources that will be used to pay for the various projects. Finally, the budget includes sufficient resources to cover annual debt service requirements, and management believes the City is in compliance with all of its debt covenants and obligations.

In 2008, the City created a strategic plan to establish priorities for city government. This plan represents the consensus that emerged from the collaborative effort of the City leadership, City employees, and the community. This plan along with a status update can be found in the City's fiscal year 2015 budget document posted on the City's website.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City of Rio Rancho for its 2013 comprehensive annual financial report. This was the 8th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

CONCLUSION

We believe this report provides useful information in evaluating the financial condition of the City. The preparation of this report is a team effort by the Department of Financial Services and other departments. We extend our appreciation for their ongoing commitment to excellence in financial reporting and for their continuing effort in providing pleasant and efficient service to the citizens of Rio Rancho.

Respectfully submitted,

Keith J. Riesberg
City Manager

Dan Olsen, CPA
Director of Financial Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Rio Rancho

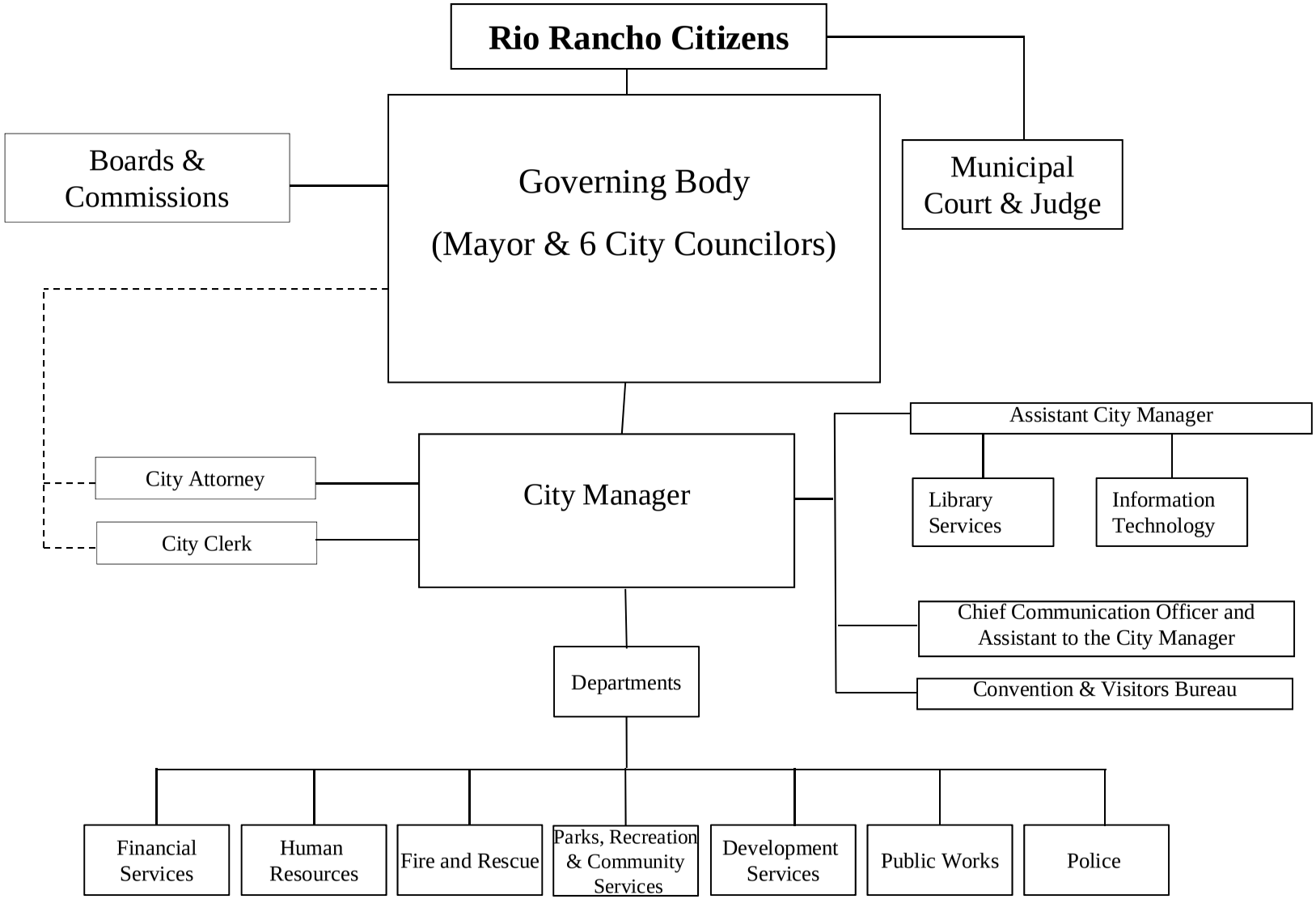
New Mexico

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

City of Rio Rancho Organizational Structure



Financial Section

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CPAs and Business Consultants

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INDEPENDENT AUDITOR'S REPORT

Mr. Hector H. Balderas
New Mexico State Auditor

Honorable Mayor and Members of the City Council
City of Rio Rancho, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparison for the General Fund of City of Rio Rancho, New Mexico (City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, 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 funds, internal service funds and fiduciary funds, and the budgetary comparisons for all nonmajor governmental funds, enterprise funds and internal service funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying Supplementary Information – Combining Statements, Budgetary Compliance, and Other Schedules as of and for the year ended June 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements 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 are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Rio Rancho, New Mexico, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary fund of City of Rio Rancho, New Mexico, as of

June 30, 2014, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for all nonmajor governmental funds, enterprise funds and internal service funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 2, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended June 30, 2014, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the City's financial statements, individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards, as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, Introductory Section, Statistical Section, Other Supplemental Information Required by the New Mexico State Auditor, and the Combining Statement of Changes in Agency Assets and Liabilities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, Other Supplemental Information Required by the New Mexico State Auditor, and the Combining Statement of Changes in Agency Assets and Liabilities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, Other Supplemental Information Required by the New Mexico State Auditor, and the Combining Statement of Changes in Agency Assets and Liabilities are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2014, on our consideration of City of Rio Rancho, New Mexico'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* in considering City of Rio Rancho, New Mexico's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
CPAs and Business Consultants

November 21, 2014

INTRODUCTION

The following is a discussion and analysis of the City of Rio Rancho's financial performance and activities for the year ended June 30, 2014. Please read it in conjunction with the transmittal letter in the Introductory Section of this report and with the financial statements that follow.

HIGHLIGHTS

Government-wide Level

- Combined net position increased $8.9 million (2.0%) from the prior year due to a steadily improving economy and close monitoring of overall spending.

- The City restated beginning net position of governmental activities $983,000 (0.4%) and business-type activities $2.4 million (1.3%) primarily as a result of implementing new accounting standards.

Capital Assets and Long-term Liabilities

- The City added $9.8 million in new capital assets including improvements to Westside Boulevard, a Fire administration building, and several replacement vehicles for the Police and Public Works departments.

- The City did not issue any new bonds during 2014 but accepted three new loans totaling $2.0 million through the New Mexico Finance Authority for public safety and public works vehicles and equipment.

- Standard & Poor's changed its rating outlook from "negative" to "stable" for the City's utility revenue bonds that are rated "AA-," and Moody's affirmed its Aa2 rating on the City's general obligation bonds.

Fund Level

- The General Fund ended the year with an unassigned fund balance of $13.7 million, which equals 26% of the fund's annual expenditures and is well above the industry's recommended level of 15%.

- On a budgetary basis, General Fund revenues were $456,000 (0.9%) below budget and General Fund expenditures were $3.5 million (6.3%) below budget. No fund exceeded its budgeted appropriations.

- The Utility Fund net position increased $8.8 million (4.9%) over the prior year mostly due to the first full year of the City's three-year scheduled water rate increases.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the City's Basic Financial Statements. The Basic Financial Statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the Basic Financial Statements, this report also contains other supplementary information, including combining statements for nonmajor funds, and a statistical section.

Government-wide Statements – Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities comprise the government-wide financial statements. These statements provide a broad overview with a long-term focus of the City's finances as a whole and are prepared using the full-accrual basis of accounting, similar to private-sector companies. This means all revenues and expenses are recognized regardless of when cash is received or spent, and all assets and liabilities, including capital assets and long-term debt, are reported at the entity level. The government-wide statements report the City's net position and how it has changed from the prior year. Over time, increases and decreases in net position measure whether the City's overall financial condition is getting better or worse. In evaluating the government's overall condition, however, additional non-financial factors should be considered, such as the City's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure.

The government-wide 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 most of their costs through user fees and charges (*business-type activities*). Rio Rancho's governmental activities include general government, public safety, public works, parks and recreation, library services, community development, and economic development programs. The City has two business-type activities that include a water/waste water utility and a multi-purpose events center.

Fund Financial Statements – Reporting the City's Most Significant Funds
The fund financial statements provide detailed information about individual major funds, not the City as a whole. A fund is a group of related accounts that the City uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. The City's funds are divided into three types:

Governmental Funds – Most of the City's basic services are accounted for in governmental funds and are essentially the same functions reported as governmental activities in the government-wide statements. Governmental funds use the modified-accrual basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at year-end that are available for future spending. This short-term view of the City's financial position helps determine whether the City has sufficient resources to cover expenditures for its basic services in the near future.

Proprietary Funds – Rio Rancho uses two different types of proprietary funds. *Enterprise funds* are used to report the same activities presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains two internal service funds to account for its self-funded employee health and dental insurance activities. Because these services predominantly benefit governmental rather than business-type activities, they are included with *governmental activities* in the government-wide statements.

Fiduciary Funds – Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds use full-accrual accounting, but they are not included in the government-wide statements because the assets in these funds are not available to finance the City's own programs.

Reconciliation Between Government-wide and Fund Statements
The financial statements include schedules that reconcile the amounts reported for governmental activities on the government-wide statements with amounts reported on the governmental fund statements. Following are some of the major differences between the two statements:

- Capital assets and long-term debt are included on the government-wide statements but are not included on the governmental fund statements.
- Capital spending produces assets on the government-wide statements but is considered an expenditure on the governmental fund statements.
- Delinquent property tax revenues that are owed to the City but not yet collected are reported as revenue on the government-wide statements but are deferred inflows on the governmental fund statements.

Notes to the Financial Statements
The notes provide additional information that is essential to a complete understanding of the financial statements, and they apply to both the government-wide and fund financial statements.

Supplementary Information
This section includes combining statements for the City's nonmajor governmental funds, budgetary comparison schedules for all funds other than the General Fund, and statutorily required schedules related to the City's cash and investment balances, state appropriations, and agreements between the City and other governmental entities.

Under New Mexico Administrative Code Section 2.2.2, governments in New Mexico must include the budgetary comparison statement for the General Fund and major special revenue funds as a component of the fund financial statements within the Basic Financial Statements.

Statistical Information
This section provides up to ten years of financial, economic, and demographic information about the City.

Single Audit Section
This section reports on the City's expenditures of federal awards and is required by federal and state statutes.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The largest component of the City's net position (86%) is composed of *capital assets* (land, buildings, equipment, roads, and other infrastructure), net of all outstanding debt that was issued to buy or build those assets. As capital assets, these resources are not available for future spending, nor can they be readily liquidated to pay off the related liabilities. Resources needed to repay capital-related debt must be provided from other sources.

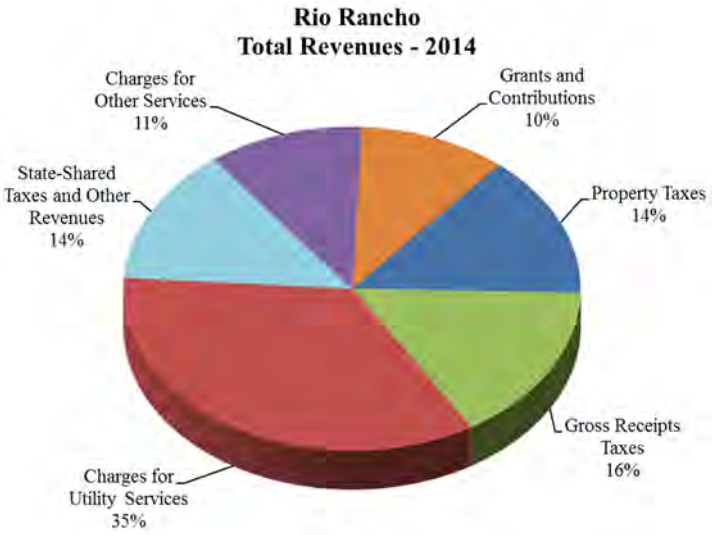
Restricted net position comprises 4% of total net position and is subject to external restrictions on how the resources may be used. The remaining 10% of net position is *unrestricted* and may be used at the City's discretion to meet its ongoing obligations to citizens and creditors. The following table compares the current year's net position to the prior year (data for 2013 has not been restated for the items described in Note 2).

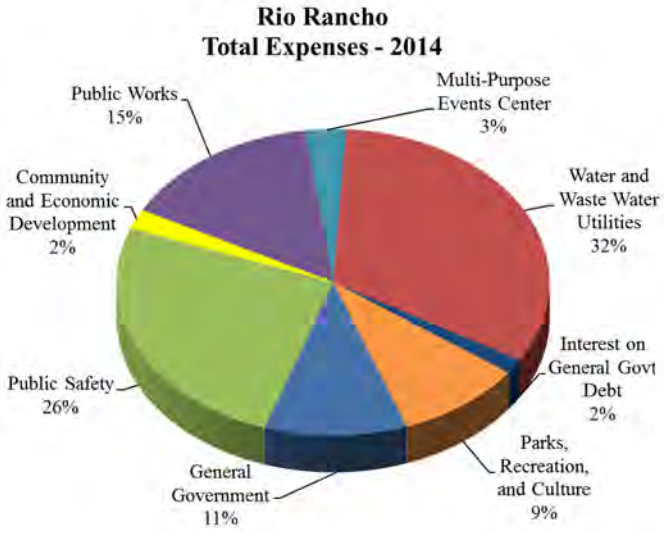
City of Rio Rancho
Net Position as of June 30

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	$ 38,507,586	$ 38,277,735	$ 39,821,013	$ 37,326,895	$ 78,328,599	$ 75,604,630
Capital Assets	274,543,680	278,799,131	328,463,065	327,380,290	603,006,745	606,179,421
Total Assets	**313,051,266**	**317,076,866**	**368,284,078**	**364,707,185**	**681,335,344**	**681,784,051**
Total Deferred Outflows of Resources	**986,093**	—	**3,717,774**	—	**4,703,867**	—
Current and Other Liabilities	13,341,310	10,279,345	14,135,533	12,169,534	27,476,843	22,448,879
Long-term Liabilities	48,166,736	55,085,727	154,735,323	160,918,562	202,902,059	216,004,289
Total Liabilities	**61,508,046**	**65,365,072**	**168,870,856**	**173,088,096**	**230,378,902**	**238,453,168**
Net Position:						
Net Investment in Capital Assets	225,858,001	226,630,240	164,157,164	159,709,769	390,015,165	386,340,009
Restricted	9,421,756	6,362,543	10,076,109	10,079,181	19,497,865	16,441,724
Unrestricted	17,249,556	18,719,011	28,897,723	21,830,139	46,147,279	40,549,150
Total Net Position	**$ 252,529,313**	**$ 251,711,794**	**$ 203,130,996**	**$ 191,619,089**	**$ 455,660,309**	**$ 443,330,883**
Percent change from prior year	0.3%	(7.0)%	6.0%	8.2%	2.0%	(1.0)%

Changes in Net Position

The City's combined net position increased by $8.9 million (2.0%) from the prior year, excluding the effects of restating beginning net position as a result of implementing new accounting standards as explained in Note 2. Net position of governmental activities remained virtually unchanged, decreasing only $165,000 before the effects of restatement, while net position of business-type activities increased $9.1 million (6.0%). The following charts and schedules summarize the City's revenues and expenses relative to each other and to the prior year (data for 2013 has not been restated).





City of Rio Rancho
Changes in Net Position
For the Year Ended June 30

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2014	2013	2014	2013	2014	2013	2013 to 2014
Revenues							
General Revenues:							
Taxes	$ 39,497,638	$ 39,062,863	$ —	$ —	$ 39,497,638	$ 39,062,863	1.1 %
Other General Revenues	12,669,758	11,949,748	8,273	2,810,786	12,678,031	14,760,534	(14.1)
Program Revenues:							
Charges for Services	12,600,684	12,245,799	41,922,350	39,926,610	54,523,034	52,172,409	4.5
Operating Grants	3,032,461	2,572,438	2,130,793	2,500	5,163,254	2,574,938	100.5
Capital Grants	4,229,012	8,769,372	3,085,525	4,783,616	7,314,537	13,552,988	(46.0)
Total Revenues	**72,029,553**	**74,600,220**	**47,146,941**	**47,523,512**	**119,176,494**	**122,123,732**	**(2.4)**
Expenses							
General Government	11,786,728	10,771,678	—	—	11,786,728	10,771,678	9.4
Public Safety	28,239,143	29,856,037	—	—	28,239,143	29,856,037	(5.4)
Public Works	16,718,667	38,202,128	—	—	16,718,667	38,202,128	(56.2)
Parks, Recreation, and Culture	10,365,242	10,100,647	—	—	10,365,242	10,100,647	2.6
Community and Econ. Development.	2,234,663	2,484,220	—	—	2,234,663	2,484,220	(10.0)
Interest on General Govt Debt	1,753,498	2,194,753	—	—	1,753,498	2,194,753	(20.1)
Water and Waste Water Utilities	—	—	35,799,139	33,025,443	35,799,139	33,025,443	8.4
Multi-Purpose Events Center	—	—	3,338,172	5,128,579	3,338,172	5,128,579	(34.9)
Total Expenses	**71,097,941**	**93,609,463**	**39,137,311**	**38,154,022**	**110,235,252**	**131,763,485**	**(16.3)**
Transfers	(1,097,052)	—	1,097,052	—	—	—	
Change in Net Position	**(165,440)**	**(19,009,243)**	**9,106,682**	**9,369,490**	**8,941,242**	**(9,639,753)**	
Net Position - Beginning	251,711,794	270,721,037	191,619,089	177,129,329	443,330,883	447,850,366	
Restatement	982,959	—	2,405,225	5,120,270	3,388,184	5,120,270	
Net Position - Beginning, as restated	252,694,753	270,721,037	194,024,314	182,249,599	446,719,067	452,970,636	
Net Position - Ending	**$ 252,529,313**	**$ 251,711,794**	**$ 203,130,996**	**$ 191,619,089**	**$ 455,660,309**	**$ 443,330,883**	**2.0 %**

Governmental Activities

In total, revenues for all governmental activities decreased $2.6 million (3.4%) from the prior year. Small increases in most revenues sources were offset by a $4.5 million decrease in capital grants due mostly to fewer infrastructure asset contributions from developers. Tax revenues grew a modest $435,000 (1.1%), with a $763,000 increase in property tax offset by a $239,000 (1.2%) decrease in gross-receipts tax and an $89,000 (2.5%) decrease in franchise tax.

Total governmental expenses decreased $22.5 million (24%) over the prior year. This year's expenses were lower mostly because of a one-time expense in 2013 related to the Paseo del Volcan project, a major road that was completed and turned over to the State of New Mexico last year. Personnel costs were relatively stable, increasing only $489,000 (1.2%), as the city implemented some recommendations of a pay study that adjusted only certain employees who were well below their grade mid-point ranges.

The following table shows to what extent the City's governmental activities relied on self-generated revenues to cover program costs. For 2014, these activities covered $19.9 million (28%) of their total expenses through grants and charges for services. Taxes and other general revenues covered the remaining 72% of expenses.

City of Rio Rancho
Net Cost of Governmental Activities
For the Year Ended June 30

	Program Expenses	Less Program Revenues	Net Program Costs		Program Revenues as a Percentage of Program Expenses	
	2014	2014	2014	2013	2014	2013
Activities:						
General Government	$ 11,786,728	$ (7,052,641)	$ 4,734,087	$ 8,134,095	59.8 %	24.5 %
Public Safety	28,239,143	(6,160,285)	22,078,858	21,904,723	21.8	26.6
Public Works	16,718,667	(2,285,059)	14,433,608	31,221,371	13.7	18.3
Parks, Recreation, and Culture	10,365,242	(4,070,341)	6,294,901	4,599,101	39.3	54.5
Community and Economic Development	2,234,663	(293,831)	1,940,832	1,967,811	13.1	20.8
Interest on Long-term Debt	1,753,498	—	1,753,498	2,194,753	—	—
Total Governmental Activities	**$ 71,097,941**	**$ (19,862,157)**	**$ 51,235,784**	**$ 70,021,854**	**27.9 %**	**25.2 %**

Business-type Activities
Overall, net position for business-type activities increased $9.1 million (4.8%) and ended the year at $203.1 million. Following is a summary of Utility and Multi-Purpose Events Center activities.

Water and Waste Water Utilities. Early in 2013, the Governing Body began implementation of a series of water rate increases designed to cover rising operating and maintenance costs and to provide sufficient resources for non-growth related capital projects. Rates initially increased 8.8% in February 2013 but were reduced by 1% in July 2013, for a net increase of 7.8% for fiscal year 2014. Rates are scheduled to increase an additional 7.8% each year in fiscal years 2015 and 2016. The City also increased the monthly water-rights surcharge from $5 to $6 per customer to assist with financing future purchases of water rights. For fiscal year 2014, Utility operating revenues increased $1.8 million (4.7%) over the prior year mostly as a result of the scheduled rate increase. In addition, the City received $517,000 of a $1.1 million state appropriation grant for replacement of aging water lines, and new developments generated $397,000 of impact fee revenues, an increase of 3.8% over the prior year.

Total Utility operating expenses increased $3.3 million (12.0%) from a combination of ongoing costs of arsenic removal mandated by the EPA, higher repair and maintenance costs of aging infrastructure, and additional depreciation expense on new capital assets that have been added since issuance of system bonds in 2009. Net position increased $8.8 million (4.9%) to end the year at $188.6 million.

Multi-Purpose Events Center (MPEC). Operating revenues for the MPEC declined $58,000 (12.2%) from the prior year because of fewer events and a lower average ticket price per event. However, operating and non-operating expenses were $1.8 million (35%) lower due to aggressive cost-saving measures implemented by the management company who runs the MPEC on behalf of the City. Additionally, the City's allocation of gross receipts tax to the MPEC was $327,000 (13.3%) less than 2013 because of lower debt service costs on the bonds that were refinanced last year. Finally, this year the City changed its presentation of the MPEC operating subsidy to be shown as a direct transfer from the General Fund to more accurately reflect the substance of the transaction. Net position of the MPEC Fund increased $344,000 (3.0%) to end the year at $14.5 million.

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

Capital Assets
During 2014, the City added $9.8 million in new capital assets including signalized intersections, water, sewer, and other improvements to Westside Boulevard; a new administration building on Stephanie Road and a replacement ambulance, both for the Fire Department; 14 replacement vehicles for Police; and a road grader for Public Works.

The City ended the year with $10.3 million of projects still under various phases of construction including the expansion of Waste Water Treatment Plant (WWTP) #6, construction of a reuse transmission line from WWTP #6 to WWTP #2, the Los Montoyas Arroyo sewer line project, extension of Broadmoor to Paseo del Volcan, preliminary design work for expansion of Southern Boulevard, and the "A Park Above" project in the Cabezon area.

The City's total capital assets ended the year at $603 million, a decrease of $3.2 million (0.5%) over the prior year due mostly to depreciation of existing assets. Note 8 provides more information about the City's capital assets.

Long-term Debt
In December 2013, the City accepted three new loans from the New Mexico Finance Authority (NMFA) totaling $2.0 million to purchase vehicles and equipment for the Police, Fire, and Public Works departments. In addition, the Utilities Fund added $4.0 million to its ongoing New Mexico Environment Department waste water project loan that began in 2009. Design and construction activities for this project are expected to continue through August 2015 for a total loan amount of approximately $20 million, which is well below the authorized amount of $25 million.

The City did not issue any new bonds during 2014 and paid $13.6 million of principal on its long-term bonds and notes payable. The City also implemented new accounting standards that required elimination of a portion of unamortized bond issue costs and reclassification of certain deferred items related to prior years' bond refundings.

Bond Ratings. In April 2014, Standard & Poor's (S&P) changed its rating outlook from "negative" to "stable" for the City's utility revenue bonds, citing strong economic factors such as residential income, moderate unemployment levels, good debt service coverage during the past five years, and a diverse customer base. The bonds are currently rated "AA-" by S&P. In August 2014, Moody's affirmed the City's Aa2 general obligation bond rating, citing such

factors as a sizeable and stable tax base, healthy reserves, historically conservative budgeting practices, and a manageable debt burden.

The following table presents changes in the City's long-term obligations relative to the prior year (amounts for 2013 have been restated). Note 9 provides more details on the City's long-term debt position.

City of Rio Rancho
Long-term Liabilities
as of June 30

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2014	2013	2014	2013	2014	2013	2013 to 2014
General Obligation Bonds, net...	$ 21,293,643	$ 23,949,172	$ —	$ —	$ 21,293,643	$ 23,949,172	(11.1) %
GRT Revenue Bonds, net.....	15,512,187	16,610,236	29,601,100	31,037,200	45,113,287	47,647,436	(5.3)
Utility Revenue Bonds, net.....	—	—	100,974,110	107,449,944	100,974,110	107,449,944	(6.0)
Notes Payable.....	15,410,852	14,769,084	34,307,146	31,564,398	49,717,998	46,333,482	7.3
Compensated Absences.....	4,498,721	5,586,172	108,497	122,395	4,607,218	5,708,567	(19.3)
Total.....	**$ 56,715,403**	**$ 60,914,664**	**$ 164,990,853**	**$ 170,173,937**	**$ 221,706,256**	**$ 231,088,601**	**(4.1) %**

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

Fund Balances

At June 30, the City's governmental funds reported combined fund balances of $31.7 million, a decrease of $440,000 (1.4%) from 2013. Of the total fund balances, $18.1 million (57%) is restricted for various purposes, such as debt service and future capital projects, and is therefore unavailable for discretionary spending. The remaining $13.6 million (43%) is unassigned and available for new spending. The following table presents the City's 2014 ending governmental fund balances.

City of Rio Rancho
Governmental Fund Balances
June 30, 2014

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Restricted.....	$ —	$ 9,341,615	$ 4,199,929	$ 4,543,976	$ 18,085,520
Unassigned.....	13,724,452	(31,027)	—	(119,740)	13,573,685
Total.....	$ 13,724,452	$ 9,310,588	$ 4,199,929	$ 4,424,236	$ 31,659,205
Percent change from 2013....	(3.4)%	6.9%	6.7%	(15.7)%	(1.4)%

General Fund

During 2014, fund balance in the General Fund decreased $480,000 (3.4%) mostly due to gross receipts and franchise tax revenues falling short of budgeted projections.

Revenues. Property tax revenues grew $575,000 (4.4%) over 2013 levels due to a combination of new properties added to the tax rolls by the county assessor and a property tax rate that was adjusted slightly higher under New Mexico's "yield control" formula. Municipal and state-shared gross receipts taxes increased $544,000 (2.2%) due to modest growth in the local economy. These increases were offset by slightly lower franchise taxes and charges for certain services such as ambulance and recreation activities. In total, General Fund revenues were essentially unchanged, decreasing only $34,000 (0.1%) over the prior year.

Expenditures. Total expenditures increased $1.0 million (2.0%) due mostly to higher capital expenditures for the purchase of several new police vehicles and fire equipment and higher ongoing road maintenance costs. Also, the City's operating subsidy to the Multi-Purpose Events Center Fund was reclassified to be a direct transfer to that fund rather than an expenditure of the general government function.

Budgetary Highlights. The original 2014 General Fund budget estimated a $1.4 million decrease in fund balance; however, fund balance decreased by only $480,000 due to careful management of expenditures that created savings

in most departments. Following are major amendments to the General Fund budget and comparisons of actual results to the budget for the fiscal year:

- Property tax revenue estimates were increased $235,000 (1.8%) after reviewing Sandoval County's estimates of growth in new property values and tax collection efforts. Actual property tax revenues were $137,000 (1.0%) higher than the revised estimate.

- The gross receipts tax budget amount in the General Fund was adjusted upwards by 0.3% during the year to capture savings from lower GRT loan costs in the debt service funds, and actual collections were $322,000 (1.3%) below the final budget estimate.

- Franchise tax revenue estimates were decreased $248,000 (6.5%) after analysis of collections indicated revenues would be lower than originally expected. Actual franchise tax revenues were $116,000 (3.2%) below the revised estimate.

- Estimates of revenue from court fines were reduced $115,000 (8.0%) after analysis of collections indicated revenues would be lower than originally expected. Actual court fine revenues were $163,000 (12.4%) below the revised estimates due to fewer traffic fines levied and a lower average fine amount.

- The City added $322,000 to the budget to fund new computers and software throughout all city departments, and an additional $119,000 was rolled over from the prior year to continue funding professional services contracts, mostly for attorneys who handle ongoing cases for the City.

- The capital outlay budget increased $1.2 million, with a corresponding increase to the budget for loan proceeds, to account for new police & fire equipment that was financed through NMFA. The remaining balance of the loan proceeds will be spent in the next fiscal year.

- Other capital budgets were increased $204,000 (153%) to account for funds rolled over from the prior year for smaller projects such as HVAC upgrades to the Motor Vehicle building and pavement preservation.

On a budgetary basis, actual General Fund revenues were $483,000 (0.9%) below the original budget and $456,000 (0.9%) below the final budget. Actual expenditures were $601,000 (1.1%) and $3.5 million (6.3%) below the original and final budgets, respectively. The budgetary comparison statement on page 32 presents budget-to-actual results for all major revenue sources in, and each function of, the General Fund. The statement also reconciles the City's budgetary-basis revenues and expenditures to amounts reported in the financial statements on a modified-accrual basis.

Nonmajor Governmental Funds
The City's nonmajor governmental fund balances remained virtually unchanged at $17.9 million, an increase of only $40,000 (0.2%) from the prior year, before accounting for corrections to the prior years' balances as explained in Note 2 and below. Following are significant activities within the City's nonmajor governmental funds.

Special Revenue Funds. The City increased beginning fund balances of four special revenue funds a total of $79,000 (0.9%) to accrue additional state-shared gas tax revenues from the prior year and to eliminate accruals of certain interest costs from the prior year, as explained in Note 2. Three funds ended the year in deficit positions because grant revenues were not received in time to meet the City's revenue accrual period, as explained in Note 10. The City expects to collect sufficient grant revenues in the next fiscal year to eliminate the deficits. Fund balances ended the year at $9.3 million, all of which is restricted for the specific purposes of the funds in which the balances reside.

Debt Service Funds. The City increased beginning fund balances of the debt service funds a total of $429,000 (12.2%) to eliminate the prior year's accrual of certain interest costs, as explained in Note 2. Expenditures for interest were $282,000 (13.9%) lower than last year because of the reporting change. Finally, the City added one new debt service fund to account for debt service payments on a new loan for public safety vehicles. Fund balances ended the year at $4.2 million, all of which is restricted for future debt service payments.

Capital Projects Funds. Total capital expenditures decreased $3.5 million (44%) from the prior year due mostly to lower overall spending on public works infrastructure projects. Major projects during the year included improvements to the parking lot and kitchen at the Meadowlark Senior Center; engineering and design work for several transportation projects including Idalia, Broadmoor, Southern, and Lincoln; and ongoing construction of the City's all-inclusive A

Park Above facility. All of these projects were funded with state and federal grant funds. Ending balances of the capital projects funds totaled $4.4 million, all of which is restricted for specific projects.

FINANCIAL ANALYSIS OF THE CITY'S PROPRIETARY FUNDS

Results of operations for the City's two enterprise funds were explained above under the heading "Business-type Activities." Internal service fund activities for 2014 were as follows.

Health Self-Insurance Fund

Expenses for claims and administration expenses increased $237,000 (5.1%), but revenues were sufficient to cover these cost increases without increasing charges to departments and employees. Revenues remained unchanged at $5.3 million. Net position of the health insurance fund increased $454,000 (33%) to end the year at $1.8 million, which the City feels is adequate to protect against unexpected future claims.

Dental Self-Insurance Fund

Charges to departments and employees for dental insurance remained essentially flat for 2014, increasing only $5,000 (1.0%). Expenses decreased $4,000 (0.9%), and net position decreased $1,500 (8.3%) to end the year at $16,000. Management will review the rates and method of charging for dental insurance premiums during the next year's budget cycle to ensure the City continues to have adequate reserves for future dental claims.

OTHER MATTERS

The following issues may impact Rio Rancho's future financial position:

New Pension Accounting Standards

In fiscal year 2015, the City will implement GASB Statement 68, *Accounting and Financial Reporting for Pensions*. The new pronouncement changes standards for measuring and recognizing pension liabilities and expense/expenditures, and changes the methods and assumptions that are used to project and discount benefit payments and attribute costs to periods of employee service. The new standard also changes note disclosures and required supplementary information about pensions. As a member of PERA, the City must rely on information provided by PERA to properly implement the new standard. Although such information is not yet available, the City anticipates reporting a material expense and liability on the government-wide and proprietary fund statements beginning in fiscal year 2015.

Expiration of Impact Fee Moratorium

In August 2012, the City's Governing Body declared a two-year moratorium on impact fees that are charged for new construction, cutting residential impact fees by half and non-residential impact fees altogether. The City made the decision in an effort to stimulate construction and economic development within the City. As explained in Note 14, Curb North, Inc, filed suit against the City claiming the moratorium impaired the value of its $5.6 million of excess impact fee credits. The court found in favor of Curb North, and the City is awaiting a trial to determine damages.

In September 2014, the moratorium expired and impact fees returned to their previous rates. The City estimates that it has forgone approximately $10 million in revenue over the past two years, but the City cannot estimate the effect on revenues or local construction that the expiration of the moratorium will bring in the next fiscal year. The Governing Body has convened a special committee to study the issue and provide recommendations on the City's impact fee structure going forward.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of Rio Rancho's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information in this report, or any other matters related to the City's budget and finances, should be addressed to the Rio Rancho Department of Financial Services, 3200 Civic Center Circle SE, Rio Rancho, New Mexico 87144.

Basic Financial Statements

Rio Rancho™

City of Vision

CITY OF RIO RANCHO, NEW MEXICO

Statement of Net Position
June 30, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	$ 29,290,646	$ 17,968,869	$ 47,259,515
Receivables:			
Accounts, net	1,259,780	5,820,101	7,079,881
Taxes	711,287	—	711,287
Due From Other Governments	6,585,889	1,646,497	8,232,386
Prepaid Bond Insurance	69,083	555,399	624,482
Goodwill	—	3,749,325	3,749,325
Restricted Cash	590,901	10,080,822	10,671,723
Capital Assets:			
Land	63,289,239	43,300,659	106,589,898
Construction-in-Progress	16,922,220	27,293,184	44,215,404
Infrastructure	283,193,613	158,050,179	441,243,792
Buildings and Improvements	53,649,129	100,033,439	153,682,568
Land Improvements	17,189,181	12,989,667	30,178,848
Machinery and Equipment	25,696,544	54,302,850	79,999,394
Less Accumulated Depreciation	(185,396,246)	(67,506,913)	(252,903,159)
Total Capital Assets	274,543,680	328,463,065	603,006,745
Total Assets	313,051,266	368,284,078	681,335,344
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Bond Refundings	986,093	3,717,774	4,703,867
Total Deferred Outflows of Resources	986,093	3,717,774	4,703,867
LIABILITIES			
Accounts Payable	2,642,870	2,050,602	4,693,472
Accrued Liabilities	1,807,511	845,351	2,652,862
Unearned Revenue	342,262	—	342,262
Deposits	—	984,050	984,050
Long-term Liabilities:			
Due Within One Year	8,548,667	10,255,530	18,804,197
Due in More Than One Year	48,166,736	154,735,323	202,902,059
Total Liabilities	61,508,046	168,870,856	230,378,902
NET POSITION			
Net Investment in Capital Assets	225,858,001	164,157,164	390,015,165
Restricted for:			
Debt Service	4,877,780	10,076,109	14,953,889
Capital Improvements	4,543,976	—	4,543,976
Unrestricted	17,249,556	28,897,723	46,147,279
Total Net Position	$ 252,529,313	$ 203,130,996	$ 455,660,309

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

CITY OF RIO RANCHO, NEW MEXICO

Statement of Activities
For the Year Ended June 30, 2014

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Activities:	**Expenses**	**Charges for Services and Court Fines**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Primary Government:							
Governmental Activities:							
General Government	$ 11,786,728	$ 6,894,697	$ 157,944	$ —	$ (4,734,087)	$ —	$ (4,734,087)
Public Safety	28,239,143	4,005,987	1,491,243	663,055	(22,078,858)	—	(22,078,858)
Public Works	16,718,667	41,601	380,782	1,862,676	(14,433,608)	—	(14,433,608)
Parks, Recreation, and Culture	10,365,242	1,367,068	999,992	1,703,281	(6,294,901)	—	(6,294,901)
Community and Economic Development	2,234,663	291,331	2,500	—	(1,940,832)	—	(1,940,832)
Interest on Long-Term Debt	1,753,498	—	—	—	(1,753,498)	—	(1,753,498)
Total Governmental Activities	71,097,941	12,600,684	3,032,461	4,229,012	(51,235,784)	—	(51,235,784)
Business-type Activities:							
Water and Waste Water Utilities	35,799,139	41,467,206	5,238	3,085,525	—	8,758,830	8,758,830
Multi-Purpose Events Center	3,338,172	455,144	2,125,555	—	—	(757,473)	(757,473)
Total Business-type Activities	39,137,311	41,922,350	2,130,793	3,085,525	—	8,001,357	8,001,357
Total Primary Government	$ 110,235,252	$ 54,523,034	$ 5,163,254	$ 7,314,537	(51,235,784)	8,001,357	(43,234,427)
General Revenues and Transfers:							
Taxes:							
Property Taxes, General Purpose					13,570,231	—	13,570,231
Property Taxes, Debt Service					3,486,201	—	3,486,201
Gross Receipts Taxes					18,914,841	—	18,914,841
Franchise Taxes					3,526,365	—	3,526,365
Total Taxes					39,497,638	—	39,497,638
Unrestricted Grants, Aid, and State-Shared Revenue					12,568,335	—	12,568,335
Unrestricted Investment Income					57,881	8,273	66,154
Miscellaneous					43,542	—	43,542
Transfers					(1,097,052)	1,097,052	—
Total General Revenues and Transfers					51,070,344	1,105,325	52,175,669
Change in Net Position					(165,440)	9,106,682	8,941,242
Net Position - Beginning					251,711,794	191,619,089	443,330,883
Restatement (see Note 2)					982,959	2,405,225	3,388,184
Net Position - Beginning, as restated					252,694,753	194,024,314	446,719,067
Net Position - Ending					$ 252,529,313	$ 203,130,996	$ 455,660,309

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

CITY OF RIO RANCHO, NEW MEXICO

Balance Sheet
Governmental Funds
June 30, 2014

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 10,088,322	$ 16,477,157	$ 26,565,479
Receivables:			
Accounts, net	1,236,343	23,437	1,259,780
Property Taxes	558,053	153,234	711,287
Due From Federal Government	54,764	620,011	674,775
Due From State Government	4,263,302	1,494,929	5,758,231
Due From Local Governments	—	152,883	152,883
Due From Other Funds	402,956	—	402,956
Restricted Investments	—	590,901	590,901
Total Assets	$ 16,603,740	$ 19,512,552	$ 36,116,292
LIABILITIES			
Accounts Payable	$ 761,591	$ 981,475	$ 1,743,066
Accrued Liabilities	1,412,406	30,345	1,442,751
Due To Other Funds	—	402,956	402,956
Unearned Revenue	291,383	50,879	342,262
Total Liabilities	2,465,380	1,465,655	3,931,035
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	413,908	112,144	526,052
Total Deferred Inflows of Resources	413,908	112,144	526,052
FUND BALANCES			
Nonspendable:			
Inventories and Prepaids		—	—
Long-term Portion of Receivables		—	—
Restricted	—	18,085,520	18,085,520
Unassigned	13,724,452	(150,767)	13,573,685
Total Fund Balances	13,724,452	17,934,753	31,659,205
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 16,603,740	$ 19,512,552	$ 36,116,292

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

CITY OF RIO RANCHO, NEW MEXICO

Reconciliation of the Balance Sheet – Governmental Funds
To the Statement of Net Position
June 30, 2014

Total Fund Balances – Governmental Funds		$ 31,659,205
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds, but they are reported in the Statement of Net Position. Capital assets consist of the following:		
Land	$ 63,289,239	
Infrastructure	283,193,613	
Other capital assets	113,457,074	
Accumulated depreciation	(185,396,246)	274,543,680
Some of the City's property tax revenue will be collected after year-end but are not available soon enough to pay for the current year's expenditures and therefore are reported as unavailable revenue in governmental funds		526,052
A liability for accrued interest on long-term debt is not reported in governmental funds because interest payments are not due at June 30, but the liability is reported for governmental activities on the Statement of Net Position		(364,760)
The City uses internal service funds to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the Statement of Net Position		1,825,363
Some liabilities and deferred outflows of resources are not reported in governmental funds, but they are reported in the Statement of Net Position. These amounts consist of the following:		
Bonds and notes payable	(50,550,852)	
Unamortized premiums and discounts on bonds	(1,665,830)	
Deferred amount on bond refundings	986,093	
Prepaid bond insurance costs	69,083	
Compensated absences	(4,498,721)	(55,660,227)
Net Position of Governmental Activities		$ 252,529,313

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

CITY OF RIO RANCHO, NEW MEXICO

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Property Taxes	$ 13,757,763	$ 3,577,371	$ 17,335,134
Municipal and State-Shared Taxes	25,033,909	6,449,267	31,483,176
Franchise Taxes	3,422,738	103,627	3,526,365
Licenses and Permits	360,856	—	360,856
Intergovernmental - Federal	124,360	2,618,070	2,742,430
Intergovernmental - State	—	3,496,731	3,496,731
Intergovernmental - Local	51,000	657,230	708,230
Impact Fees	—	286,417	286,417
Charges for Services	4,434,902	640,515	5,075,417
Fines and Forfeitures	1,537,896	82,827	1,620,723
Miscellaneous	3,453,136	798,695	4,251,831
Total Revenues	52,176,560	18,710,750	70,887,310
EXPENDITURES			
Current:			
General Government	7,986,365	2,409,075	10,395,440
Public Safety	26,706,477	1,976,180	28,682,657
Public Works	7,409,927	639,919	8,049,846
Parks, Recreation, and Culture	7,795,463	1,425,126	9,220,589
Community and Economic Development	1,770,720	496,383	2,267,103
Capital Outlay	955,694	5,845,882	6,801,576
Debt Service:			
Principal	—	4,922,232	4,922,232
Interest and Other Charges	—	1,925,112	1,925,112
Total Expenditures	52,624,646	19,639,909	72,264,555
Revenues Over (Under) Expenditures	(448,086)	(929,159)	(1,377,245)
OTHER FINANCING SOURCES (USES)			
Loan Proceeds	1,346,284	687,716	2,034,000
Transfers In	3,771	285,377	289,148
Transfers Out	(1,382,429)	(3,771)	(1,386,200)
Total Other Financing Sources (Uses)	(32,374)	969,322	936,948
Net Change in Fund Balances	(480,460)	40,163	(440,297)
Fund Balances - Beginning	14,204,912	17,386,671	31,591,583
Restatement (see Note 2)	—	507,919	507,919
Fund Balances - Beginning, as restated	14,204,912	17,894,590	32,099,502
Fund Balances - Ending	$ 13,724,452	$ 17,934,753	$ 31,659,205

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

CITY OF RIO RANCHO, NEW MEXICO

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds To the Statement of Activities For the Year Ended June 30, 2014

Net Change in Fund Balances – Total Governmental Funds.....		$ (440,297)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current year, these amounts were as follows:		
Capital outlay.....	$ 6,801,577	
Assets received from developers and others.....	1,343,097	
Depreciation expense.....	(12,351,886)	(4,207,212)
In the Statement of Activities, only the gain on the sale of assets is reported, whereas in governmental funds the proceeds from the sales increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the assets sold.....		(48,239)
Bond and loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. In the current year, proceeds were received from new loans.....		(2,034,000)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts were as follows:		
Bond and note principal payments.....		4,922,232
Management uses internal service funds to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.....		452,290
Because delinquent property taxes will not be collected for some time after the end of the year, they do not provide current financial resources in governmental funds. Unavailable property tax revenues changed by this amount this year.....		(278,702)
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. These activities consist of the following:		
Amortization of bond premiums, discounts, and deferred amounts.....	115,305	
Accrued interest on long-term debt.....	(364,760)	
Change in compensated absences.....	1,087,451	
Adjustment for prior-year accrued interest, prior-year internal balances, and other amounts previously reported on the Statement of Net Position.....	630,492	1,468,488
Change in Net Position of Governmental Activities.....		$ (165,440)

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

CITY OF RIO RANCHO, NEW MEXICO

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Property Taxes	$ 13,409,499	$ 13,644,993	$ 13,782,203	$ 137,210
Municipal and State-Shared Taxes	25,163,111	25,242,178	24,919,745	(322,433)
Franchise Fees	3,833,154	3,584,726	3,468,826	(115,900)
Licenses and Permits	386,668	355,668	360,856	5,188
Intergovernmental - Federal	67,105	179,209	103,924	(75,285)
Intergovernmental - State	—	2,185	—	(2,185)
Intergovernmental - Local	51,000	51,000	51,000	—
Charges for Services	5,464,256	5,312,365	5,306,548	(5,817)
Fines and Forfeitures	1,436,000	1,321,000	1,157,841	(163,159)
Miscellaneous	3,329,914	3,419,900	3,506,555	86,655
Total Revenues	53,140,707	53,113,224	52,657,498	(455,726)
EXPENDITURES				
Current:				
General Government	6,794,168	7,787,464	7,936,176	(148,712)
Public Safety	27,803,916	28,015,076	26,819,380	1,195,696
Public Works	7,790,635	7,981,233	7,317,619	663,614
Parks, Recreation, and Culture	8,223,343	8,386,661	7,720,079	666,582
Community and Economic Development	2,237,912	2,224,747	1,778,716	446,031
Capital Outlay	268,394	1,658,174	945,127	713,047
Total Expenditures	53,118,368	56,053,355	52,517,097	3,536,258
Revenues Over (Under) Expenditures	22,339	(2,940,131)	140,401	3,080,532
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	—	1,346,284	1,346,284	—
Transfers In	261,969	609,199	609,057	(142)
Transfers Out	(1,669,856)	(1,985,049)	(1,984,693)	(356)
Total Other Financing Sources (Uses)	(1,407,887)	(29,566)	(29,352)	(498)
Net Change in Fund Balances	(1,385,548)	(2,969,697)	111,049	3,080,746
Fund Balances - Beginning, Budgetary Basis	9,316,328	10,096,024	10,144,367	48,343
Fund Balances - Ending, Budgetary Basis	$ 7,930,780	$ 7,126,327	$ 10,255,416	$ 3,129,089

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 52,657,498
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	5,831,652
Prior year accrued revenue	(6,316,139)
Certain year-end adjustments are considered revenue for financial reporting but not for budgetary reporting	3,549
Total Actual Revenues - GAAP Basis	$ 52,176,560
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 52,517,097
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	2,173,997
Prior year accrued expenditures	(2,255,594)
Allowances for doubtful accounts are considered expenditures for financial reporting but not for budgetary reporting	189,146
Total Actual Expenditures - GAAP Basis	$ 52,624,646

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

CITY OF RIO RANCHO, NEW MEXICO

Statement of Net Position
Proprietary Funds
June 30, 2014

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
ASSETS				
Current Assets:				
Cash and Investments	$ 17,414,295	$ 554,574	$ 17,968,869	$ 2,725,167
Receivables:				
Accounts, net	5,773,346	46,755	5,820,101	—
Due From Federal Government	637	—	637	—
Due From State Government	1,357,720	288,140	1,645,860	—
Total Current Assets	24,545,998	889,469	25,435,467	2,725,167
Noncurrent Assets:				
Restricted Cash	7,202,850	2,877,972	10,080,822	—
Prepaid Bond Insurance	545,989	9,410	555,399	—
Goodwill, net	3,749,325	—	3,749,325	—
Capital Assets:				
Land	42,968,159	332,500	43,300,659	—
Construction in Progress	27,280,184	13,000	27,293,184	—
Infrastructure	158,050,179	—	158,050,179	—
Buildings and Improvements	59,047,632	40,985,807	100,033,439	—
Land Improvements	12,639,051	350,616	12,989,667	—
Machinery and Equipment	53,136,187	1,166,663	54,302,850	—
Less Accumulated Depreciation	(62,049,195)	(5,457,718)	(67,506,913)	—
Total Noncurrent Assets	302,570,361	40,278,250	342,848,611	—
Total Assets	327,116,359	41,167,719	368,284,078	2,725,167
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amount on Bond Refundings	690,230	3,027,544	3,717,774	—
Total Deferred Outflows of Resources	690,230	3,027,544	3,717,774	—
LIABILITIES				
Current Liabilities:				
Accounts Payable	2,038,685	11,917	2,050,602	—
Accrued Liabilities	769,415	75,936	845,351	—
Claims Payable	—	—	—	899,804
Deposits	984,050	—	984,050	—
Compensated Absences	107,775	—	107,775	—
Current Portion of Long-term Debt	8,632,755	1,515,000	10,147,755	—
Total Current Liabilities	12,532,680	1,602,853	14,135,533	899,804
Noncurrent Liabilities:				
Compensated Absences	722	—	722	—
Notes Payable	31,819,391	—	31,819,391	—
Bonds Payable, net	94,829,110	28,086,100	122,915,210	—
Total Noncurrent Liabilities	126,649,223	28,086,100	154,735,323	—
Total Liabilities	139,181,903	29,688,953	168,870,856	899,804
NET POSITION				
Net Investment in Capital Assets	156,357,986	7,799,178	164,157,164	—
Restricted	7,198,137	2,877,972	10,076,109	—
Unrestricted	25,068,563	3,829,160	28,897,723	1,825,363
Total Net Position	$ 188,624,686	$ 14,506,310	$ 203,130,996	$ 1,825,363

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

CITY OF RIO RANCHO, NEW MEXICO

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2014

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
OPERATING REVENUES				
Charges for Services	$ 41,303,410	$ 415,491	$ 41,718,901	$ 5,754,560
Miscellaneous	—	—	—	2,539
Total Revenues	41,303,410	415,491	41,718,901	5,757,099
OPERATING EXPENSES				
General and Administrative	5,306,064	1,169,153	6,475,217	365,158
Production Costs	18,282,424	—	18,282,424	—
Depreciation	7,262,069	891,947	8,154,016	—
Claims and Premiums	—	—	—	4,939,651
Total Expenses	30,850,557	2,061,100	32,911,657	5,304,809
Operating Income (Loss)	10,452,853	(1,645,609)	8,807,244	452,290
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental Revenue - Federal	2,238	—	2,238	—
Intergovernmental Revenue - State	—	2,125,555	2,125,555	—
Intergovernmental Revenue - Local	3,000	—	3,000	—
Impact Fees	396,811	—	396,811	—
Other Revenues	163,796	39,653	203,449	—
Interest Expense	(4,706,827)	(1,275,601)	(5,982,428)	—
Amortization of Goodwill	(178,895)	—	(178,895)	—
Investment Income	4,238	4,035	8,273	—
Other Expenses	(7,937)	(1,471)	(9,408)	—
Total Non-Operating Revenues (Expenses)	(4,323,576)	892,171	(3,431,405)	—
Income (Loss) Before Capital Contributions and Transfers	6,129,277	(753,438)	5,375,839	452,290
Capital Grants and Contributions	2,688,714	—	2,688,714	—
Transfers In	—	1,097,052	1,097,052	—
Transfers Out	—	—	—	—
Change in Net Position	8,817,991	343,614	9,161,605	452,290
Net Position - Beginning	179,990,270	11,573,896	191,564,166	1,373,073
Restatement (see Note 2)	(183,575)	2,588,800	2,405,225	—
Net Position - Beginning, as restated	179,806,695	14,162,696	193,969,391	1,373,073
Net Position - Ending	$ 188,624,686	$ 14,506,310	$ 203,130,996	$ 1,825,363

Adjustment for the net effect of eliminating internal service fund activity from enterprise funds	(54,923)
Change in net position of Business-type Activities	$ 9,106,682

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

CITY OF RIO RANCHO, NEW MEXICO

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	$ 42,165,254	$ 381,333	$ 42,546,587	$ 5,754,560
Payments to Suppliers and Contractors	(21,464,051)	(1,162,003)	(22,626,054)	(5,305,636)
Payments to Employees	(1,692,041)	—	(1,692,041)	—
Net Cash Provided (Used) by Operating Activities	19,009,162	(780,670)	18,228,492	448,924
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers (To) From Other Funds	—	1,097,052	1,097,052	—
Intergovernmental Revenues	106,174	2,243,079	2,349,253	—
Net Cash Provided (Used) by Non-Capital Financing Activities	106,174	3,340,131	3,446,305	—
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Development Impact Fees	396,811	—	396,811	—
Capital Grants	517,576	—	517,576	—
Acquisition of Capital Assets	(7,114,099)	(13,000)	(7,127,099)	—
Proceeds from Bonds and Notes	5,144,718	—	5,144,718	—
Principal Paid on Bonds and Notes	(7,227,488)	(1,450,000)	(8,677,488)	—
Interest Paid on Bonds and Notes	(5,121,287)	(1,024,897)	(6,146,184)	—
Net Cash Provided (Used) by Capital and Related Financing Activities	(13,403,769)	(2,487,897)	(15,891,666)	—
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	4,238	4,035	8,273	2,539
Net Cash Provided (Used) by Investing Activities	4,238	4,035	8,273	2,539
Net Cash Provided (Used) - All Activities	5,715,805	75,599	5,791,404	451,463
Cash and Cash Equivalents - Beginning	18,901,340	3,356,947	22,258,287	2,273,704
Cash and Cash Equivalents - Ending	$ 24,617,145	$ 3,432,546	$ 28,049,691	$ 2,725,167
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ 10,452,853	$ (1,645,609)	$ 8,807,244	$ 452,290
Adjustments to Reconcile Operating Income (Loss):				
Depreciation Expense	7,262,069	891,947	8,154,016	—
(Increase) Decrease in Accounts Receivable	827,827	(34,158)	793,669	—
Increase (Decrease) in Accounts Payable	418,944	7,150	426,094	(3,366)
Increase (Decrease) in Accrued Liabilities	(446)	—	(446)	—
Increase (Decrease) in Deposits	34,017	—	34,017	—
Increase (Decrease) in Compensated Absences	13,898	—	13,898	—
Net Cash Provided (Used) by Operating Activities	$ 19,009,162	$ (780,670)	$ 18,228,492	$ 448,924
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Capital Contributions from Developers and Others	$ 2,171,138	$ —	$ 2,171,138	$ —
Total Non-Cash Investing, Capital and Financing Activities	$ 2,171,138	$ —	$ 2,171,138	$ —

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

CITY OF RIO RANCHO, NEW MEXICO

Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2014

	Agency Funds
ASSETS	
Cash	$ 2,275,052
Total Assets	$ 2,275,052
LIABILITIES	
Deposits Held for Others	$ 2,275,052
Total Liabilities	$ 2,275,052

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Rio Rancho (the City) conform in all material respects to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. The following is a summary of the City's significant accounting policies.

A. Reporting Entity

The City of Rio Rancho was incorporated in 1981, and voters approved a home rule amendment to the charter in 1992. The City operates under a council-manager form of government with six council members who, along with an elected mayor, constitute the City's Governing Body. The Governing Body has budgetary authority over all City departments and is accountable for all fiscal matters. The City's major operations include police and fire protection, library, parks and recreation, community and social services, and general administrative services. In addition, the City owns and operates two enterprise funds, which include a utilities fund for water and wastewater operations and a multi-purpose event center.

The Comprehensive Annual Financial Report (CAFR) of Rio Rancho includes the financial statements for all departments and agencies of the City based on the criteria set forth in GASB Statement 14. The City is a primary government that has a separately elected Governing Body, is legally separate, and is fiscally independent of other state and local governments. Furthermore, no component units are combined with the City for financial statement presentation purposes, and the City is not included in the financial statements of any other governmental reporting entity. Consequently, the City's financial statements include only the financial activity of those organizational entities for which elected Governing Body is financially accountable.

B. Government-wide and Fund Financial Statements

The City's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds.

Government-wide Financial Statements. The government-wide statements present information on all non-fiduciary activities of the primary government. Primary government activities are distinguished between *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, grants, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The *Statement of Net Position* presents the City's non-fiduciary assets, liabilities, and deferred outflows/inflows, with the difference reported as net position. Net position is restricted when constraints are either externally imposed or are imposed by constitutional provisions or enabling legislation.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The City does not allocate general government (indirect) expenses to other functions. 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; 2) court fines; and 3) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for *governmental*, *proprietary*, and *fiduciary funds*. For governmental and proprietary funds, the emphasis is on *major funds*, with each displayed in a separate column.

The City reports only one major governmental fund:

- **General Fund.** This fund is the principal operating fund of the City. It is used to account for all financial resources not accounted for in another fund.

The City's nonmajor governmental funds account for specific revenue sources that are restricted, committed, or assigned for specific purposes. Fund types reported as nonmajor funds are special revenue, debt service, and capital project funds.

The City reports the following proprietary funds:

- **Utilities Enterprise Fund.** This fund accounts for the operations of the City's water and wastewater systems that are operated for residents and businesses of the City. This fund is reported as a major enterprise fund.

- **Multi-Purpose Events Center (MPEC) Enterprise Fund.** This fund accounts for the operations of the City's Santa Ana Star Center. This fund is reported as a major enterprise fund.

- **Internal Service Funds.** These funds account for the financing of health and dental services provided to City employees on a cost-recovery basis. Internal service funds are combined with governmental activities on the government-wide statements.

The City reports the following fiduciary funds:

- **Agency Funds.** These funds account for assets held by the City as a custodian for other governments or organizations and include the Special Assessment District Operations Fund; Special Assessment District VI, VII, and VIII Bond Funds; the Municipal Court Fund; the Gross Receipts Incentive Program (GRIP) Fund; the Rio Metro Fund; and the Rio Rancho Economic Development Fund. These funds account for monies temporarily held by the City as an agent.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other revenues are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary and fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating items, such as interest expense and investment earnings, result from nonexchange transactions or ancillary activities.

The governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred, except for debt service expenditures as explained below.

D. Assets, Liabilities, Deferred Outflows / Inflows of Resources, and Equity

Following are the City's significant policies regarding recognition and reporting of certain assets, liabilities, deferred outflows/inflows, and equity.

Cash and Investments. Cash and cash equivalents consist primarily of demand deposits with financial institutions and short-term investments with original maturities of three months or less from the purchase date. Investments may include pooled and non-pooled investments with original maturities greater than three months. All cash and investments are stated at fair value. Restricted cash and investments include amounts held by the City or the City's bond trustee that are reserved for future debt service requirements.

Receivables. Taxes receivable include accrued amounts for municipal and state-shared taxes and delinquent property taxes. Receivables from other governments are reasonably assured. Accordingly, no allowance for uncollectible accounts has been established for taxes and intergovernmental revenues. Accounts receivable from customers in excess of 187 days comprise an allowance for uncollectibles in the Utilities Enterprise Fund.

Property Taxes. Property taxes are recognized net of estimated refunds and uncollectible amounts. Property taxes attach as a lien on property as of January 1. Taxes are levied each year on July 1 on the taxable valuation of property located within the City as of the preceding January 1. The taxable valuation for the various classes of property are determined by the Sandoval County Assessor and the State of New Mexico Department of Finance and Administration (DFA), Local Government Division at one-third of assessed valuation. The rate of taxes for operating purposes for all taxing jurisdictions is limited by the State Constitution to 20 mils ($20 per $1,000 assessed valuation), of which the City's portion, by state regulation, is limited to 5.151 mils. Property taxes are payable in two equal installments due on November 10th of the current year and April 10th of the following

year and become delinquent after 30 days. The City records a receivable and deferred inflow for delinquent taxes in governmental funds, but no allowance for doubtful accounts is made as uncollected property taxes are deemed to be substantially collectible through foreclosure.

Inventories and Prepaid Items. In all funds, inventories are recorded as expenditures or expenses when purchased, and amounts paid to vendors for goods and services applicable to future accounting periods are recorded as prepaid items.

Capital Assets. The City defines a capital asset as an asset with an initial cost of $5,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair value on the date of donation.

Buildings, equipment, infrastructure, and other depreciable assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Years
Public Domain Infrastructure	15-65
System Infrastructure	30
Buildings	50
Building and Other Improvements	20
Vehicles	8
Furniture and Other Equipment	5

Goodwill represents the excess of the cost of an acquisition over fair value of the City's share of the net identifiable assets of the controlled entity/associate at the date of the acquisition of the Utility. Software is capitalized when acquired while library books are not capitalized because the aggregated cost of books is considered immaterial.

General government infrastructure assets acquired prior to July 1, 2002 consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1981. These infrastructure assets are reported at estimated historical cost using deflated replacement cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Capital assets purchased in governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for capital asset construction related to governmental activities is not capitalized, while interest expense incurred during construction of capital assets related to business-type activities is capitalized.

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Deferred Outflows of Resources. A deferred outflow of resources is a consumption of net position that applies to a future reporting period and therefore will be reported as an outflow/expense in future years. All deferred amounts on bond refundings are reported as deferred outflows of resources and amortized over the life of the bonds in the government-wide and proprietary fund statements.

Compensated Absences. The City's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. Vacation benefits vest immediately at the employee's current rate of pay. Sick leave benefits may be converted to vacation leave at specified rates upon retirement after 10 or more years of service; however, the sick leave benefits do not vest. The current and long-term liabilities for accumulated leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations, or retirements. Resources from the General Fund are used to pay for compensated absences.

Long-term Obligations. In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as the difference between the reacquisition price and the net carrying amount of old debt in refunding transactions, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of unamortized premiums and discounts.

In the governmental fund financial statements, bond premiums, discounts, and issuance costs are recognized in the current period. 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, are reported as debt service expenditures. The face amount of debt issued is reported as other financing sources.

Deferred Inflows of Resources. A deferred inflow of resources is an acquisition of net position by the government that applies to a future reporting period and therefore will be recognized as an inflow/revenue in future years. Delinquent property taxes owed to the

City but not yet collected are reported as deferred inflows of resources in the governmental fund statements and recognized as revenue as the taxes are collected in future years.

Net Position and Fund Balances. The difference between assets/deferred outflows and liabilities/deferred inflows is n*et position* on the government-wide, proprietary fund, and fiduciary fund statements, and *fund balance* on the governmental fund statements. Note 10 provides more information on the City's policies and classifications related to net position and fund balances.

E. Revenues and Expenditures / Expenses

Revenue Availability. Under the modified accrual basis of accounting, revenues are recognized in governmental funds when they are both "measurable and available." Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The City considers property tax revenues to be "available" if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue when all eligibility requirements have been met. All other revenues, including gross receipts taxes, are considered to be available if they are collected within 60 days after year-end. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Expenditure/Expense Recognition. In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisition and construction are reported as expenditures in the period they are acquired or built. In proprietary funds and government-wide statements, expenses are recorded when the related liability is incurred.

When an expenditure or expense is incurred for purposes for which both restricted and unrestricted resources are available, the City's policy is to use restricted resources first, then unrestricted resources in order of committed then assigned as needed.

F. Interfund Activity and Balances

Government-wide Statements. In general, eliminations have been made to minimize the double-counting of internal activity, including internal service fund activity. However, interfund services provided and used between different functional categories have not been eliminated when to do so would distort the direct costs and program revenues of the applicable functions. Interfund receivables and payables have been eliminated from the Statement of Net Position, except for the residual amounts due between governmental and business-type activities, if any, which are shown as "internal balances."

Governmental Fund Statements. Interfund transactions for goods and services provided and used are reported as revenues and expenditures in the funds involved. Cash transfers between funds of the City are reported as other financing sources and uses in the governmental fund statements.

G. Budgets

Budgets for the General Fund, special revenue funds, debt service funds, capital projects funds, and proprietary funds are subject to approval by the New Mexico Department of Finance and Administration (DFA), Local Government Division.

During the month of May, public hearings are conducted to obtain taxpayer comments on the budget. Prior to June 1, the City submits to DFA a proposed operating budget for the fiscal year commencing July 1. The budget is prepared by fund and function and includes proposed expenditures, including carryover encumbrances and accounts payable, and the means of financing them. Prior to July 1, DFA grants interim approval for the City to operate on the proposed budget subject to adjustments and/or revisions prior to final subsequent approval before the first Monday in September. Such approval is contingent upon the City Council adopting the proposed budget in accordance with applicable state statutes, and sufficient funds being available for anticipated fiscal year expenditures. Prior to July 31, the City Council adopts by resolution a formal budget and such budget is presented to DFA for final approval.

Section 6-6-6, NMSA, 1978 prohibits municipalities from making expenditures in excess of the approved budget. Statute defines the legal level of budgetary control as a fund's total budgeted expenditures.

The adopted budget of the City is prepared on a cash basis, and reconciliations of cash budget-basis amounts to GAAP-based amounts are provided on the face of the budgetary statements and schedules.

NOTE 2. NEW GASB PRONOUNCEMENTS AND BEGINNING NET POSITION / FUND BALANCE ADJUSTMENTS

A. New GASB Pronouncements

For the fiscal year ended June 30, 2014, the City implemented GASB Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB Statement 65 reclassifies, as *deferred outflows of resources* or *deferred inflows of resources*, certain items that were previously reported as assets and liabilities and recognizes, as outflows or inflows of resources, certain items that were previously reported as assets and liabilities. As a result, presentation and terminology changes were made to the government-wide and fund financial statements as necessary. Furthermore, portions of unamortized bond issuance costs were eliminated from the Statement of Net Position for both the government-wide and enterprise fund statements. As explained below, beginning net position was restated to accommodate this change.

B. Beginning Net Position Adjustments

The City adjusted beginning net position for the net effect of eliminating certain unamortized bond issuance costs, as required by GASB Statement 65; adding previously unreported bond premiums and discounts to liabilities; adding previously unreported deferred amounts on bond refundings as deferred outflows of resources; and adjusting beginning fund balances as explained below. Following are the net amounts adjusted on the Statements of Net Position:

Governmental Activities	$982,959
Utility Enterprise Fund	($183,575)
MPEC Enterprise Fund	$2,588,800

The adjustments to the enterprise funds resulted in an adjustment to beginning net position of Business-type Activities of $2,405,225 on the government-wide Statement of Net Position.

C. Beginning Fund Balance Adjustments

The City re-evaluated its method of accruing debt service costs at year-end and determined that some interest costs should not be accrued as an expenditure or payable because payment for such interest is not due at year-end under the modified accrual basis of accounting. Also, an adjustment was made for certain state-shared gas tax revenues that had not been accrued in prior years. As a result, the City adjusted beginning fund balances for the net effect of the prior year's interest and revenue accruals. Following are the funds and amounts adjusted:

	Adjustment to Beginning Fund Balance
Nonmajor Special Revenue Funds:	
Law Enforcement Fund	$ 318
Fire Protection Fund	10,731
Environmental GRT Fund	17,481
Municipal Road Fund	50,659
Nonmajor Debt Service Funds:	
G.O. Bond Fund	327,176
GRT Revenue Bond Fund	67,490
GRT Refund Loan Fund	912
HP Loan Fund	17,101
HS Loan Fund	16,051
Total	$ 507,919

NOTE 3. DEPOSITS AND INVESTMENTS

At June 30, the carrying amount of the City's deposits was $57,978,758 and the bank balance was $58,640,555. The difference represents outstanding checks, deposits, and other reconciling items. The City also had $5,311 of cash on hand at June 30. Following are discussions of the City's exposure to various risks related to its cash management activities.

A. Custodial Credit Risk

Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be recovered. New Mexico law requires all deposits with financial institutions to be collateralized in an amount not less than 50% of the uninsured balance. Furthermore, the City's Investment Policy requires all deposits with financial institutions to be collateralized in an amount not less than 102% of the uninsured balance in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). As of June 30, $58,140,555 of the City's bank balance was exposed to custodial credit risk as uninsured but collateralized with securities held by the pledging financial institution's trust department. Pledged collateral at June 30 consisted of the following:

Total amount on deposit	$ 58,640,555
less FDIC insured amount	(500,000)
Total uninsured deposits	58,140,555
50% collateral requirement	29,070,278
Pledged securities, fair value	61,557,321
Pledged in excess of requirement	$ 32,487,043

Investments. Custodial credit risk for 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 that are in the possession of an

outside party. The City's Investment Policy requires all collateral to be held in the City's name by an independent party approved by the City. The custodian is required to provide original safekeeping receipts. Following are the City's investments at June 30:

Investment Type	Fair Value	Weighted Average Maturity
State Treasurer's Investment Pool	$ 11,066	48.6 days
Bank of New York Mellon Money Market	1,760,628	n/a
New Mexico Military Institute Bond	450,527	330 days
Total	$ 2,222,221	

The City's investment in the New Mexico State Treasurer's Local Government Investment Pool (LGIP) represents a proportionate interest in the Pool's portfolio. The City's portion is not identified with specific investments and is not subject to custodial risk; however, separately issued financial statements of the LGIP disclose the collateral pledged to secure the State Treasurer's cash and investments. The most recent report may be obtained by contacting the Office of the State Treasurer, P.O. Box 5135, Santa Fe, NM 87505-5135.

B. Credit Risk

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The City's adopted Investment Policy manages credit risk by requiring investment in only the following security types, consistent with state law:

- U.S. Treasury obligations
- Federal Agency securities
- repurchase agreements with institutions
- demand deposits of New Mexico banks
- savings and loan association deposits
- investment grade obligations of state and local governments
- money market mutual funds
- State Treasurer's LGIP

The City's Investment Policy and state law restrict certificates of deposit to only fully collateralized or insured CDs that are issued by eligible depositories in New Mexico. Such CDs are further collateralized to 102% with pledged US obligations held by an independent custodian. Securities of state and municipal entities within the United States must have a taxable valuation of real property for the preceding year of at least $1 million and must have not defaulted on bond obligations within the preceding five years.

Money market mutual funds must be registered with the SEC and must have assets of at least $100 million. The City's Investment Policy does not require that SEC-registered money market mutual funds be rated AAAm or its equivalent.

The State of New Mexico Local Government Investment Pool is authorized by state statute and is rated AAAm by Standard & Poors. The LGIP is not registered with the United States Securities Exchange Commission. Section 6-10-101, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held for short-term investment in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned 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 pool is voluntary. The City's investment in the LGIP approximates the value of the City's pool share.

C. Concentration of Credit Risk

The City's Investment Policy manages concentration of credit risk by stressing diversification on all deposits and investments. Following are the ratio of the City's holdings at June 30:

Municipal bonds	0.74%
State Treasurer LGIP	0.02%
Money market mutual funds	2.89%
Collateralized demand deposits	96.4%

D. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's Investment Policy manages interest rate risk by setting a maximum maturity of five years on any single investment and a maximum weighted average of two years for the overall portfolio, with the exception of bond or trust funds which should be matched to the planned expenditures of the funds. As of June 30, the City's portfolio had no investment that matured beyond 24 months, and the weighted average maturity of the total portfolio was 67.2 days.

NOTE 4. INTERFUND BALANCES

Interfund balances result from time lags between the dates of payment for goods and services and collection of revenues. Interfund balances at June 30 consisted of the following amounts:

	Due From Other Funds - General Fund
Due To Other Funds reported in:	
Nonmajor Special Revenue Funds:	
Keep Rio Rancho Beautiful Fund	$ 43,225
Community Response Program Fund	5,936
Public Safety and Other Grants Fund	32,437
HUD CDBG Grant Fund	5,950
Crime Victim Assistance Fund	3,605
Nonmajor Capital Project Funds:	
Infrastructure Fund	128,683
State Appropriation Capital Project Fund	183,120
Total	$ 402,956

NOTE 5. INTERFUND TRANSFERS

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in other funds in accordance with budgetary authorizations. Interfund transfers among governmental and enterprise funds for the year ended June 30 were as follows:

	Transfers Out reported in:			
		Nonmajor Governmental Funds		
	General Fund	Keep Rio Rancho Beautiful Fund	Infrastructure Fund	Total Transfers In
Transfers In reported in:				
General Fund	$ —	$ 2,500	$ 1,271	$ 3,771
Nonmajor Special Revenue Funds:				
Promotion and Marketing Fund	123,117	—	—	123,117
Convention and Visitors Bureau Fund	5,127	—	—	5,127
Local Govt Corrections Fund	109,797	—	—	109,797
NM Gang Task Force Fund	1,295	—	—	1,295
Fire Protection Fund	42,000	—	—	42,000
Crime Victim Assistance Fund	4,041	—	—	4,041
Total Transfers Out - Governmental Funds	285,377	2,500	1,271	289,148
Enterprise Funds:				
MPEC Fund	1,097,052	—	—	1,097,052
Total Transfers Out	$ 1,382,429	$ 2,500	$ 1,271	$ 1,386,200

NOTE 6. ACCOUNTS RECEIVABLE

Accounts Receivable are aggregated into a single line, net of allowance for uncollectible accounts, on the face of the financial statements. Below is the detail of receivables by fund as of June 30:

	Governmental Activities / Funds			Business-type Activities / Enterprise Funds		
	General Fund	Rio Vision Cable Fund	Total	Utility Fund	MPEC Fund	Total
Accounts Receivable	$ 1,425,489	$ 23,437	$ 1,448,926	$ 8,054,908	$ 46,755	$ 8,101,663
Allowance for uncollectible accounts	(189,146)	—	(189,146)	(2,281,562)	—	(2,281,562)
Net Accounts Receivable	$ 1,236,343	$ 23,437	$ 1,259,780	$ 5,773,346	$ 46,755	$ 5,820,101

NOTE 7. LEASE COMMITMENTS

The City has entered into non-cancelable operating leases for various office equipment and software. Operating leases are leases for which the City will not gain title to the property being leased; therefore, the related assets and liabilities are not recorded on the City's books. Operating lease payments are recorded as expenditures or expenses when paid or incurred. Total operating lease payments for 2014 were $416,757. Future minimum lease commitments for non-cancelable operating leases as of June 30 are as follows:

	Future Commitments for Operating Leases		
Fiscal Year	Governmental Activities	Business-type Activities	Total
2015	$ 246,836	$ 11,103	$ 257,939
2016	209,023	3,504	212,527
2017	173,796	3,504	177,300
2018	172,476	3,504	175,980
2019	166,071	3,504	169,575
Total	$ 968,202	$ 25,119	$ 993,321

NOTE 8. CAPITAL ASSETS

A. Depreciation – Governmental Activities

Depreciation expense was charged to the functions of governmental activities as follows:

General Government	$ 408,703
Public Safety	1,356,532
Public Works	9,307,203
Parks, Recreation, and Culture	1,257,527
Community and Economic Development	21,921
Total	$ 12,351,886

B. Construction Commitments

The City has active construction projects as of June 30, 2014, including parks and recreation improvements, transportation improvements, and water and wastewater improvements. At year-end, the amount of outstanding construction commitments with contractors was $8,928,101.

C. Changes in Capital Assets

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

	Capital Assets - Governmental Activities			
	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land and Related Assets	$ 63,020,629	$ 268,610	$ —	$ 63,289,239
Construction-In-Progress	14,289,450	4,270,286	(1,637,516)	16,922,220
Total	77,310,079	4,538,896	(1,637,516)	80,211,459
Capital assets being depreciated:				
Infrastructure	280,950,565	2,243,048	—	283,193,613
Buildings and Improvements	53,185,179	463,950	—	53,649,129
Land Improvements	16,731,723	457,458	—	17,189,181
Equipment	24,740,421	2,078,838	(1,122,715)	25,696,544
Total	375,607,888	5,243,294	(1,122,715)	379,728,467
Less Accumulated Depreciation for:				
Infrastructure	(142,510,397)	(9,008,432)	—	(151,518,829)
Buildings and Improvements	(7,869,963)	(1,070,029)	—	(8,939,992)
Land Improvements	(5,005,715)	(733,743)	—	(5,739,458)
Equipment	(18,732,761)	(1,539,682)	1,074,476	(19,197,967)
Total	(174,118,836)	(12,351,886)	1,074,476	(185,396,246)
Capital assets being depreciated, net	201,489,052	(7,108,592)	(48,239)	194,332,221
Governmental Activities Capital Assets, Net	$ 278,799,131	$ (2,569,696)	$ (1,685,755)	$ 274,543,680

	Capital Assets - Business-type Activities			
	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities:				
Capital assets not being depreciated:				
Land and Related Assets	$ 42,191,381	$ 1,109,278	$ —	$ 43,300,659
Construction-In-Progress	22,313,925	5,979,922	(1,000,663)	27,293,184
Total	64,505,306	7,089,200	(1,000,663)	70,593,843
Capital assets being depreciated:				
Infrastructure	156,137,711	1,912,468	—	158,050,179
Buildings and Improvements	100,033,439	—	—	100,033,439
Land Improvements	12,989,667	—	—	12,989,667
Equipment	53,077,067	1,235,786	(10,003)	54,302,850
Total	322,237,884	3,148,254	(10,003)	325,376,135
Less Accumulated Depreciation for:				
Infrastructure	(20,632,792)	(2,445,343)	—	(23,078,135)
Buildings and Improvements	(15,041,607)	(2,000,569)	—	(17,042,176)
Land Improvements	(1,854,572)	(540,388)	—	(2,394,960)
Equipment	(21,833,929)	(3,167,716)	10,003	(24,991,642)
Total	(59,362,900)	(8,154,016)	10,003	(67,506,913)
Capital assets being depreciated, net	262,874,984	(5,005,762)	—	257,869,222
Business-type Activities Capital Assets, Net	$ 327,380,290	$ 2,083,438	$ (1,000,663)	$ 328,463,065

NOTE 9. LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

Changes in long-term liabilities for the year ended June 30 were as follows:

	Long-term Liabilities				
	Beginning Balance, as restated	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds	$ 23,290,000	$ —	$ (2,575,000)	$ 20,715,000	$ 2,955,000
Gross Receipts Tax Revenue Bonds	15,380,000	—	(955,000)	14,425,000	1,005,000
Unamortized Premiums	1,889,408	—	(223,578)	1,665,830	—
Notes Payable	14,769,084	2,034,000	(1,392,232)	15,410,852	1,624,002
Compensated Absences	5,586,172	2,777,341	(3,864,792)	4,498,721	2,964,665
Total Governmental Long-term Liabilities	$ 60,914,664	$ 4,811,341	$ (9,010,602)	$ 56,715,403	$ 8,548,667
Business-type Activities:					
Utility Revenue Bonds	$ 102,075,000	$ —	$ (5,945,000)	$ 96,130,000	$ 6,145,000
MPEC Revenue Bonds	31,065,000	—	(1,450,000)	29,615,000	1,515,000
Unamortized Premiums	5,436,894	—	(533,784)	4,903,110	—
Unamortized Discounts	(89,750)	—	16,850	(72,900)	—
Notes Payable	31,564,398	4,025,236	(1,282,488)	34,307,146	2,487,755
Compensated Absences	122,395	101,187	(115,085)	108,497	107,775
Total Business-type Long-term Liabilities	$ 170,173,937	$ 4,126,423	$ (9,309,507)	$ 164,990,853	$ 10,255,530

B. Debt Service Requirements to Maturity – Summary

The following tables summarize the City's debt service requirements to maturity for all bonds and loans:

Summary of Debt Service Requirements to Maturity

	Governmental Activities						
	General Obligation Bonds		Gross Receipts Tax Revenue Bonds		Notes Payable		Total Governmental
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest	Activities
2015	$ 2,955,000	$ 645,393	$ 1,005,000	$ 484,838	$ 1,624,002	$ 603,035	$ 7,317,268
2016	3,115,000	559,251	1,145,000	434,588	1,271,081	558,830	7,083,750
2017	3,270,000	469,272	1,180,000	400,238	1,301,613	524,449	7,145,572
2018	2,800,000	374,750	1,215,000	364,838	1,345,432	486,253	6,586,273
2019	2,750,000	279,875	1,260,000	316,238	1,029,323	443,857	6,079,293
2020 - 2024	5,825,000	342,500	7,085,000	812,188	5,269,127	1,558,689	20,892,504
2025 - 2029	—	—	1,535,000	38,375	3,375,611	433,130	5,382,116
2030 - 2034	—	—	—	—	194,663	17,493	212,156
Total	$ 20,715,000	$ 2,671,041	$ 14,425,000	$ 2,851,303	$ 15,410,852	$ 4,625,736	$ 60,698,932

	Business-type Activities						
	Utility Revenue Bonds		Multi-Purpose Events Center Revenue Bonds		Notes Payable (a)		Total Business-type
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest	Activities
2015	$ 6,145,000	$ 4,282,230	$ 1,515,000	$ 955,741	$ 2,421,264	$ 630,652	$ 15,949,887
2016	6,330,000	4,088,280	1,350,000	884,535	2,193,774	1,353,495	16,200,084
2017	6,575,000	3,824,474	1,365,000	869,010	2,250,063	1,297,184	16,180,731
2018	6,890,000	3,530,186	1,385,000	849,217	2,309,040	1,237,076	16,200,519
2019	7,185,000	3,214,036	1,410,000	824,980	2,375,469	1,173,293	16,182,778
2020 - 2024	32,410,000	10,884,865	7,560,000	3,610,329	12,264,708	4,772,972	71,502,874
2025 - 2029	17,505,000	5,242,769	8,850,000	2,317,668	11,300,758	2,912,873	48,129,068
2030 - 2034	13,090,000	1,382,575	6,180,000	524,243	9,190,409	1,026,012	31,393,239
2035 - 2039	—	—	—	—	1,631,449	48,943	1,680,392
Total	$ 96,130,000	$ 36,449,415	$ 29,615,000	$ 10,835,723	$ 45,936,934	$ 14,452,500	$ 233,419,572

(a) Includes an estimate for one NMED loan based on an authorized loan amount of $25 million. Once the project is complete, NMED will revise the debt service schedule to reflect the actual cost of the project plus capitalized interest. See Note 9.H.

C. General Obligation Bonds

During 2014, the City did not issue any new general obligation bonds. General Obligation Bonds Payable at June 30 consisted of the following:

	General Obligation Bonds Payable				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2014
Series 2006 Project Bonds	5/31/2006	8/1/2018	4.00% to 5.00%	$ 7,000,000	$ 3,950,000
Series 2009 Project Bonds	5/27/2009	8/1/2021	2.50% to 4.00%	25,000,000	15,075,000
Series 2013 Refunding Bonds	3/27/2013	8/1/2016	0.30% to 0.77%	1,715,000	1,690,000
Total General Obligation Bonds Outstanding					20,715,000
Add Unamortized Premium					578,643
Total General Obligation Bonds Payable					$ 21,293,643

Debt Service Requirements to Maturity - General Obligation Bonds

	Series 2006			Series 2009		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2015	$ 800,000	$ 164,750	$ 964,750	$ 1,750,000	$ 471,125	$ 2,221,125
2016	800,000	124,750	924,750	1,750,000	427,375	2,177,375
2017	800,000	87,250	887,250	1,750,000	379,250	2,129,250
2018	800,000	51,750	851,750	2,000,000	323,000	2,323,000
2019	750,000	16,875	766,875	2,000,000	263,000	2,263,000
2020 - 2024	—	—	—	5,825,000	342,500	6,167,500
Total	$ 3,950,000	$ 445,375	$ 4,395,375	$ 15,075,000	$ 2,206,250	$ 17,281,250

	Series 2013 Refunding			Total General Obligation Bonds		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2015	$ 405,000	$ 9,518	$ 414,518	$ 2,955,000	$ 645,393	$ 3,600,393
2016	565,000	7,126	572,126	3,115,000	559,251	3,674,251
2017	720,000	2,772	722,772	3,270,000	469,272	3,739,272
2018	—	—	—	2,800,000	374,750	3,174,750
2019	—	—	—	2,750,000	279,875	3,029,875
2020 - 2024	—	—	—	5,825,000	342,500	6,167,500
Total	$ 1,690,000	$ 19,416	$ 1,709,416	$ 20,715,000	$ 2,671,041	$ 23,386,041

D. Gross Receipts Tax Revenue Bonds – Governmental Activities

During 2014, the City did not issue any new Gross Receipts Tax (GRT) Revenue Bonds. GRT Revenue Bonds Payable at June 30 consisted of the following:

	Gross Receipts Tax Revenues Bonds Payable - Governmental Activities				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2014
Series 2005 Project Bonds	7/27/2005	6/1/2015	3.00% to 5.00%	$ 18,130,000	$ 1,005,000
Series 2013 Refunding Bonds	5/15/2013	6/1/2025	2.00% to 4.00%	13,420,000	13,420,000
Total Gross Receipts Tax Revenue Bonds Outstanding, Governmental Activities					14,425,000
Add Unamortized Premium					1,087,187
Total Gross Receipts Tax Revenue Bonds Payable, Governmental Activities					$ 15,512,187

Debt Service Requirements to Maturity -
Gross Receipts Tax Revenue Bonds, Governmental Acitivities

	Series 2005			Series 2013 Refunding		
Fiscal Year	**Principal**	**Interest**	**Total**	**Principal**	**Interest**	**Total**
2015.....	$ 1,005,000	$ 50,250	$ 1,055,250	$ —	$ 434,588	$ 434,588
2016.....	—	—	—	1,145,000	434,588	1,579,588
2017.....	—	—	—	1,180,000	400,238	1,580,238
2018.....	—	—	—	1,215,000	364,838	1,579,838
2019.....	—	—	—	1,260,000	316,238	1,576,238
2020 - 2024...	—	—	—	7,085,000	812,188	7,897,188
2025 - 2029...	—	—	—	1,535,000	38,375	1,573,375
Total.....	$ 1,005,000	$ 50,250	$ 1,055,250	$ 13,420,000	$ 2,801,053	$ 16,221,053

Total Gross Receipts Tax Revenue Bonds

Fiscal Year	**Principal**	**Interest**	**Total**
2015.....	$ 1,005,000	$ 484,838	$ 1,489,838
2016.....	1,145,000	434,588	1,579,588
2017.....	1,180,000	400,238	1,580,238
2018.....	1,215,000	364,838	1,579,838
2019.....	1,260,000	316,238	1,576,238
2020 - 2024...	7,085,000	812,188	7,897,188
2025 - 2029...	1,535,000	38,375	1,573,375
Total.....	$ 14,425,000	$ 2,851,303	$ 17,276,303

E. Notes Payable – Governmental Activities

During 2014, the City obtained three new loans through the New Mexico Finance Authority to acquire police vehicles, heavy equipment for Public Works, and a fire truck. Notes Payable for governmental activities at June 30 consisted of the following:

Notes Payable - Governmental Activities

	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2014
2007 NMFA Fire Apparatus.....	3/9/2007	5/1/2022	3.32% to 3.91%	$ 1,649,286	$ 1,025,043
2008 NMFA HP Project.....	12/19/2008	6/1/2028	4.00% to 5.15%	5,217,100	4,125,000
2008 NMFA High School Project.....	12/19/2008	6/1/2028	1.58% to 5.30%	4,669,000	4,034,000
2010 NMFA Fire Pumper & Equipment.....	1/15/2010	5/1/2020	0.98% to 3.22%	337,259	211,885
2010 NMFA Police Vehicles.....	7/16/2010	5/1/2015	1.497%	269,990	55,333
2010 NMFA GRT Refunding.....	7/16/2010	6/1/2015	1.650%	967,515	327,682
2011 NMFA Infrastructure Improvements..	8/12/2010	5/1/2025	3.460%	3,942,260	3,024,357
2013 NMFA Fire Admin Building.....	5/17/2013	5/1/2033	0.32% to 3.50%	795,925	763,552
2013 NMFA Fire Truck.....	12/20/2013	6/1/2023	0.18% to 2.75%	495,000	470,000
2013 NMFA Public Works Equipment.....	12/20/2013	5/1/2018	0.18% to 1.22%	684,000	629,000
2013 NMFA Police Vehicles.....	12/20/2013	6/1/2018	0.18% to 1.22%	855,000	745,000
Total Notes Payable, Governmental Activities.....					$ 15,410,852

Debt Service Requirements to Maturity - Notes Payable, Governmental Activities

	2007 Fire Apparatus			2008 HP Project			2008 High School Project		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015.....	$ 111,454	$ 41,384	$ 152,838	$ 210,000	$ 206,738	$ 416,738	$ 225,000	$ 194,393	$ 419,393
2016.....	115,756	37,082	152,838	220,000	196,238	416,238	235,000	186,046	421,046
2017.....	120,293	32,545	152,838	230,000	185,238	415,238	240,000	176,810	416,810
2018.....	125,081	27,757	152,838	245,000	173,738	418,738	250,000	166,754	416,754
2019.....	130,109	22,729	152,838	255,000	161,488	416,488	260,000	155,779	415,779
2020 - 2024...	422,350	35,416	457,766	1,480,000	602,688	2,082,688	1,470,000	580,235	2,050,235
2025 - 2029...	—	—	—	1,485,000	190,250	1,675,250	1,354,000	174,600	1,528,600
2030 - 2034...	—	—	—	—	—	—	—	—	—
Total.....	$ 1,025,043	$ 196,913	$ 1,221,956	$ 4,125,000	$ 1,716,378	$ 5,841,378	$ 4,034,000	$ 1,634,617	$ 5,668,617

	2010 Fire Pumper and Equipment			2010 Police Vehicles			2010 GRT Refunding		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015.....	$ 33,197	$ 5,749	$ 38,946	$ 55,333	$ 1,079	$ 56,412	$ 327,682	$ 12,390	$ 340,072
2016.....	33,917	5,029	38,946	—	—	—	—	—	—
2017.....	34,735	4,211	38,946	—	—	—	—	—	—
2018.....	35,652	3,294	38,946	—	—	—	—	—	—
2019.....	36,653	2,293	38,946	—	—	—	—	—	—
2020 - 2024...	37,731	1,215	38,946	—	—	—	—	—	—
2025 - 2029...	—	—	—	—	—	—	—	—	—
2030 - 2034...	—	—	—	—	—	—	—	—	—
Total.....	$ 211,885	$ 21,791	$ 233,676	$ 55,333	$ 1,079	$ 56,412	$ 327,682	$ 12,390	$ 340,072

	2010 Infrastructure Improvements			2013 Fire Admin Building			2013 Fire Truck		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015.....	$ 237,321	$ 102,375	$ 339,696	$ 34,015	$ 19,025	$ 53,040	$ 50,000	$ 8,103	$ 58,103
2016.....	242,210	97,486	339,696	34,198	18,841	53,039	50,000	7,873	57,873
2017.....	248,144	91,552	339,696	34,441	18,598	53,039	50,000	7,538	57,538
2018.....	254,944	84,752	339,696	34,755	18,285	53,040	50,000	7,053	57,053
2019.....	262,414	77,283	339,697	35,147	17,892	53,039	50,000	6,393	56,393
2020 - 2024...	1,453,570	244,911	1,698,481	185,476	79,720	265,196	220,000	14,504	234,504
2025 - 2029...	325,754	13,942	339,696	210,857	54,338	265,195	—	—	—
2030 - 2034...	—	—	—	194,663	17,493	212,156	—	—	—
Total.....	$ 3,024,357	$ 712,301	$ 3,736,658	$ 763,552	$ 244,192	$ 1,007,744	$ 470,000	$ 51,464	$ 521,464

	2013 Public Works Equipment			2013 Police Vehicles			Total Notes Payable		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015.....	$ 155,000	$ 5,406	$ 160,406	$ 185,000	$ 6,393	$ 191,393	$ 1,624,002	$ 603,035	$ 2,227,037
2016.....	155,000	4,693	159,693	185,000	5,542	190,542	1,271,081	558,830	1,829,911
2017.....	159,000	3,654	162,654	185,000	4,303	189,303	1,301,613	524,449	1,826,062
2018.....	160,000	2,112	162,112	190,000	2,508	192,508	1,345,432	486,253	1,831,685
2019.....	—	—	—	—	—	—	1,029,323	443,857	1,473,180
2020 - 2024...	—	—	—	—	—	—	5,269,127	1,558,689	6,827,816
2025 - 2029...	—	—	—	—	—	—	3,375,611	433,130	3,808,741
2030 - 2034...	—	—	—	—	—	—	194,663	17,493	212,156
Total.....	$ 629,000	$ 15,865	$ 644,865	$ 745,000	$ 18,746	$ 763,746	$ 15,410,852	$ 4,625,736	$ 20,036,588

F. Utility Revenue Bonds

During 2014, the City did not issue any new Utility Revenue Bonds. Utility Revenue Bonds Payable at June 30 consisted of the following:

	Utility Revenue Bonds Payable				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2014
Series 2007 Project Bonds	2/28/2007	5/15/2032	4.00% to 4.50%	$ 32,930,000	$ 30,495,000
Series 2008 Project Bonds	7/16/2008	5/15/2034	3.00% to 4.75%	13,240,000	11,300,000
Series 2009 Refunding Bonds	6/17/2009	5/15/2022	2.50% to 5.00%	57,990,000	38,925,000
Series 2013 Refunding Bonds	5/30/2013	5/15/2025	2.00% to 5.00%	16,600,000	15,410,000
Total Utility Bonds Outstanding					96,130,000
Add Unamortized Premium					4,903,110
Less Unamortized Discount					(59,000)
Total Utility Bonds Payable					$ 100,974,110

Debt Service Requirements to Maturity - Utility Revenue Bonds

	Series 2006			Series 2008		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2015	$ 405,000	$ 1,352,425	$ 1,757,425	$ 370,000	$ 494,474	$ 864,474
2016	420,000	1,336,225	1,756,225	390,000	477,824	867,824
2017	440,000	1,319,425	1,759,425	405,000	463,199	868,199
2018	455,000	1,301,825	1,756,825	420,000	448,011	868,011
2019	475,000	1,283,625	1,758,625	435,000	432,261	867,261
2020 - 2024	6,000,000	6,037,956	12,037,956	2,450,000	1,881,309	4,331,309
2025 - 2029	13,010,000	3,892,975	16,902,975	3,030,000	1,305,844	4,335,844
2030 - 2034	9,290,000	848,475	10,138,475	3,800,000	534,100	4,334,100
Total	$ 30,495,000	$ 17,372,931	$ 47,867,931	$ 11,300,000	$ 6,037,022	$ 17,337,022

	Series 2009 Refunding			Series 2013 Refunding		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2015	$ 4,175,000	$ 1,824,981	$ 5,999,981	$ 1,195,000	$ 610,350	$ 1,805,350
2016	4,300,000	1,699,731	5,999,731	1,220,000	574,500	1,794,500
2017	4,480,000	1,503,950	5,983,950	1,250,000	537,900	1,787,900
2018	4,725,000	1,279,950	6,004,950	1,290,000	500,400	1,790,400
2019	4,920,000	1,062,250	5,982,250	1,355,000	435,900	1,790,900
2020 - 2024	16,325,000	1,659,500	17,984,500	7,635,000	1,306,100	8,941,100
2025 - 2029	—	—	—	1,465,000	43,950	1,508,950
2030 - 2034	—	—	—	—	—	—
Total	$ 38,925,000	$ 9,030,362	$ 47,955,362	$ 15,410,000	$ 4,009,100	$ 19,419,100

	Total Utility Revenue Bonds		
Fiscal Year	Principal	Interest	Total
2015	$ 6,145,000	$ 4,282,230	$ 10,427,230
2016	6,330,000	4,088,280	10,418,280
2017	6,575,000	3,824,474	10,399,474
2018	6,890,000	3,530,186	10,420,186
2019	7,185,000	3,214,036	10,399,036
2020 - 2024	32,410,000	10,884,865	43,294,865
2025 - 2029	17,505,000	5,242,769	22,747,769
2030 - 2034	13,090,000	1,382,575	14,472,575
Total	$ 96,130,000	$ 36,449,415	$ 132,579,415

G. Multi-Purpose Events Center Revenue Bonds

During 2014, the City did not issue any new debt for the Multi-Purpose Events Center (MPEC). MPEC Revenue Bonds Payable at June 30 consisted of the following:

	Multi-Purpose Events Center Revenue Bonds Payable - Business-type Activities				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2014
Series 2005 Taxable Project Bonds...	6/29/2005	6/1/2015	4.20% to 5.15%	$ 35,750,000	$ 1,515,000
Series 2013 Taxable Subordinate Lien GRT Revenue Refunding Bonds...	5/30/2013	6/1/2032	1.15% to 4.25%	28,100,000	28,100,000
Total MPEC Revenue Bonds Outstanding					29,615,000
Less Unamortized Discount					(13,900)
Total MPEC Revenue Bonds Payable					$ 29,601,100

	Debt Service Requirements to Maturity - MPEC Bonds, Business-type Activities					
	Series 2005			Series 2013 Taxable Subordinate Lien GRT Refunding		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2015.....	$ 1,515,000	$ 71,206	$ 1,586,206	$ —	$ 884,535	$ 884,535
2016.....	—	—	—	1,350,000	884,535	2,234,535
2017.....	—	—	—	1,365,000	869,010	2,234,010
2018.....	—	—	—	1,385,000	849,217	2,234,217
2019.....	—	—	—	1,410,000	824,980	2,234,980
2020 - 2024...	—	—	—	7,560,000	3,610,329	11,170,329
2025 - 2029...	—	—	—	8,850,000	2,317,668	11,167,668
2030 - 2034...	—	—	—	6,180,000	524,243	6,704,243
Total.....	$ 1,515,000	$ 71,206	$ 1,586,206	$ 28,100,000	$ 10,764,517	$ 38,864,517

	Total MPEC Revenue Bonds		
Fiscal Year	Principal	Interest	Total
2015.....	$ 1,515,000	$ 955,741	$ 2,470,741
2016.....	1,350,000	884,535	2,234,535
2017.....	1,365,000	869,010	2,234,010
2018.....	1,385,000	849,217	2,234,217
2019.....	1,410,000	824,980	2,234,980
2020 - 2024...	7,560,000	3,610,329	11,170,329
2025 - 2029...	8,850,000	2,317,668	11,167,668
2030 - 2034...	6,180,000	524,243	6,704,243
Total.....	$ 29,615,000	$ 10,835,723	$ 40,450,723

H. Notes Payable – Business-type Activities

During 2014, the City did not obtain any new loans for the Utility or MPEC functions. Notes Payable for business-type activities at June 30 consisted of the following:

	Notes Payable - Business-type Activities					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2014	
2003 NMED Wastewater Project.....	4/29/2003	12/2/2022	3.00%	$ 10,486,627	$ 5,488,164	
2009 NMED Wastewater Project.....	9/4/2009	12/1/2034	3.00%	25,000,000	13,370,214	(a)
2010 NMFA Drinking Water Project.....	1/8/2010	5/15/2031	1.00%	1,010,000	871,012	
2010 NMFA Water Reuse Project.....	11/19/2010	6/1/2030	0.250%	390,000	313,550	
2011 NMFA Water Rights.....	1/21/2011	5/1/2030	4.028%	7,000,000	5,889,207	
2011 NMFA Water Rights Acquisition.....	12/23/2011	5/1/2031	3.197%	9,335,000	8,375,000	
Total Notes Payable, Business-type Activities					$ 34,307,147	

(a) Represents the actual amount drawn down by the City as of 6/30/2014. Once the project is complete, NMED will revise the debt service schedule to reflect the actual cost of the project plus capitalized interest.

Debt Service Requirements to Maturity - Notes Payable, Business-type Activities

	2003 Wastewater Project			2009 Wastewater Project (a)			2010 Drinking Water Project (b)		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015.....	$ 540,221	$ 164,645	$ 704,866	$ —	$ —	$ —	$ 871,012	$ 1,452	$ 872,464
2016.....	556,428	148,438	704,866	930,393	750,000	1,680,393	—	—	—
2017.....	573,121	131,745	704,866	958,304	722,088	1,680,392	—	—	—
2018.....	590,314	114,552	704,866	987,054	693,339	1,680,393	—	—	—
2019.....	608,024	96,842	704,866	1,016,665	663,727	1,680,392	—	—	—
2020 - 2024...	2,620,057	199,408	2,819,465	5,559,542	2,842,421	8,401,963	—	—	—
2025 - 2029...	—	—	—	6,445,033	1,956,930	8,401,963	—	—	—
2030 - 2034...	—	—	—	7,471,560	930,404	8,401,964	—	—	—
2035 - 2039...	—	—	—	1,631,449	48,943	1,680,392	—	—	—
Total.....	$ 5,488,165	$ 855,630	$ 6,343,795	$ 25,000,000	$ 8,607,852	$ 33,607,852	$ 871,012	$ 1,452	$ 872,464

	2010 Water Reuse Project (b)			2011 Water Rights			2011 Water Rights Acquisition		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015.....	$ 313,550	$ 131	$ 313,681	$ 286,481	$ 225,003	$ 511,484	$ 410,000	$ 239,421	$ 649,421
2016.....	—	—	—	291,953	219,531	511,484	415,000	235,526	650,526
2017.....	—	—	—	298,638	212,846	511,484	420,000	230,505	650,505
2018.....	—	—	—	306,672	204,812	511,484	425,000	224,373	649,373
2019.....	—	—	—	315,780	195,704	511,484	435,000	217,020	652,020
2020 - 2024...	—	—	—	1,755,109	802,315	2,557,424	2,330,000	928,828	3,258,828
2025 - 2029...	—	—	—	2,145,725	411,701	2,557,426	2,710,000	544,242	3,254,242
2030 - 2034...	—	—	—	488,849	22,634	511,483	1,230,000	72,974	1,302,974
2035 - 2039...	—	—	—	—	—	—	—	—	—
Total.....	$ 313,550	$ 131	$ 313,681	$ 5,889,207	$ 2,294,546	$ 8,183,753	$ 8,375,000	$ 2,692,889	$ 11,067,889

	Total Notes Payable		
Fiscal Year	Principal	Interest	Total
2015.....	$ 2,421,264	$ 630,652	$ 3,051,916
2016.....	2,193,774	1,353,495	3,547,269
2017.....	2,250,063	1,297,184	3,547,247
2018.....	2,309,040	1,237,076	3,546,116
2019.....	2,375,469	1,173,293	3,548,762
2020 - 2024...	12,264,708	4,772,972	17,037,680
2025 - 2029...	11,300,758	2,912,873	14,213,631
2030 - 2034...	9,190,409	1,026,012	10,216,421
2035 - 2039...	1,631,449	48,943	1,680,392
Total.....	$ 45,936,934	$ 14,452,500	$ 60,389,434

(a) Estimated based on an authorized loan amount of $25 million. Once the project is complete, NMED will revise the debt service schedule to reflect the actual cost of the project plus capitalized interest. As of 6/30/2014, the City has drawn down $13,370,214 in loan proceeds for the project.
(b) Loan was retired in July 2014, see Note 15.

I. Defeased Bonds

In prior years, the City has defeased general obligation bonds, GRT revenue bonds, and utility revenue bonds by placing the proceeds of new bonds and other monies into irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, $52,345,000 of bonds outstanding are considered defeased.

J. Special Assessment Bonds

Special Assessment Bonds are used to construct improvements within special assessment districts created by the City after property owners within these districts agree to be assessed for the costs of debt service on the bonds. Payments made by the assessed property owners within the districts are pledged to pay the debt service on the bonds. In the event of default by a property owner, the lien created by the assessment is sold at public action and the proceeds are used to offset the defaulted assessment.

As trustee for improvement districts, the City is solely responsible for collection of assessments levied against the owners of property within the improvement districts and for disbursement of these amounts for retirement of the respective bonds issued to finance the improvements. The City is not obligated in any manner to pay the debt service on Special Assessment Bonds with any general or other funds of the City. Special assessment bonds outstanding at June 30 were $10,019,446.

K. Statutory Debt Limitation

The Constitution of the State of New Mexico limits the amount of general purpose government 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, based on the most recent valuation, the City's debt limitation and additional bonding capacity are as follows:

Calculation of Legal Debt Margin

Assessed Value	$ 2,005,662,198
Debt Limit (4% of assessed value)	80,226,488
Debt Applicable to Limit:	
General Obligation Bonds Payable	20,715,000
Less amount restricted for repayment of General Obligation Bonds	(3,451,041)
Net Debt Applicable to Limit	17,263,959
Additional Bonding Capacity	$ 62,962,529

L. Conduit Debt Obligations

As allowed by federal and state laws and IRS regulations, the City has acted as a conduit for tax-exempt financing for various private entities located within the City. In all such cases, the debts are secured by the facilities and equipment that were acquired with the debt proceeds, and the debts are payable solely from the revenues of the companies for whom the debts were issued. The City is not obligated in any manner for repayment of the debt and therefore the obligations are not reported as liabilities in the City's financial statements. As of June 30, there were three Rio Rancho conduit debt obligations outstanding. The current remaining principal amounts of these obligations could not be determined; however the aggregate original issue amounts totaled $96.5 million.

NOTE 10. NET POSITION AND FUND BALANCES

A. Restricted Net Position

Net position is the difference between assets/deferred outflows and liabilities/deferred inflows on the government-wide, proprietary fund, and fiduciary fund statements. The purposes of the restrictions on net position are noted on the face of the statements.

Net position restricted by enabling legislation represents resources which a party external to the City – such as citizens, public interest groups, or the courts – can compel the City to use only for the purpose specified by the legislation. The Statement of Net Position reports $8,842,201 of net position of governmental activities that is restricted by enabling legislation.

B. Governmental Fund Balances – Restricted, Committed, and Assigned

The City's spendable fund balances are classified into three categories: *1) Restricted Purposes*, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; *2) Committed Purposes*, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal resolution of the Governing Body in a public meeting; *3) Assigned Purposes*, which include balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Per City policy, assigned fund balance amounts are determined by the Financial Services Department at year-end in consultation with other departments that directly manage those specific resources.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City's policy is to first apply restricted balances, then committed balances, then assigned balances.

The following table summarizes the purposes of the City's restricted fund balances:

	Nonmajor Governmental Funds			
	Special Revenue	Debt Service	Capital Projects	Total
Fund Balances restricted for:				
Roads and Public Improvements	$ 6,508,771	$ —	$ 4,543,976	$ 11,052,747
Community Programs	186,831	—	—	186,831
Parks and Recreation Programs	202,750	—	—	202,750
Library Materials	373,243	—	—	373,243
Public Safety Programs	569,543	—	—	569,543
Insurance Premiums and Claims	909,765	—	—	909,765
Debt Service	590,712	4,199,929	—	4,790,641
Total	$ 9,341,615	$ 4,199,929	$ 4,543,976	$ 18,085,520

C. Unassigned Fund Balance

Unassigned fund balance is the residual classification for the General Fund. This amount represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other governmental funds, a negative residual balance is reported as unassigned.

D. Deficit Fund Balances

The following funds reported deficit fund balances at June 30:

Nonmajor Governmental Funds:	
Local Government Corrections Fund	$(17,998)
HUD CDBG Grant Fund	(12,116)
Crime Victim Assistance Fund	(913)
State Approp. Cap. Projects Fund	(119,740)
Total Deficit Fund Balances	$(150,767)

The deficits arose because of the timing of receipts and expenditures in these funds under the modified accrual basis of accounting. The City expects to eliminate the deficits through receipts of grant revenues in the next fiscal year

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

A. 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 http://www.pera.state.nm.us.

B. Funding Policy

Plan members are required to contribute 9.15% to 17.7% of gross salary (depending upon the plan), although for FY14 the City agreed to pay up to 75% of the employee's contribution on behalf of the employee. The City is required to contribute 9.15% to 21.25% (depending upon the plan) of the employee's gross covered salary. 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. The City's contributions to PERA for the fiscal years ending June 30, 2014, 2013 and 2012 were $5,931,708, $5,778,449, and $5,792,283, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 12. POST-EMPLOYMENT BENEFITS, STATE RETIREE HEALTHCARE PLAN

A. 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.

B. 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.

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

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. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2014, the statutes required each participating employer to contribute 2.5% of each participating employee's annual salary, and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary, each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The City's contributions to the RHCA for the years ended June 30, 2014, 2013 and 2012 were $591,498, $597,400, and $528,962, respectively, which equal the required contributions for each year.

NOTE 13. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and

natural disasters. In 1985, the City joined the New Mexico Self-Insurers' Fund Risk Pool (the Pool), together with other cities and towns in the State. The Pool is a public entity risk pool currently operating as a common risk management and insurance program for member cities and towns. The City paid an annual premium of $1,148,150 into the Pool for general insurance coverage during the fiscal year. The agreement provides that the Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of the annual aggregate per policy for general liability, property, and workers' compensation claims.

The City carries commercial insurance for all other risks of loss including accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Health and Dental coverage are provided through a self-insurance program administered by outside carriers (Lovelace/Blue Cross Blue Shield and Presbyterian for medical, Express Scripts for prescriptions, and Delta Dental for dental). The City reports its self-insurance programs in the internal service funds. Amounts are charged to the General Fund and Utility Fund to provide sufficient resources to cover claims incurred and to pay the insurance service agent's administrative fee.

The following schedules represent the changes in claims liability for the past three fiscal years for the City's Health and Dental Self-Insurance Programs:

Self-Insured Claims Liability

	2014	2013	2012
Beginning Liability.....	$ 900,631	$ 831,589	$ 910,285
Claims Incurred and Changes in Estimates.	4,443,431	4,355,961	5,648,112
Claims Paid.....	(4,444,258)	(4,286,919)	(5,726,808)
Ending Liability.....	$ 899,804	$ 900,631	$ 831,589

NOTE 14. LITIGATION AND CONTINGENCIES

The City records liabilities resulting from claims and legal actions when they become fixed or determinable in amount. The City is currently the defendant in several pending lawsuits. Legal counsel is of the opinion that, except for the lawsuit explained below, potential claims against the City resulting from such litigation not covered by insurance will not impose a significant liability on the City.

In August 2012, the City's Governing Body declared a two-year moratorium on impact fees payable for new construction in the City, cutting residential impact fees by half and non-residential impact fees altogether. Curb North, Inc. (Curb) filed suit against the City claiming that the moratorium impaired the value of its $5.6 million of excess impact fee credits. In March 2014, the court found in favor of Curb to the extent Curb was not able to sell its credits during the two-year moratorium. The court has reserved its decision on the amount of damages due Curb for a trial, which has not yet been scheduled. The amount of damages that may be awarded to Curb is unknown at this time.

The City has received several federal and state grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursements for expenditures disallowed under the terms of the grants. Based upon prior experience, the City believes such disallowances, if any, will be immaterial.

NOTE 15. SUBSEQUENT EVENTS

A. Early Extinguishment of Utility Loans

On July 31, 2014, the City retired two New Mexico Finance Authority water loans prior to their maturity dates of 2030 and 2031. Total principal retired was $1,184,562, which resulted in a cash flow savings of $85,593 and a net present value savings of $31,922.

B. New GASB Pronouncement on Pensions

In fiscal year 2015, the City will implement GASB Statement 68, *Accounting and Financial Reporting for Pensions*. The new pronouncement changes standards for measuring and recognizing pension liabilities and expense/expenditures, and changes the methods and assumptions that should be used to project and discount benefit payments and attribute costs to periods of employee service. The new standard also changes note disclosures and required supplementary information about pensions. As a member of PERA, the City must rely on information provided by PERA to properly implement the new standard. Although such information is not yet available, the City anticipates reporting a material expense and liability on the government-wide and proprietary fund statements beginning in fiscal year 2015.

Supplementary Information

Rio Rancho™

City of Vision

CITY OF RIO RANCHO, NEW MEXICO

Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2014

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 8,333,836	$ 3,701,197	$ 4,442,124	$ 16,477,157
Receivables:				
Accounts, net	23,437	—	—	23,437
Property Taxes	—	153,234	—	153,234
Due From Federal Government	64,975	—	555,036	620,011
Due From State Government	618,310	457,642	418,977	1,494,929
Due From Local Governments	152,883	—	—	152,883
Restricted Investments	590,901	—	—	590,901
Total Assets	$ 9,784,342	$ 4,312,073	$ 5,416,137	$ 19,512,552
LIABILITIES				
Accounts Payable	$ 301,377	$ —	$ 680,098	$ 981,475
Accrued Liabilities	30,345	—	—	30,345
Due To Other Funds	91,153	—	311,803	402,956
Unearned Revenue	50,879	—	—	50,879
Total Liabilities	473,754	—	991,901	1,465,655
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	—	112,144	—	112,144
Total Deferred Inflows of Resources	—	112,144	—	112,144
FUND BALANCES				
Restricted	9,341,615	4,199,929	4,543,976	18,085,520
Unassigned	(31,027)	—	(119,740)	(150,767)
Total Fund Balances	9,310,588	4,199,929	4,424,236	17,934,753
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 9,784,342	$ 4,312,073	$ 5,416,137	$ 19,512,552

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ended June 30, 2014

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Property Taxes	$ —	$ 3,577,371	$ —	$ 3,577,371
Municipal and State-Shared Taxes	3,617,356	2,831,911	—	6,449,267
Franchise Taxes	103,627	—	—	103,627
Intergovernmental - Federal	1,198,805	—	1,419,265	2,618,070
Intergovernmental - State	1,577,390	—	1,919,341	3,496,731
Intergovernmental - Local	648,496	—	8,734	657,230
Impact Fees	—	—	286,417	286,417
Charges for Services	640,515	—	—	640,515
Fines and Forfeitures	82,827	—	—	82,827
Miscellaneous	795,354	3,341	—	798,695
Total Revenues	8,664,370	6,412,623	3,633,757	18,710,750
EXPENDITURES				
Current:				
General Government	2,397,955	—	11,120	2,409,075
Public Safety	1,976,180	—	—	1,976,180
Public Works	465,090	—	174,829	639,919
Parks, Recreation, and Culture	1,420,276	—	4,850	1,425,126
Community and Economic Development	496,383	—	—	496,383
Capital Outlay	1,582,332	—	4,263,550	5,845,882
Debt Service:				
Principal	515,123	4,407,109	—	4,922,232
Interest and Other Charges	179,488	1,745,624	—	1,925,112
Total Expenditures	9,032,827	6,152,733	4,454,349	19,639,909
Revenues Over (Under) Expenditures	(368,457)	259,890	(820,592)	(929,159)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	684,000	3,716	—	687,716
Transfers In	285,377	—	—	285,377
Transfers Out	(2,500)	—	(1,271)	(3,771)
Total Other Financing Sources (Uses)	966,877	3,716	(1,271)	969,322
Net Change in Fund Balances	598,420	263,606	(821,863)	40,163
Fund Balances - Beginning	8,632,979	3,507,593	5,246,099	17,386,671
Restatement (see Note 2)	79,189	428,730	—	507,919
Fund Balances - Beginning, as restated	8,712,168	3,936,323	5,246,099	17,894,590
Fund Balances - Ending	$ 9,310,588	$ 4,199,929	$ 4,424,236	$ 17,934,753

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Animal Shelter Fund **-** To account for animal fees as well as funds donated to the City of Rio Rancho. Expenditures from this fund will be used for the purposes specified by the fee ordinance and the donor. (Provided for by City Budget Resolution.)

Recreation Activities Fund – To account for revenues received for recreation fees and vending machines placed in City facilities. Expenditures may be used for programs and activities, such as, classes and softball programs and various community projects. (Provided for by City Budget Resolution.)

Keep Rio Rancho Beautiful Fund – To account for New Mexico Clean & Beautiful Litter Control & Beautification grant funds. Expenditures may be used for equipment, landscaping, program promotion, recycling, education, and anti-graffiti programs. (Pursuant to NMSA, Section 67-16-1 to 67-16-14.)

Community Response Program Fund – To account for Community Emergency Response Team federal grant funds. Expenditures from this fund may be used to find, train, equip and maintain citizen volunteer teams to respond to and support emergency operations. (Pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended 42 U.S.C. 5121 et seq.)

Workers Compensation Fund – To account for revenues from other funds for the purpose of self funding workers compensation insurance administered by the New Mexico Self Insurance Fund. (Provided for by City Budget Resolution)

Senior Services Fund – To account for funds donated to the City of Rio Rancho. Expenditures from this fund will be used for the purpose specified by the donor. (Provided for by City Budget Resolution.)

Library Fund – To account for grants, gifts, donations, devises or bequests made to the City, pursuant to NMSA 3-18-4, for the purpose of establishing, increasing or improving the library.

Promotion and Marketing Fund **–** To account for promotional activities. Expenditures from this fund may be used for special events; promoting convention, exposition or entertainment facilities; or advertising and marketing facilities. (Provided for by City Budget Resolution.)

Convention & Visitors Bureau Fund – To account for revenues collected from occupancy taxes (3%) levied within City boundaries pursuant to NMSA 3-38-15. Expenditures from this fund may be used for acquiring, constructing, improving, establishing, and operating convention, exposition or entertainment facilities; acquiring or obtaining an interest in such facilities; or advertising, publicizing, and promoting such facilities.

SPECIAL REVENUE FUNDS (Continued)

Rio Vision Cable Fund - To account for cable franchise fees (2%) received to operate and promote a public access television channel. (Provided for by City Budget Resolution.)

Local Government Corrections Fund – To account for revenues collected from the assessment for correction fees and court costs, pursuant to NMSA 35-14-11. Expenditures from this fund may be used for municipal jailer or juvenile detention officer training; for planning, construction, operating and maintaining a municipal jail for juveniles in a detention facility; or for complying with match or contribution requirements for the receipt of Federal funds relating to jailing or juvenile detention facilities.

Law Enforcement Fund – To account for State revenues received pursuant to the Law Enforcement Corrections Act, NMSA 29-13-3. Expenditures from this fund may be used for the repair and purchase of law enforcement apparatus and equipment, expenditures associated with advanced law enforcement planning and training, and complying with match or contribution requirements for receipt of Federal funds, and salaries for law enforcement personnel under certain conditions.

Public Safety Enforcement Aid Fund – To account for revenue generated from asset forfeitures obtained through narcotics investigations. These revenues can be utilized for officer overtime, police equipment, undercover vehicles, purchase of evidence, training and other narcotic investigation related expenses. (Pursuant to the Attorney General's Guidelines on Seized and Forfeited Property, July 1990.)

Traffic Education and Enforcement Aid Fund – To account for revenues received from the New Mexico Traffic Bureau for DWI checkpoint enforcement and safety belt enforcement. (Pursuant to NMSA 66-7-501 to 511)

NM Gang Task Force Fund – To account for revenue received from the U.S. Department of Justice, Justice Assistance Grant (JAG), the American Recovery and Reinvestment Act (ARRA), contributions and conference revenue to provide training for police agencies throughout the state. (Pursuant to the Omnibus Crime Control and Safe Streets Act of 1968 and the American Recovery and Reinvestment Act of 2009, Public Law 111-5, (the "Recovery Act"))

Fire Protection Fund – To account for State revenues received pursuant to the Fire Protection Fund Law, NMSA 59A-53-1-19. Expenditures from this fund may be used for the purchase, construction, operating, and maintenance of fire stations, except for the station's water supply system; fire apparatus and equipment; the payment of insurance premiums on the above; and for insurance premiums for injuries or death of firefighters.

Emergency Medical Services (EMS) Fund – To account for State revenues received to the Emergency Medical Services Fund Act, 24-10A-1-10. Expenditures from this fund may be used for the establishment of emergency medical services; to acquire emergency medical services vehicles, equipment and supplies; and for training and licensing of local emergency management services personnel.

SPECIAL REVENUE FUNDS (Continued)

DWI Program Fund – To account for State revenues received pursuant to NMSA 7-1-6.1. Expenditures from this fund may be used for only alcohol treatment and rehabilitation services for street inebriates.

Summer Lunch Program Fund – To account for the US Department of Agriculture's Summer Food Service Program (SFSP) administered through the Children Youth and Families Department of the State of New Mexico. The New Mexico SFSP is the single largest federal resource available for local organizations that want to combine a lunch program with a summer activity program for children. The SFSP provides free, nutritious meals and snacks to help children in low-income areas get the nutrition throughout the summer months when they are out of school. (Richard B. Russell National School Lunch Act, Section 9, 13, and 14, as amended, 42 U.S.C. 1758, 1761 and 1762a)

Public Safety and Other Grants Fund – To account for the following state intergovernmental and federal grants: Operation DWI, Operation Buckle Down, Community DWI, Selective Traffic Enforcement Project (STEP), NM Gang Task Force (NMGTF) (Pursuant to Traffic Safety Act, NMSA 1978 Sections 66-7-501 to 511, as amended and the Anti-Drug Abuse Act 1998, PL 100-690, Title VI, Subtitle C.), and Enhanced 911 Grant (Pursuant to NMSA 1978 Section 63-9D-1).

Environmental Gross Receipts Tax Fund – To account for municipal gross receipts tax revenues received to be used for the acquisition, construction, operation, and maintenance of solid waste facilities, water facilities, sewer systems, and related facilities. (Pursuant to NMSA, 1978 section 7-19D-17.)

Higher Education Gross Receipts Tax Fund – To account for municipal gross receipts tax revenues received to be used for the acquisition, construction, renovation or improvement of facilities of a four-year post-secondary public education institution located in the municipality and acquisition of or improvements to land for those facilities or payment of municipal higher education facilities gross receipts tax revenue bonds issued. (Pursuant to Chapter 3, Article 31 NMSA 1978)

Municipal Road Fund – To account for revenues received from the levy of a tax per gallon of gasoline purchased within City boundaries, pursuant to the County and Municipal Gasoline Tax Act, NMSA 7-1-6.9. Expenditures from this fund may be used for the construction of a street, ally, curb, gutter or sidewalk projects.

HUD – CDBG Fund – To account for CDBG grant funds received to prepare an action plan to address issues of low to moderate-income residents. (Title I, Housing & Comm. Dev. Act, PL 92-383.)

Crime Victims Assistance Fund – To account for Federal funds used towards the advocacy for victims of all crimes. (Pursuant to the Victims of Crime Act of 1984.)

CITY OF RIO RANCHO, NEW MEXICO

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Animal Shelter Fund	Recreation Activities Fund	Keep Rio Rancho Beautiful Fund	Community Response Program Fund	Workers Compensation Fund	Senior Services Fund
ASSETS						
Cash and Cash Equivalents	$ 30,190	$ 132,254	$ —	$ —	$ 980,937	$ 33,680
Receivables:						
Accounts, net	—	—	—	—	—	—
Due From Federal Government	—	—	—	7,050	—	—
Due From State Government	—	—	44,614	—	—	—
Due From Local Governments	—	—	—	—	—	—
Restricted Investments	—	—	—	—	—	—
Total Assets	$ 30,190	$ 132,254	$ 44,614	$ 7,050	$ 980,937	$ 33,680
LIABILITIES						
Liabilities:						
Accounts Payable	$ 136	$ 17,398	$ —	$ —	$ 71,172	$ 355
Accrued Liabilities	—	2,205	1,389	—	—	—
Due To Other Funds	—	—	43,225	5,936	—	—
Unearned Revenue	—	—	—	—	—	—
Total Liabilities	136	19,603	44,614	5,936	71,172	355
FUND BALANCES						
Fund Balances:						
Restricted	30,054	112,651	—	1,114	909,765	33,325
Unassigned	—	—	—	—	—	—
Total Fund Balances	30,054	112,651	—	1,114	909,765	33,325
Total Liabilities and Fund Balances	$ 30,190	$ 132,254	$ 44,614	$ 7,050	$ 980,937	$ 33,680

Library Fund	Promotion and Marketing Fund	Convention and Visitors Bureau Fund	Rio Vision Cable Fund	Local Government Corrections Fund	Law Enforcement Fund	Public Safety Enforcement Aid Fund
$ 234,110	$ 101,954	$ 69,504	$ 10,609	$ 15,569	$ 13,524	$ 24,961
—	—	—	23,437	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
152,883	—	—	—	—	—	—
—	—	—	—	—	—	—
$ 386,993	$ 101,954	$ 69,504	$ 34,046	$ 15,569	$ 13,524	$ 24,961
$ 13,750	$ 230	$ 534	$ 9,715	$ 33,567	$ —	$ —
—	2,245	5,949	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	24,942
13,750	2,475	6,483	9,715	33,567	—	24,942
373,243	99,479	63,021	24,331	—	13,524	19
—	—	—	—	(17,998)	—	—
373,243	99,479	63,021	24,331	(17,998)	13,524	19
$ 386,993	$ 101,954	$ 69,504	$ 34,046	$ 15,569	$ 13,524	$ 24,961

CITY OF RIO RANCHO, NEW MEXICO

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014 (Continued)

	Traffic Education and Enforcement Aid Fund	NM Gang Task Force Fund	Fire Protection Fund	Emergency Medical Services Fund	DWI Program Fund	Summer Lunch Program Fund
ASSETS						
Cash and Cash Equivalents	$ 75,511	$ —	$ 216,796	$ 26	$ 228,534	$ 141,941
Receivables:						
Accounts, net	—	—	—	—	—	—
Due From Federal Government	—	—	—	—	—	—
Due From State Government	—	—	—	—	—	—
Due From Local Governments	—	—	—	—	—	—
Restricted Investments	—	—	152,736	—	—	—
Total Assets	$ 75,511	$ —	$ 369,532	$ 26	$ 228,534	$ 141,941
LIABILITIES						
Accounts Payable	$ —	$ —	$ 7,023	$ —	$ —	$ 52,649
Accrued Liabilities	469	—	—	—	—	6,581
Due To Other Funds	—	—	—	—	—	—
Unearned Revenue	—	—	—	—	—	25,937
Total Liabilities	469	—	7,023	—	—	85,167
FUND BALANCES						
Restricted	75,042	—	362,509	26	228,534	56,774
Unassigned	—	—	—	—	—	—
Total Fund Balances	75,042	—	362,509	26	228,534	56,774
Total Liabilities and Fund Balances	$ 75,511	$ —	$ 369,532	$ 26	$ 228,534	$ 141,941

Public Safety and Other Grants Fund	Environmental Gross Receipts Tax Fund	Higher Education Gross Receipts Tax Fund	Municipal Road Fund	HUD CDBG Grant Fund	Crime Victim Assistance Fund	Total Nonmajor Special Revenue Funds
$ —	$ 647,474	$ 4,414,461	$ 961,801	$ —	$ —	$ 8,333,836
—	—	—	—	—	—	23,437
45,304	—	—	—	9,929	2,692	64,975
22,097	106,657	341,145	103,797	—	—	618,310
—	—	—	—	—	—	152,883
—	340,372	—	97,793	—	—	590,901
$ 67,401	$ 1,094,503	$ 4,755,606	$ 1,163,391	$ 9,929	$ 2,692	$ 9,784,342
$ 14,876	$ 7,482	$ 16,233	$ 41,523	$ 14,734	$ —	$ 301,377
8,631	1,515	—	—	1,361	—	30,345
32,437	—	—	—	5,950	3,605	91,153
—	—	—	—	—	—	50,879
55,944	8,997	16,233	41,523	22,045	3,605	473,754
11,457	1,085,506	4,739,373	1,121,868	—	—	9,341,615
—	—	—	—	(12,116)	(913)	(31,027)
11,457	1,085,506	4,739,373	1,121,868	(12,116)	(913)	9,310,588
$ 67,401	$ 1,094,503	$ 4,755,606	$ 1,163,391	$ 9,929	$ 2,692	$ 9,784,342

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2014

	Animal Shelter Fund	Recreation Activities Fund	Keep Rio Rancho Beautiful Fund	Community Response Program Fund	Workers Compensation Fund	Senior Services Fund
REVENUES						
Municipal and State-Shared Taxes	$ —	$ —	$ —	$ —	$ —	$ —
Franchise Taxes	—	—	—	—	—	—
Intergovernmental - Federal	—	—	—	16,679	—	—
Intergovernmental - State	—	—	78,586	—	—	—
Intergovernmental - Local	—	—	—	—	—	—
Charges for Services	30,621	227,863	—	—	—	15,055
Fines and Forfeitures	525	—	—	—	—	—
Miscellaneous	6,682	67	—	—	740,862	2,816
Total Revenues	37,828	227,930	78,586	16,679	740,862	17,871
EXPENDITURES						
Current:						
General Government	—	—	—	—	506,217	—
Public Safety	40,276	—	—	15,565	—	—
Public Works	—	—	—	—	—	—
Parks, Recreation, and Culture	2,856	198,368	78,586	—	—	13,878
Community and Economic Development	—	—	—	—	—	—
Capital Outlay	—	86,245	—	—	—	—
Debt Service:						
Principal	—	—	—	—	—	—
Interest and Other Charges	—	—	—	—	—	—
Total Expenditures	43,132	284,613	78,586	15,565	506,217	13,878
Revenues Over (Under) Expenditures	(5,304)	(56,683)	—	1,114	234,645	3,993
OTHER FINANCING SOURCES (USES)						
Loan Proceeds	—	—	—	—	—	—
Transfers In	—	—	—	—	—	—
Transfers Out	—	—	(2,500)	—	—	—
Total Other Financing Sources (Uses)	—	—	(2,500)	—	—	—
Net Change in Fund Balances	(5,304)	(56,683)	(2,500)	1,114	234,645	3,993
Fund Balances - Beginning	35,358	169,334	2,500	—	675,120	29,332
Restatement (see Note 2)	—	—	—	—	—	—
Fund Balances - Beginning, as restated	35,358	169,334	2,500	—	675,120	29,332
Fund Balances - Ending	$ 30,054	$ 112,651	$ —	$ 1,114	$ 909,765	$ 33,325

Library Fund	Promotion and Marketing Fund	Convention and Visitors Bureau Fund	Rio Vision Cable Fund	Local Government Corrections Fund	Law Enforcement Fund	Public Safety Enforcement Aid Fund
$ —	$ —	$ 312,500	$ —	$ —	$ —	$ —
—	—	—	103,627	—	—	—
—	—	—	—	—	—	37,344
91,823	—	2,500	—	—	99,600	—
648,496	—	—	—	—	—	—
—	118,142	—	150	240,243	—	—
—	—	—	—	—	—	—
133	12	2,328	15	18	13	2,076
740,452	118,154	317,328	103,792	240,261	99,613	39,420
—	—	—	—	—	—	—
—	—	—	—	386,590	41,558	37,776
—	—	—	—	—	—	—
727,119	—	—	120,582	—	—	—
—	214,213	282,170	—	—	—	—
53,776	—	—	—	—	—	9,020
—	—	—	—	—	54,472	—
—	—	—	—	—	1,940	—
780,895	214,213	282,170	120,582	386,590	97,970	46,796
(40,443)	(96,059)	35,158	(16,790)	(146,329)	1,643	(7,376)
—	—	—	—	—	—	—
—	123,117	5,127	—	109,797	—	—
—	—	—	—	—	—	—
—	123,117	5,127	—	109,797	—	—
(40,443)	27,058	40,285	(16,790)	(36,532)	1,643	(7,376)
413,686	72,421	22,736	41,121	18,534	11,563	7,395
—	—	—	—	—	318	—
413,686	72,421	22,736	41,121	18,534	11,881	7,395
$ 373,243	$ 99,479	$ 63,021	$ 24,331	$ (17,998)	$ 13,524	$ 19

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2014 (Continued)

	Traffic Education and Enforcement Aid Fund	NM Gang Task Force Fund	Fire Protection Fund	Emergency Medical Services Fund	DWI Program Fund	Summer Lunch Program Fund
REVENUES						
Municipal and State-Shared Taxes	$ —	$ —	$ —	$ —	$ —	$ —
Franchise Fees	—	—	—	—	—	—
Intergovernmental - Federal	—	—	—	—	—	130,087
Intergovernmental - State	—	—	728,762	26,895	—	—
Intergovernmental - Local	—	—	—	—	—	—
Charges for Services	—	—	—	—	—	—
Fines and Forfeitures	82,302	—	—	—	—	—
Miscellaneous	17	—	306	2	245	23
Total Revenues	82,319	—	729,068	26,897	245	130,110
EXPENDITURES						
Current:						
General Government	—	—	—	—	—	—
Public Safety	32,385	—	387,121	14,261	—	—
Public Works	—	—	—	—	—	—
Parks, Recreation, and Culture	—	—	—	—	—	130,088
Community and Economic Development	—	—	—	—	—	—
Capital Outlay	21,002	—	126,558	87,614	—	—
Debt Service:						
Principal	—	—	172,297	—	—	—
Interest and Other Charges	—	—	70,169	—	—	—
Total Expenditures	53,387	—	756,145	101,875	—	130,088
Revenues Over (Under) Expenditures	28,932	—	(27,077)	(74,978)	245	22
OTHER FINANCING SOURCES (USES)						
Loan Proceeds	—	—	—	—	—	—
Transfers In	—	1,295	42,000	—	—	—
Transfers Out	—	—	—	—	—	—
Total Other Financing Sources (Uses)	—	1,295	42,000	—	—	—
Net Change in Fund Balances	28,932	1,295	14,923	(74,978)	245	22
Fund Balances - Beginning	46,110	(1,295)	336,855	75,004	228,289	56,752
Restatement (see Note 2)	—	—	10,731	—	—	—
Fund Balances - Beginning, as restated	46,110	(1,295)	347,586	75,004	228,289	56,752
Fund Balances - Ending	$ 75,042	$ —	$ 362,509	$ 26	$ 228,534	$ 56,774

Public Safety and Other Grants Fund	Environmental Gross Receipts Tax Fund	Higher Education Gross Receipts Tax Fund	Municipal Road Fund	HUD CDBG Grant Fund	Crime Victim Assistance Fund	Total Nonmajor Special Revenue Funds
$ —	$ 648,521	$ 2,050,968	$ 605,367	$ —	$ —	$ 3,617,356
—	—	—	—	—	—	103,627
595,255	—	—	—	380,782	38,658	1,198,805
549,224	—	—	—	—	—	1,577,390
—	—	—	—	—	—	648,496
—	—	—	8,441	—	—	640,515
—	—	—	—	—	—	82,827
—	20,945	1,960	12,855	3,979	—	795,354
1,144,479	669,466	2,052,928	626,663	384,761	38,658	8,664,370
—	—	1,513,000	—	378,738	—	2,397,955
977,036	—	—	—	—	43,612	1,976,180
—	75,257	—	389,833	—	—	465,090
114,303	34,496	—	—	—	—	1,420,276
—	—	—	—	—	—	496,383
41,748	772,782	44,348	316,254	22,985	—	1,582,332
—	233,354	—	55,000	—	—	515,123
—	105,356	—	2,023	—	—	179,488
1,133,087	1,221,245	1,557,348	763,110	401,723	43,612	9,032,827
11,392	(551,779)	495,580	(136,447)	(16,962)	(4,954)	(368,457)
—	—	—	684,000	—	—	684,000
—	—	—	—	—	4,041	285,377
—	—	—	—	—	—	(2,500)
—	—	—	684,000	—	4,041	966,877
11,392	(551,779)	495,580	547,553	(16,962)	(913)	598,420
65	1,619,804	4,243,793	523,656	4,846	—	8,632,979
—	17,481	—	50,659	—	—	79,189
65	1,637,285	4,243,793	574,315	4,846	—	8,712,168
$ 11,457	$ 1,085,506	$ 4,739,373	$ 1,121,868	$ (12,116)	$ (913)	$ 9,310,588

Rio Rancho™

City of Vision

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

DEBT SERVICE FUNDS

General Obligation Bond Fund – To account for the debt service of Library Series 2004, Aquatics Series 2006, Roads Series 2009 and Refunding Series 2013.

Gross Receipts Tax Revenue Bond Fund – To account for the debt service of the New Mexico Gross Receipts Tax Revenue Bonds, Series 2005 and Refunding Series 2013.

Gross Receipts Refund Loan Fund – To account for the debt service resulting from Gross Receipts Tax Refund Loan, Series 2010.

HP Loan Fund – To account for the debt service resulting from Gross Receipts Tax Revenue Loan, Series 2009.

HS Loan Fund – To account for the debt service resulting from Gross Receipts Tax Revenue Loan, Series 2009.

Public Safety Vehicle Loan Fund – To account for the debt service resulting from Gross Receipts Tax Revenue Loan, Series 2013.

CITY OF RIO RANCHO, NEW MEXICO

Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2014

	General Obligation Bond Fund	GRT Revenue Bond Fund	GRT Refund Loan Fund	HP Loan Fund
ASSETS				
Cash and Cash Equivalents	$ 3,409,951	$ 189,576	$ 2,667	$ 61,385
Receivables:				
Property Taxes	153,234	—	—	—
Due From State Government	—	226,418	56,234	66,718
Total Assets	$ 3,563,185	$ 415,994	$ 58,901	$ 128,103
LIABILITIES				
Accrued Liabilities	$ —	$ —	$ —	$ —
Total Liabilities	—	—	—	—
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue-Property Taxes	112,144	—	—	—
Total Deferred Inflows of Resources	112,144	—	—	—
FUND BALANCES				
Restricted	3,451,041	415,994	58,901	128,103
Total Fund Balances	3,451,041	415,994	58,901	128,103
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,563,185	$ 415,994	$ 58,901	$ 128,103

HS Loan Fund	Public Safety Vehicle Loan Fund	Total Nonmajor Debt Service Funds
$ 32,750	$ 4,868	$ 3,701,197
—	—	153,234
67,324	40,948	457,642
$ 100,074	$ 45,816	$ 4,312,073
$ —	$ —	$ —
—	—	—
—	—	112,144
—	—	112,144
100,074	45,816	4,199,929
100,074	45,816	4,199,929
$ 100,074	$ 45,816	$ 4,312,073

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2014

	General Obligation Bond Fund	GRT Revenue Bond Fund	GRT Refund Loan Fund	HP Loan Fund
REVENUES				
Property Taxes	$ 3,577,371	$ —	$ —	$ —
Municipal and State-Shared Taxes	—	1,482,170	334,225	412,751
Miscellaneous	235	3,106	—	—
Total Revenues	3,577,606	1,485,276	334,225	412,751
EXPENDITURES				
Debt Service:				
Principal	2,575,000	955,000	322,109	200,000
Interest and Other Charges	756,854	553,374	11,479	215,238
Total Expenditures	3,331,854	1,508,374	333,588	415,238
Revenues Over (Under) Expenditures	245,752	(23,098)	637	(2,487)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	—	—	—	—
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	245,752	(23,098)	637	(2,487)
Fund Balances - Beginning	2,878,113	371,602	57,352	113,489
Restatement (see Note 2)	327,176	67,490	912	17,101
Fund Balances - Beginning, as restated	3,205,289	439,092	58,264	130,590
Fund Balances - Ending	$ 3,451,041	$ 415,994	$ 58,901	$ 128,103

HS Loan Fund	Public Safety Vehicle Loan Fund	Total Nonmajor Debt Service Funds
$ —	$ —	$ 3,577,371
419,013	183,752	2,831,911
—	—	3,341
419,013	183,752	6,412,623
220,000	135,000	4,407,109
202,027	6,652	1,745,624
422,027	141,652	6,152,733
(3,014)	42,100	259,890
—	3,716	3,716
—	—	—
—	—	—
—	3,716	3,716
(3,014)	45,816	263,606
87,037	—	3,507,593
16,051	—	428,730
103,088	—	3,936,323
$ 100,074	$ 45,816	$ 4,199,929

Rio Rancho™

City of Vision

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

CAPITAL PROJECT FUNDS

Infrastructure Fund – To account for capital (primarily infrastructure) acquisition, construction and repair from General Fund transfers and intergovernmental grants.

Recreation Development Fund – To account for revenues received for the construction of park facilities. This fund is also used to account for transfers from the General Fund, grants and donations for the development and construction of park facilities. (Provided for by City Budget Resolution.)

State Appropriation Capital Projects Fund – To account for state appropriation capital expenditures approved by the State of New Mexico.

2009 Bond Road Construction Fund – To account for proceeds received for construction various road projects.

Road Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged roads, equipment and capital improvements which substantially benefit those developments which pay the impact fees.

Trails Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged bikeways, capital improvements, trails, and equipment which substantially benefit those developments which pay the impact fees.

Parks Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged parks, equipment and capital improvements, which substantially benefit those developments which pay the impact fees.

Public Safety Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing public safety, capital improvements and equipment.

Drainage Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing a conveyance system adequate to accommodate the design storm from the farthest upstream property or City boundary to the receiving waters of the Rio Grande river.

CITY OF RIO RANCHO, NEW MEXICO

Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2014

	Infrastructure Fund	Recreation Development Fund	State Appropriation Capital Projects Fund	2009 Bond Road Construction Fund	Road Impact Fees Fund
ASSETS					
Cash and Cash Equivalents	$ —	$ 82,217	$ —	$ 2,475,827	$ 536,555
Receivables:	—	—	—	—	—
Due From Federal Government	555,036	—	—	—	—
Due From State Government	—	82,831	336,146	—	—
Total Assets	$ 555,036	$ 165,048	$ 336,146	$ 2,475,827	$ 536,555
LIABILITIES					
Accounts Payable	$ 271,437	$ 54,502	$ 272,766	$ 29,935	$ 12,265
Due To Other Funds	128,683	—	183,120	—	—
Total Liabilities	400,120	54,502	455,886	29,935	12,265
FUND BALANCES					
Restricted	154,916	110,546	—	2,445,892	524,290
Unassigned	—	—	(119,740)	—	—
Total Fund Balances	154,916	110,546	(119,740)	2,445,892	524,290
Total Liabilities and Fund Balances	$ 555,036	$ 165,048	$ 336,146	$ 2,475,827	$ 536,555

Trails Impact Fees Fund	Parks Impact Fees Fund	Public Safety Impact Fees Fund	Drainage Impact Fees Fund	Total Nonmajor Capital Project Funds
$ 171,642	$ 420,882	$ 168,253	$ 586,748	$ 4,442,124
—	—	—	—	
—	—	—	—	555,036
—	—	—	—	418,977
$ 171,642	$ 420,882	$ 168,253	$ 586,748	$ 5,416,137
$ —	$ —	$ —	$ 39,193	$ 680,098
—	—	—	—	311,803
—	—	—	39,193	991,901
171,642	420,882	168,253	547,555	4,543,976
—	—	—	—	(119,740)
171,642	420,882	168,253	547,555	4,424,236
$ 171,642	$ 420,882	$ 168,253	$ 586,748	$ 5,416,137

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended June 30, 2014

	Infrastructure Fund	Recreation Development Fund	State Appropriation Capital Projects Fund	2009 Bond Road Construction Fund	Road Impact Fees Fund
REVENUES					
Intergovernmental - Federal	$ 1,419,265	$ —	$ —	$ —	$ —
Intergovernmental - State	272,005	1,096,842	550,494	—	—
Intergovernmental - Local	—	8,734	—	—	—
Impact Fees	—	—	—	—	88,803
Total Revenues	1,691,270	1,105,576	550,494	—	88,803
EXPENDITURES					
Current:					
General Government	—	—	2,930	—	2,664
Public Works	103,873	—	—	70,956	—
Parks, Recreation, and Culture	—	4,850	—	—	—
Capital Outlay	1,457,792	1,158,255	667,309	375,367	112,181
Total Expenditures	1,561,665	1,163,105	670,239	446,323	114,845
Revenues Over (Under) Expenditures	129,605	(57,529)	(119,745)	(446,323)	(26,042)
OTHER FINANCING SOURCES (USES)					
Transfers In	—	—	—	—	—
Transfers Out	(1,271)	—	—	—	—
Total Other Financing Sources (Uses)	(1,271)	—	—	—	—
Net Change in Fund Balances	128,334	(57,529)	(119,745)	(446,323)	(26,042)
Fund Balances - Beginning	26,582	168,075	5	2,892,215	550,332
Fund Balances - Ending	$ 154,916	$ 110,546	$ (119,740)	$ 2,445,892	$ 524,290

Trails Impact Fees Fund	Parks Impact Fees Fund	Public Safety Impact Fees Fund	Drainage Impact Fees Fund	Total Nonmajor Capital Project Funds
$ —	$ —	$ —	$ —	$ 1,419,265
—	—	—	—	1,919,341
—	—	—	—	8,734
3,807	43,404	67,800	82,603	286,417
3,807	43,404	67,800	82,603	3,633,757
114	1,302	2,034	2,076	11,120
—	—	—	—	174,829
—	—	—	—	4,850
—	62,267	32,989	397,390	4,263,550
114	63,569	35,023	399,466	4,454,349
3,693	(20,165)	32,777	(316,863)	(820,592)
—	—	—	—	—
—	—	—	—	(1,271)
—	—	—	—	(1,271)
3,693	(20,165)	32,777	(316,863)	(821,863)
167,949	441,047	135,476	864,418	5,246,099
$ 171,642	$ 420,882	$ 168,253	$ 547,555	$ 4,424,236

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INTERNAL SERVICE FUND DESCRIPTIONS

Health Self-Insurance – To account for revenues collected from employee/employer contributions for the purpose of self funding health insurance administered by Presbyterian and Lovelace Health.

Dental Self-Insurance – To account for revenues collected from employee/employer contributions for the purpose of self funding dental insurance administered by Delta Dental.

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Net Position
Internal Service Funds
June 30, 2014

	Health Self-Insurance Fund	Dental Self-Insurance Fund	Total
ASSETS			
Current Assets:			
Cash and Investments	$ 2,615,015	$ 110,152	$ 2,725,167
Total Assets	2,615,015	110,152	2,725,167
LIABILITIES			
Current Liabilities:			
Claims Payable	806,096	93,708	899,804
Total Liabilities	806,096	93,708	899,804
NET POSITION			
Unrestricted	1,808,919	16,444	1,825,363
Total Net Position	$ 1,808,919	$ 16,444	$ 1,825,363

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2014

	Health Self-Insurance Fund	Dental Self-Insurance Fund	Total
OPERATING REVENUES			
Charges for Services	$ 5,288,820	$ 465,740	$ 5,754,560
Miscellaneous	2,504	35	2,539
Total Revenues	5,291,324	465,775	5,757,099
OPERATING EXPENSES			
General and Administrative	333,369	31,789	365,158
Claims and Premiums	4,504,180	435,471	4,939,651
Total Expenses	4,837,549	467,260	5,304,809
Operating Income (Loss)	453,775	(1,485)	452,290
Income (Loss) Before Transfers	453,775	(1,485)	452,290
Transfers In	—	—	—
Transfers Out	—	—	—
Change in Net Position	453,775	(1,485)	452,290
Net Position - Beginning	1,355,144	17,929	1,373,073
Net Position - Ending	$ 1,808,919	$ 16,444	$ 1,825,363

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2014

	Health Self-Insurance Fund	Dental Self-Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	$ 5,288,820	$ 465,740	$ 5,754,560
Payments to Suppliers and Contractors	(4,856,582)	(449,054)	(5,305,636)
Net Cash Provided (Used) by Operating Activities	432,238	16,686	448,924
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers (To) From Other Funds	—	—	—
Net Cash Provided (Used) by Non-Capital Financing Activities	—	—	—
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	2,504	35	2,539
Net Cash Provided (Used) by Investing Activities	2,504	35	2,539
Net Cash Provided (Used) - All Activities	434,742	16,721	451,463
Cash and Cash Equivalents - Beginning	2,180,273	93,431	2,273,704
Cash and Cash Equivalents - Ending	$ 2,615,015	$ 110,152	$ 2,725,167
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ 453,775	$ (1,485)	$ 452,290
Adjustments to Reconcile Operating Income (Loss):			
Increase (Decrease) in Accounts Payable	(21,537)	18,171	(3,366)
Net Cash Provided (Used) by Operating Activities	$ 432,238	$ 16,686	$ 448,924

AGENCY FUND DESCRIPTIONS

Rio Metro Fund – To account for Para-transit fees collected on behalf of Rio Metro and the reimbursement of bus maintenance costs associated with Rio Metro.

Special Assessment District Operations Fund – To account for Special Assessment District administrative fees which may be used for collection or other expenditures related to the administration of Special Assessment Districts.

Special Assessment District VI Bonds Fund – To account for funds held by the City as a paying agent of the special assessment district six projects debt service.

Special Assessment District VII Bonds Fund – To account for funds held by the City as a paying agent of the special assessment district seven projects debt service.

Special Assessment District VIII Bonds Fund – To account for funds held by the City as a paying agent of the special assessment district eight projects debt service.

Rio Rancho Economic Development Fund – To account for contributions from builders for the Rio Rancho Economic Development Corporation. The fund is a pass-through fund; all revenues collected are remitted to RREDC.

Gross Receipts Incentive Program (GRIP) Fund – To account for funds held by the City for reimbursement to retail businesses which generate significant gross receipts tax revenue to the City.

Municipal Court Fund – To account for collections and payments of court fines, criminal bonds and other fees from and on behalf of the public.

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2014

	Rio Metro Fund	Special Assessment District Operations Fund	Special Assessment District VI Bond Fund	Special Assessment District VII Bond Fund
ASSETS				
Cash	$ 8,378	$ 23,171	$ 909,296	$ 1,005,894
Total Assets	$ 8,378	$ 23,171	$ 909,296	$ 1,005,894
LIABILITIES				
Deposits Held for Others	$ 8,378	$ 23,171	$ 909,296	$ 1,005,894
Total Liabilities	$ 8,378	$ 23,171	$ 909,296	$ 1,005,894

Special Assessment District VIII Bond Fund	Rio Rancho Economic Development Fund	Gross Receipt Incentive Program (GRIP) Fund	Municipal Court Fund	Total
$ 298,637	$ 1,425	$ —	$ 28,251	$ 2,275,052
$ 298,637	$ 1,425	$ —	$ 28,251	$ 2,275,052
$ 298,637	$ 1,425	$ —	$ 28,251	$ 2,275,052
$ 298,637	$ 1,425	$ —	$ 28,251	$ 2,275,052

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
RIO METRO FUND				
ASSETS				
Cash	$ 2,306	$ 115,357	$ (109,285)	$ 8,378
Total Assets	$ 2,306	$ 115,357	$ (109,285)	$ 8,378
LIABILITIES				
Deposits Held for Others	$ 2,306	$ 115,357	$ (109,285)	$ 8,378
Total Liabilities	$ 2,306	$ 115,357	$ (109,285)	$ 8,378
SPECIAL ASSESSMENT DISTRICT OPERATIONS FUND				
ASSETS				
Cash	$ 11,901	$ 85,192	$ (73,922)	$ 23,171
Total Assets	$ 11,901	$ 85,192	$ (73,922)	$ 23,171
LIABILITIES				
Deposits Held for Others	$ 11,901	$ 85,192	$ (73,922)	$ 23,171
Total Liabilities	$ 11,901	$ 85,192	$ (73,922)	$ 23,171
SPECIAL ASSESSMENT DISTRICT VI BOND FUND				
ASSETS				
Cash	$ 715,238	$ 849,340	$ (655,282)	$ 909,296
Total Assets	$ 715,238	$ 849,340	$ (655,282)	$ 909,296
LIABILITIES				
Deposits Held for Others	$ 715,238	$ 849,340	$ (655,282)	$ 909,296
Total Liabilities	$ 715,238	$ 849,340	$ (655,282)	$ 909,296
SPECIAL ASSESSMENT DISTRICT VII BOND FUND				
ASSETS				
Cash	$ 1,877,484	$ 1,059,603	$ (1,931,193)	$ 1,005,894
Total Assets	$ 1,877,484	$ 1,059,603	$ (1,931,193)	$ 1,005,894
LIABILITIES				
Deposits Held for Others	$ 1,877,484	$ 1,059,603	$ (1,931,193)	$ 1,005,894
Total Liabilities	$ 1,877,484	$ 1,059,603	$ (1,931,193)	$ 1,005,894
SPECIAL ASSESSMENT DISTRICT VIII BOND FUND				
ASSETS				
Cash	$ 388,874	$ 130,021	$ (220,258)	$ 298,637
Total Assets	$ 388,874	$ 130,021	$ (220,258)	$ 298,637
LIABILITIES				
Deposits Held for Others	$ 388,874	$ 130,021	$ (220,258)	$ 298,637
Total Liabilities	$ 388,874	$ 130,021	$ (220,258)	$ 298,637

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
RIO RANCHO ECONOMIC DEVELOPMENT FUND				
ASSETS				
Cash	$ 1,455	$ 7,200	$ (7,230)	$ 1,425
Total Assets	$ 1,455	$ 7,200	$ (7,230)	$ 1,425
LIABILITIES				
Deposits Held for Others	$ 1,455	$ 7,200	$ (7,230)	$ 1,425
Total Liabilities	$ 1,455	$ 7,200	$ (7,230)	$ 1,425
GROSS RECEIPTS INCENTIVE PROGRAM (GRIP) FUND				
ASSETS				
Cash	$ 23,530	$ 232,057	$ (255,587)	$ —
Total Assets	$ 23,530	$ 232,057	$ (255,587)	$ —
LIABILITIES				
Deposits Held for Others	$ 23,530	$ 232,057	$ (255,587)	$ —
Total Liabilities	$ 23,530	$ 232,057	$ (255,587)	$ —
MUNICIPAL COURT FUND				
ASSETS				
Cash	$ 31,610	$ 166,038	$ (169,397)	$ 28,251
Total Assets	$ 31,610	$ 166,038	$ (169,397)	$ 28,251
LIABILITIES				
Deposits Held for Others	$ 31,610	$ 166,038	$ (169,397)	$ 28,251
Total Liabilities	$ 31,610	$ 166,038	$ (169,397)	$ 28,251
TOTAL AGENCY FUNDS				
ASSETS				
Cash	$ 3,052,398	$ 2,644,808	$ (3,422,154)	$ 2,275,052
Total Assets	$ 3,052,398	$ 2,644,808	$ (3,422,154)	$ 2,275,052
LIABILITIES				
Deposits Held for Others	$ 3,052,398	$ 2,644,808	$ (3,422,154)	$ 2,275,052
Total Liabilities	$ 3,052,398	$ 2,644,808	$ (3,422,154)	$ 2,275,052

Rio Rancho™

City of Vision

BUDGETARY COMPARISON SCHEDULES

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Animal Shelter Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services	$ 30,000	$ 30,000	$ 30,621	$ 621
Fines and Forfeitures	800	800	525	(275)
Miscellaneous	3,700	3,950	6,682	2,732
Total Revenues	34,500	34,750	37,828	3,078
EXPENDITURES				
Current:				
Public Safety	65,471	67,872	42,682	25,190
Parks, Recreation, and Culture	3,617	3,867	2,856	1,011
Total Expenditures	69,088	71,739	45,538	26,201
Revenues Over (Under) Expenditures	(34,588)	(36,989)	(7,710)	29,279
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(34,588)	(36,989)	(7,710)	29,279
Fund Balances - Beginning, Budgetary Basis	35,462	37,897	37,898	1
Fund Balances - Ending, Budgetary Basis	$ 874	$ 908	$ 30,188	$ 29,280

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 37,828
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 37,828
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 45,538
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	136
Prior year accrued expenditures	(2,542)
Total Actual Expenditures - GAAP Basis	$ 43,132

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Recreation Activities Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services	$ 307,549	$ 288,267	$ 227,863	$ (60,404)
Miscellaneous	—	—	79	79
Total Revenues	307,549	288,267	227,942	(60,325)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture	338,589	325,051	190,291	134,760
Capital Outlay	50,000	88,817	86,245	2,572
Total Expenditures	388,589	413,868	276,536	137,332
Revenues Over (Under) Expenditures	(81,040)	(125,601)	(48,594)	77,007
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(81,040)	(125,601)	(48,594)	77,007
Fund Balances - Beginning, Budgetary Basis	108,354	180,848	180,848	—
Fund Balances - Ending, Budgetary Basis	$ 27,314	$ 55,247	$ 132,254	$ 77,007

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 227,942
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	(12)
Total Actual Revenues - GAAP Basis	$ 227,930
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 276,536
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	19,603
Prior year accrued expenditures	(11,526)
Total Actual Expenditures - GAAP Basis	$ 284,613

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Keep Rio Rancho Beautiful Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State	$ 80,000	$ 103,585	$ 57,558	$ (46,027)
Total Revenues	80,000	103,585	57,558	(46,027)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture	80,000	81,362	78,560	2,802
Total Expenditures	80,000	81,362	78,560	2,802
Revenues Over (Under) Expenditures	—	22,223	(21,002)	(43,225)
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	(2,500)	(2,500)	(2,500)	—
Total Other Financing Sources (Uses)	(2,500)	(2,500)	(2,500)	—
Net Change in Fund Balances	(2,500)	19,723	(23,502)	(43,225)
Fund Balances - Beginning, Budgetary Basis	2,500	(19,723)	(19,723)	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ (43,225)	$ (43,225)

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 57,558
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	44,614
Prior year accrued revenue	(23,586)
Total Actual Revenues - GAAP Basis	$ 78,586
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 78,560
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	1,389
Prior year accrued expenditures	(1,363)
Total Actual Expenditures - GAAP Basis	$ 78,586

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Community Response Program Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal	$ —	$ 27,476	$ 17,032	$ (10,444)
Total Revenues	—	27,476	17,032	(10,444)
EXPENDITURES				
Current:				
Public Safety	—	20,073	15,565	4,508
Total Expenditures	—	20,073	15,565	4,508
Revenues Over (Under) Expenditures	—	7,403	1,467	(5,936)
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	—	7,403	1,467	(5,936)
Fund Balances - Beginning, Budgetary Basis	—	(7,403)	(7,403)	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ (5,936)	$ (5,936)

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 17,032
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	7,050
Prior year accrued revenue	(7,403)
Total Actual Revenues - GAAP Basis	$ 16,679
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 15,565
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 15,565

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Workers Compensation Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous	$ 751,000	$ 751,000	$ 740,879	$ (10,121)
Total Revenues	751,000	751,000	740,879	(10,121)
EXPENDITURES				
Current:				
General Government	765,894	765,894	526,594	239,300
Total Expenditures	765,894	765,894	526,594	239,300
Revenues Over (Under) Expenditures	(14,894)	(14,894)	214,285	229,179
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(14,894)	(14,894)	214,285	229,179
Fund Balances - Beginning, Budgetary Basis	766,652	766,652	766,652	—
Fund Balances - Ending, Budgetary Basis	$ 751,758	$ 751,758	$ 980,937	$ 229,179

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 740,879
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	(17)
Total Actual Revenues - GAAP Basis	$ 740,862
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 526,594
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	71,172
Prior year accrued expenditures	(91,549)
Total Actual Expenditures - GAAP Basis	$ 506,217

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Senior Services Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State	$ —	$ 2,338	$ 2,337	$ (1)
Charges for Services	24,805	20,220	15,055	(5,165)
Miscellaneous	1,850	1,850	2,816	966
Total Revenues	26,655	24,408	20,208	(4,200)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture	35,261	30,675	13,893	16,782
Total Expenditures	35,261	30,675	13,893	16,782
Revenues Over (Under) Expenditures	(8,606)	(6,267)	6,315	12,582
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(8,606)	(6,267)	6,315	12,582
Fund Balances - Beginning, Budgetary Basis	29,553	27,214	27,364	150
Fund Balances - Ending, Budgetary Basis	$ 20,947	$ 20,947	$ 33,679	$ 12,732

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 20,208
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	—
Prior year accrued revenue	(2,337)
Total Actual Revenues - GAAP Basis	$ 17,871
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 13,893
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	355
Prior year accrued expenditures	(370)
Total Actual Expenditures - GAAP Basis	$ 13,878

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Library Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State	$ —	$ 234,891	$ 91,823	$ (143,068)
Intergovernmental - Local	—	1,268,852	506,047	(762,805)
Miscellaneous	—	500	153	(347)
Total Revenues	—	1,504,243	598,023	(906,220)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture	—	1,605,554	732,137	873,417
Capital Outlay	—	320,689	53,776	266,913
Total Expenditures	—	1,926,243	785,913	1,140,330
Revenues Over (Under) Expenditures	—	(422,000)	(187,890)	234,110
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	—	(422,000)	(187,890)	234,110
Fund Balances - Beginning, Budgetary Basis	—	422,000	422,000	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ 234,110	$ 234,110

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 598,023
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	152,883
Prior year accrued revenue	(10,434)
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	(20)
Total Actual Revenues - GAAP Basis	$ 740,452
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 785,913
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	13,750
Prior year accrued expenditures	(18,768)
Total Actual Expenditures - GAAP Basis	$ 780,895

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Promotion and Marketing Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services	$ 114,800	$ 225,605	$ 118,142	$ (107,463)
Miscellaneous	—	—	12	12
Total Revenues	114,800	225,605	118,154	(107,451)
EXPENDITURES				
Current:				
Community and Economic Development	309,915	389,802	214,548	175,254
Total Expenditures	309,915	389,802	214,548	175,254
Revenues Over (Under) Expenditures	(195,115)	(164,197)	(96,394)	67,803
OTHER FINANCING SOURCES (USES)				
Transfers In	195,397	123,117	123,117	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	195,397	123,117	123,117	—
Net Change in Fund Balances	282	(41,080)	26,723	67,803
Fund Balances - Beginning, Budgetary Basis	30,836	75,228	75,229	1
Fund Balances - Ending, Budgetary Basis	$ 31,118	$ 34,148	$ 101,952	$ 67,804

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 118,154
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 118,154
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 214,548
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	2,475
Prior year accrued expenditures	(2,810)
Total Actual Expenditures - GAAP Basis	$ 214,213

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Convention and Visitors Bureau Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 315,000	$ 315,000	$ 312,500	$ (2,500)
Intergovernmental - State	5,000	5,000	2,500	(2,500)
Miscellaneous	2,005	2,005	2,328	323
Total Revenues	322,005	322,005	317,328	(4,677)
EXPENDITURES				
Current:				
Community and Economic Development	326,018	329,778	281,938	47,840
Total Expenditures	326,018	329,778	281,938	47,840
Revenues Over (Under) Expenditures	(4,013)	(7,773)	35,390	43,163
OTHER FINANCING SOURCES (USES)				
Transfers In	5,127	5,127	5,127	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	5,127	5,127	5,127	—
Net Change in Fund Balances	1,114	(2,646)	40,517	43,163
Fund Balances - Beginning, Budgetary Basis	26,127	28,985	28,984	(1)
Fund Balances - Ending, Budgetary Basis	$ 27,241	$ 26,339	$ 69,501	$ 43,162

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 317,328
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 317,328
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 281,938
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	6,483
Prior year accrued expenditures	(6,251)
Total Actual Expenditures - GAAP Basis	$ 282,170

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Rio Vision Cable Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Franchise Fees	$ 112,265	$ 112,265	$ 116,327	$ 4,062
Charges for Services	800	800	150	(650)
Miscellaneous	5	5	20	15
Total Revenues	113,070	113,070	116,497	3,427
EXPENDITURES				
Current:				
Parks, Recreation, and Culture	118,500	126,463	120,281	6,182
Total Expenditures	118,500	126,463	120,281	6,182
Revenues Over (Under) Expenditures	(5,430)	(13,393)	(3,784)	9,609
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(5,430)	(13,393)	(3,784)	9,609
Fund Balances - Beginning, Budgetary Basis	6,157	14,393	14,393	—
Fund Balances - Ending, Budgetary Basis	$ 727	$ 1,000	$ 10,609	$ 9,609

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 116,497
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	23,437
Prior year accrued revenue	(36,137)
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	(5)
Total Actual Revenues - GAAP Basis	$ 103,792
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 120,281
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	9,715
Prior year accrued expenditures	(9,414)
Total Actual Expenditures - GAAP Basis	$ 120,582

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Local Government Corrections Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services	$ 260,000	$ 260,000	$ 240,243	$ (19,757)
Miscellaneous	—	—	18	18
Total Revenues	260,000	260,000	240,261	(19,739)
EXPENDITURES				
Current:				
Public Safety	380,000	410,016	383,039	26,977
Total Expenditures	380,000	410,016	383,039	26,977
Revenues Over (Under) Expenditures	(120,000)	(150,016)	(142,778)	7,238
OTHER FINANCING SOURCES (USES)				
Transfers In	109,797	109,797	109,797	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	109,797	109,797	109,797	—
Net Change in Fund Balances	(10,203)	(40,219)	(32,981)	7,238
Fund Balances - Beginning, Budgetary Basis	10,203	48,547	48,547	—
Fund Balances - Ending, Budgetary Basis	$ —	$ 8,328	$ 15,566	$ 7,238

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 240,261
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 240,261
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 383,039
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	33,567
Prior year accrued expenditures	(30,016)
Total Actual Expenditures - GAAP Basis	$ 386,590

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Law Enforcement Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State	$ 99,600	$ 99,600	$ 99,600	$ —
Miscellaneous	—	—	13	13
Total Revenues	99,600	99,600	99,613	13
EXPENDITURES				
Current:				
Public Safety	53,357	54,890	41,558	13,332
Debt Service:				
Principal	54,472	54,472	54,472	—
Interest and Other Charges	2,118	2,118	1,940	178
Total Expenditures	109,947	111,480	97,970	13,510
Revenues Over (Under) Expenditures	(10,347)	(11,880)	1,643	13,523
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(10,347)	(11,880)	1,643	13,523
Fund Balances - Beginning, Budgetary Basis	10,347	11,880	11,879	(1)
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ 13,522	$ 13,522

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 99,613
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 99,613
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 97,970
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 97,970

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Public Safety Enforcement Aid Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal	$ —	$ 58,514	$ 58,514	$ —
Miscellaneous	3,500	3,500	2,076	(1,424)
Total Revenues	3,500	62,014	60,590	(1,424)
EXPENDITURES				
Current:				
Public Safety	14,664	61,300	34,918	26,382
Capital Outlay	—	9,020	9,020	—
Total Expenditures	14,664	70,320	43,938	26,382
Revenues Over (Under) Expenditures	(11,164)	(8,306)	16,652	24,958
OTHER FINANCING SOURCES (USES)				
Transfers In	—	446	446	—
Transfers Out	—	(3,304)	(3,304)	—
Total Other Financing Sources (Uses)	—	(2,858)	(2,858)	—
Net Change in Fund Balances	(11,164)	(11,164)	13,794	24,958
Fund Balances - Beginning, Budgetary Basis	11,164	11,164	11,164	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ 24,958	$ 24,958

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 60,590
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year unearned revenue	(24,942)
Prior year unearned revenue	3,772
Total Actual Revenues - GAAP Basis	$ 39,420
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 43,938
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	2,858
Prior year accrued expenditures	—
Total Actual Expenditures - GAAP Basis	$ 46,796

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Traffic Education and Enforcement Aid Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Fines and Forfeitures	$ 90,000	$ 85,000	$ 82,302	$ (2,698)
Miscellaneous	—	—	17	17
Total Revenues	90,000	85,000	82,319	(2,681)
EXPENDITURES				
Current:				
Public Safety	60,200	63,997	32,464	31,533
Capital Outlay	29,800	51,462	51,461	1
Total Expenditures	90,000	115,459	83,925	31,534
Revenues Over (Under) Expenditures	—	(30,459)	(1,606)	28,853
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	—	(30,459)	(1,606)	28,853
Fund Balances - Beginning, Budgetary Basis	46,655	77,114	77,114	—
Fund Balances - Ending, Budgetary Basis	$ 46,655	$ 46,655	$ 75,508	$ 28,853

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 82,319
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 82,319
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 83,925
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	469
Prior year accrued expenditures	(31,007)
Total Actual Expenditures - GAAP Basis	$ 53,387

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
NM Gang Task Force Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal	$ —	$ 123,414	$ 92,870	$ (30,544)
Total Revenues	—	123,414	92,870	(30,544)
EXPENDITURES				
Current:				
Public Safety	—	32,713	2,169	30,544
Total Expenditures	—	32,713	2,169	30,544
Revenues Over (Under) Expenditures	—	90,701	90,701	—
OTHER FINANCING SOURCES (USES)				
Transfers In	—	1,295	1,295	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	1,295	1,295	—
Net Change in Fund Balances	—	91,996	91,996	—
Fund Balances - Beginning, Budgetary Basis	—	91,996	91,996	—
Fund Balances - Ending, Budgetary Basis	$ —	$ 183,992	$ 183,992	$ —

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 92,870
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	—
Prior year accrued revenue	(92,870)
Total Actual Revenues - GAAP Basis	$ —
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 2,169
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	—
Prior year accrued expenditures	(2,169)
Total Actual Expenditures - GAAP Basis	$ —

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Fire Protection Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State	$ 649,308	$ 728,762	$ 728,762	$ —
Miscellaneous	—	110	110	—
Total Revenues	649,308	728,872	728,872	—
EXPENDITURES				
Current:				
Public Safety	473,155	465,627	384,299	81,328
Capital Outlay	—	253,862	129,127	124,735
Debt Service:				
Principal	139,924	172,297	172,297	—
Interest and Other Charges	59,188	80,902	70,169	10,733
Total Expenditures	672,267	972,688	755,892	216,796
Revenues Over (Under) Expenditures	(22,959)	(243,816)	(27,020)	216,796
OTHER FINANCING SOURCES (USES)				
Transfers In	—	42,000	42,000	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	42,000	42,000	—
Net Change in Fund Balances	(22,959)	(201,816)	14,980	216,796
Fund Balances - Beginning, Budgetary Basis	229,046	353,937	353,937	—
Fund Balances - Ending, Budgetary Basis	$ 206,087	$ 152,121	$ 368,917	$ 216,796

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 728,872
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	196
Total Actual Revenues - GAAP Basis	$ 729,068
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 755,892
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	7,023
Prior year accrued expenditures	(6,770)
Total Actual Expenditures - GAAP Basis	$ 756,145

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Emergency Medical Services Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State	$ 19,814	$ 26,895	$ 26,895	$ —
Miscellaneous	—	—	2	2
Total Revenues	19,814	26,895	26,897	2
EXPENDITURES				
Current:				
Public Safety	7,202	14,283	14,261	22
Capital Outlay	12,615	87,615	87,614	1
Total Expenditures	19,817	101,898	101,875	23
Revenues Over (Under) Expenditures	(3)	(75,003)	(74,978)	25
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(3)	(75,003)	(74,978)	25
Fund Balances - Beginning, Budgetary Basis	3	75,003	75,003	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ 25	$ 25

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 26,897
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 26,897
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 101,875
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 101,875

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
DWI Program Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous	$ —	$ —	$ 260	$ 260
Total Revenues	—	—	260	260
EXPENDITURES				
Current:				
Public Safety	228,274	228,274	—	228,274
Total Expenditures	228,274	228,274	—	228,274
Revenues Over (Under) Expenditures	(228,274)	(228,274)	260	228,534
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(228,274)	(228,274)	260	228,534
Fund Balances - Beginning, Budgetary Basis	228,274	228,274	228,274	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ 228,534	$ 228,534

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 260
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	(15)
Total Actual Revenues - GAAP Basis	$ 245
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ —
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ —

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Summer Lunch Program Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal	$ 135,000	$ 135,000	$ 100,185	$ (34,815)
Miscellaneous	—	—	27	27
Total Revenues	135,000	135,000	100,212	(34,788)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture	188,562	295,191	118,462	176,729
Total Expenditures	188,562	295,191	118,462	176,729
Revenues Over (Under) Expenditures	(53,562)	(160,191)	(18,250)	141,941
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(53,562)	(160,191)	(18,250)	141,941
Fund Balances - Beginning, Budgetary Basis	53,562	160,191	160,191	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ 141,941	$ 141,941

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 100,212
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year unearned revenue	(25,937)
Prior year unearned revenue	55,839
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	(4)
Total Actual Revenues - GAAP Basis	$ 130,110
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 118,462
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	59,230
Prior year accrued expenditures	(47,604)
Total Actual Expenditures - GAAP Basis	$ 130,088

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Public Safety and Other Grants Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal	$ 17,046	$ 978,125	$ 732,869	$ (245,256)
Intergovernmental - State	—	1,068,460	558,438	(510,022)
Total Revenues	17,046	2,046,585	1,291,307	(755,278)
EXPENDITURES				
Current:				
Public Safety	—	1,639,695	1,024,419	615,276
Parks, Recreation, and Culture	—	221,868	114,303	107,565
Capital Outlay	17,046	41,748	41,748	—
Total Expenditures	17,046	1,903,311	1,180,470	722,841
Revenues Over (Under) Expenditures	—	143,274	110,837	(32,437)
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	—	143,274	110,837	(32,437)
Fund Balances - Beginning, Budgetary Basis	—	143,274	143,274	—
Fund Balances - Ending, Budgetary Basis	$ —	$ 286,548	$ 254,111	$ (32,437)

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 1,291,307
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	67,401
Prior year accrued revenue	(214,229)
Total Actual Revenues - GAAP Basis	$ 1,144,479
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 1,180,470
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	23,507
Prior year accrued expenditures	(70,890)
Total Actual Expenditures - GAAP Basis	$ 1,133,087

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Environmental Gross Receipts Tax Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 651,590	$ 651,590	$ 648,729	$ (2,861)
Miscellaneous	20,101	20,101	20,466	365
Total Revenues	671,691	671,691	669,195	(2,496)
EXPENDITURES				
Current:				
Public Works	131,812	125,578	71,719	53,859
Parks, Recreation, and Culture	42,772	58,923	34,429	24,494
Capital Outlay	223,935	1,153,187	784,329	368,858
Debt Service:				
Principal	233,354	233,354	233,354	—
Interest and Other Charges	123,171	123,171	105,356	17,815
Total Expenditures	755,044	1,694,213	1,229,187	465,026
Revenues Over (Under) Expenditures	(83,353)	(1,022,522)	(559,992)	462,530
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(83,353)	(1,022,522)	(559,992)	462,530
Fund Balances - Beginning, Budgetary Basis	578,836	1,546,466	1,546,466	—
Fund Balances - Ending, Budgetary Basis	$ 495,483	$ 523,944	$ 986,474	$ 462,530

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 669,195
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	106,657
Prior year accrued revenue	(106,865)
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	479
Total Actual Revenues - GAAP Basis	$ 669,466
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 1,229,187
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	8,997
Prior year accrued expenditures	(16,939)
Total Actual Expenditures - GAAP Basis	$ 1,221,245

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Higher Education Gross Receipts Tax Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 2,117,668	$ 2,117,668	$ 2,047,904	$ (69,764)
Miscellaneous	1,000	1,000	2,156	1,156
Total Revenues	2,118,668	2,118,668	2,050,060	(68,608)
EXPENDITURES				
Current:				
General Government	1,513,000	1,513,000	1,513,000	—
Capital Outlay	100,000	350,000	28,115	321,885
Total Expenditures	1,613,000	1,863,000	1,541,115	321,885
Revenues Over (Under) Expenditures	505,668	255,668	508,945	253,277
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	505,668	255,668	508,945	253,277
Fund Balances - Beginning, Budgetary Basis	3,655,516	3,905,516	3,905,516	—
Fund Balances - Ending, Budgetary Basis	$ 4,161,184	$ 4,161,184	$ 4,414,461	$ 253,277

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 2,050,060
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	341,145
Prior year accrued revenue	(338,081)
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	(196)
Total Actual Revenues - GAAP Basis	$ 2,052,928
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 1,541,115
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	16,233
Prior year accrued expenditures	—
Total Actual Expenditures - GAAP Basis	$ 1,557,348

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Municipal Road Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 594,000	$ 544,000	$ 584,579	$ 40,579
Charges for Services	5,000	5,000	8,441	3,441
Miscellaneous	200	200	12,686	12,486
Total Revenues	599,200	549,200	605,706	56,506
EXPENDITURES				
Current:				
Public Works	570,000	609,717	401,950	207,767
Capital Outlay	35,000	700,220	294,192	406,028
Debt Service:				
Principal	119,399	119,399	80,833	38,566
Interest and Other Charges	3,606	3,606	2,924	682
Total Expenditures	728,005	1,432,942	779,899	653,043
Revenues Over (Under) Expenditures	(128,805)	(883,742)	(174,193)	709,549
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	—	684,000	684,000	—
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	684,000	684,000	—
Net Change in Fund Balances	(128,805)	(199,742)	509,807	709,549
Fund Balances - Beginning, Budgetary Basis	411,052	522,864	522,864	—
Fund Balances - Ending, Budgetary Basis	$ 282,247	$ 323,122	$ 1,032,671	$ 709,549

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 605,706
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	53,138
Prior year accrued revenue	(32,350)
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting	169
Total Actual Revenues - GAAP Basis	$ 626,663
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 779,899
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	41,523
Prior year accrued expenditures	(58,312)
Total Actual Expenditures - GAAP Basis	$ 763,110

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
HUD CDBG Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal	$ 379,649	$ 651,168	$ 513,874	$ (137,294)
Miscellaneous	—	3,979	3,979	—
Total Revenues	379,649	655,147	517,853	(137,294)
EXPENDITURES				
Current:				
General Government	379,649	508,065	376,721	131,344
Capital Outlay	—	22,985	22,985	—
Total Expenditures	379,649	531,050	399,706	131,344
Revenues Over (Under) Expenditures	—	124,097	118,147	(5,950)
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	—	124,097	118,147	(5,950)
Fund Balances - Beginning, Budgetary Basis	—	(124,097)	(124,097)	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ (5,950)	$ (5,950)

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 517,853
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	9,929
Prior year accrued revenue	(143,021)
Total Actual Revenues - GAAP Basis	$ 384,761
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 399,706
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	16,095
Prior year accrued expenditures	(14,078)
Total Actual Expenditures - GAAP Basis	$ 401,723

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Crime Victim Assistance Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal	$ 49,516	$ 62,520	$ 48,970	$ (13,550)
Total Revenues	49,516	62,520	48,970	(13,550)
EXPENDITURES				
Current:				
Public Safety	53,913	55,757	45,455	10,302
Total Expenditures	53,913	55,757	45,455	10,302
Revenues Over (Under) Expenditures	(4,397)	6,763	3,515	(3,248)
OTHER FINANCING SOURCES (USES)				
Transfers In	4,397	4,398	4,041	(357)
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	4,397	4,398	4,041	(357)
Net Change in Fund Balances	—	11,161	7,556	(3,605)
Fund Balances - Beginning, Budgetary Basis	—	(11,161)	(11,161)	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ (3,605)	$ (3,605)

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 48,970
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	2,692
Prior year accrued revenue	(13,004)
Total Actual Revenues - GAAP Basis	$ 38,658
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 45,455
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	—
Prior year accrued expenditures	(1,843)
Total Actual Expenditures - GAAP Basis	$ 43,612

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
General Obligation Bond Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Property Taxes	$ 3,233,459	$ 3,233,459	$ 3,590,743	$ 357,284
Miscellaneous	500	500	235	(265)
Total Revenues	3,233,959	3,233,959	3,590,978	357,019
EXPENDITURES				
Debt Service:				
Principal	4,225,000	4,225,000	4,225,000	—
Interest and Other Charges	1,086,647	1,087,931	756,854	331,077
Total Expenditures	5,311,647	5,312,931	4,981,854	331,077
Revenues Over (Under) Expenditures	(2,077,688)	(2,078,972)	(1,390,876)	688,096
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(2,077,688)	(2,078,972)	(1,390,876)	688,096
Fund Balances - Beginning, Budgetary Basis	4,800,827	4,800,827	4,800,827	—
Fund Balances - Ending, Budgetary Basis	$ 2,723,139	$ 2,721,855	$ 3,409,951	$ 688,096

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 3,590,978
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	41,090
Prior year accrued revenue	(54,462)
Total Actual Revenues - GAAP Basis	$ 3,577,606
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 4,981,854
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	—
Payment to refunding bond escrow reported in prior year financial statements	(1,650,000)
Total Actual Expenditures - GAAP Basis	$ 3,331,854

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
GRT Revenue Bond Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 1,506,903	$ 1,506,903	$ 1,506,903	$ —
Miscellaneous	33,572	33,572	3,106	(30,466)
Total Revenues	1,540,475	1,540,475	1,510,009	(30,466)
EXPENDITURES				
Debt Service:				
Principal	955,000	955,000	955,000	—
Interest and Other Charges	1,288,363	1,289,219	553,374	735,845
Total Expenditures	2,243,363	2,244,219	1,508,374	735,845
Revenues Over (Under) Expenditures	(702,888)	(703,744)	1,635	705,379
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(702,888)	(703,744)	1,635	705,379
Fund Balances - Beginning, Budgetary Basis	14,605,570	14,605,570	187,941	(14,417,629)
Fund Balances - Ending, Budgetary Basis	$ 13,902,682	$ 13,901,826	$ 189,576	$ (13,712,250)

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 1,510,009
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	226,418
Prior year accrued revenue	(251,151)
Total Actual Revenues - GAAP Basis	$ 1,485,276
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 1,508,374
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 1,508,374

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
GRT Refund Loan Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 333,589	$ 333,589	$ 333,589	$ —
Total Revenues	333,589	333,589	333,589	—
EXPENDITURES				
Debt Service:				
Principal	322,109	322,109	322,109	—
Interest and Other Charges	11,989	11,989	11,479	510
Total Expenditures	334,098	334,098	333,588	510
Revenues Over (Under) Expenditures	(509)	(509)	1	510
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(509)	(509)	1	510
Fund Balances - Beginning, Budgetary Basis	2,666	2,666	2,666	—
Fund Balances - Ending, Budgetary Basis	$ 2,157	$ 2,157	$ 2,667	$ 510

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 333,589
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	56,234
Prior year accrued revenue	(55,598)
Total Actual Revenues - GAAP Basis	$ 334,225
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 333,588
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 333,588

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
HP Loan Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 415,238	$ 415,238	$ 415,239	$ 1
Total Revenues	415,238	415,238	415,239	1
EXPENDITURES				
Debt Service:				
Principal	200,000	200,000	200,000	—
Interest and Other Charges	231,664	231,664	215,238	16,426
Total Expenditures	431,664	431,664	415,238	16,426
Revenues Over (Under) Expenditures	(16,426)	(16,426)	1	16,427
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(16,426)	(16,426)	1	16,427
Fund Balances - Beginning, Budgetary Basis	61,384	61,384	61,384	—
Fund Balances - Ending, Budgetary Basis	$ 44,958	$ 44,958	$ 61,385	$ 16,427

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 415,239
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	66,718
Prior year accrued revenue	(69,206)
Total Actual Revenues - GAAP Basis	$ 412,751
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 415,238
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 415,238

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
HS Loan Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 422,028	$ 433,004	$ 422,027	$ (10,977)
Total Revenues	422,028	433,004	422,027	(10,977)
EXPENDITURES				
Current:				
Debt Service:				
Principal	220,000	210,000	220,000	(10,000)
Interest and Other Charges	217,473	225,009	202,027	22,982
Total Expenditures	437,473	435,009	422,027	12,982
Revenues Over (Under) Expenditures	(15,445)	(2,005)	—	2,005
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(15,445)	(2,005)	—	2,005
Fund Balances - Beginning, Budgetary Basis	32,750	18,642	32,750	14,108
Fund Balances - Ending, Budgetary Basis	$ 17,305	$ 16,637	$ 32,750	$ 16,113

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 422,027
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	67,324
Prior year accrued revenue	(70,338)
Total Actual Revenues - GAAP Basis	$ 419,013
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 422,027
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 422,027

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Public Safety Vehicle Loan Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes	$ 218,871	$ 142,804	$ 142,804	$ —
Total Revenues	218,871	142,804	142,804	—
EXPENDITURES				
Debt Service:				
Principal	214,022	135,000	135,000	—
Interest and Other Charges	4,849	7,804	2,936	4,868
Total Expenditures	218,871	142,804	137,936	4,868
Revenues Over (Under) Expenditures	—	—	4,868	4,868
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	—	3,716	3,716	—
Total Other Financing Sources (Uses)	—	3,716	3,716	—
Net Change in Fund Balances	—	3,716	8,584	4,868
Fund Balances - Beginning, Budgetary Basis	—	—	—	—
Fund Balances - Ending, Budgetary Basis	$ —	$ 3,716	$ 8,584	$ 4,868

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 142,804
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	40,948
Prior year accrued revenue	—
Total Actual Revenues - GAAP Basis	$ 183,752
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 137,936
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	3,716
Prior year accrued expenditures	—
Total Actual Expenditures - GAAP Basis	$ 141,652

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Infrastructure Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal	$ —	$ 5,700,772	$ 1,313,382	$ (4,387,390)
Intergovernmental - State	—	90,000	90,000	—
Total Revenues	—	5,790,772	1,403,382	(4,387,390)
EXPENDITURES				
Current:				
Public Works	—	186,758	103,873	82,885
Capital Outlay	—	5,359,792	1,226,122	4,133,670
Total Expenditures	—	5,546,550	1,329,995	4,216,555
Revenues Over (Under) Expenditures	—	244,222	73,387	(170,835)
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	(1,076)	(1,272)	(1,271)	(1)
Total Other Financing Sources (Uses)	(1,076)	(1,272)	(1,271)	1
Net Change in Fund Balances	(1,076)	242,950	72,116	(170,834)
Fund Balances - Beginning, Budgetary Basis	(1,076)	200,800	200,799	(1)
Fund Balances - Ending, Budgetary Basis	$ (2,152)	$ 443,750	$ 272,915	$ (170,835)

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 1,403,382
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	555,036
Prior year accrued revenue	(267,148)
Total Actual Revenues - GAAP Basis	$ 1,691,270
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 1,329,995
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	271,437
Prior year accrued expenditures	(39,767)
Total Actual Expenditures - GAAP Basis	$ 1,561,665

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Recreation Development Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State	$ —	$ 1,554,879	$ 1,045,632	$ (509,247)
Intergovernmental - Local	—	218,734	8,734	(210,000)
Total Revenues	—	1,773,613	1,054,366	(719,247)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture	—	9,010	4,850	4,160
Capital Outlay	—	1,912,660	1,115,356	797,304
Total Expenditures	—	1,921,670	1,120,206	801,464
Revenues Over (Under) Expenditures	—	(148,057)	(65,840)	82,217
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	—	(148,057)	(65,840)	82,217
Fund Balances - Beginning, Budgetary Basis	—	148,057	148,057	—
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ 82,217	$ 82,217

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 1,054,366
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	82,831
Prior year accrued revenue	(31,621)
Total Actual Revenues - GAAP Basis	$ 1,105,576
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 1,120,206
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	54,502
Prior year accrued expenditures	(11,603)
Total Actual Expenditures - GAAP Basis	$ 1,163,105

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
State Appropriation Capital Projects Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State	$ —	$ 2,005,841	$ 278,557	$ (1,727,284)
Total Revenues	—	2,005,841	278,557	(1,727,284)
EXPENDITURES				
Current:				
General Government	—	85,535	2,926	82,609
Capital Outlay	—	1,856,096	394,543	1,461,553
Total Expenditures	—	1,941,631	397,469	1,544,162
Revenues Over (Under) Expenditures	—	64,210	(118,912)	(183,122)
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	(7)	(5)	(4)	(1)
Total Other Financing Sources (Uses)	(7)	(5)	(4)	1
Net Change in Fund Balances	(7)	64,205	(118,916)	(183,121)
Fund Balances - Beginning, Budgetary Basis	7	(64,205)	(64,204)	1
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ (183,120)	$ (183,120)

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 278,557
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	336,146
Prior year accrued revenue	(64,209)
Total Actual Revenues - GAAP Basis	$ 550,494
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 397,469
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	272,770
Prior year accrued expenditures	—
Total Actual Expenditures - GAAP Basis	$ 670,239

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
2009 Bond Road Construction Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous	$ —	$ —	$ —	$ —
Total Revenues	—	—	—	—
EXPENDITURES				
Current:				
Public Works	—	96,304	74,100	22,204
Capital Outlay	636,065	2,840,830	387,208	2,453,622
Total Expenditures	636,065	2,937,134	461,308	2,475,826
Revenues Over (Under) Expenditures	(636,065)	(2,937,134)	(461,308)	2,475,826
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(636,065)	(2,937,134)	(461,308)	2,475,826
Fund Balances - Beginning, Budgetary Basis	636,065	2,937,134	2,937,135	1
Fund Balances - Ending, Budgetary Basis	$ —	$ —	$ 2,475,827	$ 2,475,827

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ —
(no differences)	—
Total Actual Revenues - GAAP Basis	$ —
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 461,308
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	29,935
Prior year accrued expenditures	(44,920)
Total Actual Expenditures - GAAP Basis	$ 446,323

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Road Impact Fees Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees	$ 53,856	$ 100,906	$ 88,803	$ (12,103)
Total Revenues	53,856	100,906	88,803	(12,103)
EXPENDITURES				
Current:				
General Government	1,616	3,027	2,664	363
Capital Outlay	50,000	399,476	106,547	292,929
Total Expenditures	51,616	402,503	109,211	293,292
Revenues Over (Under) Expenditures	2,240	(301,597)	(20,408)	281,189
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	2,240	(301,597)	(20,408)	281,189
Fund Balances - Beginning, Budgetary Basis	207,486	556,963	556,963	—
Fund Balances - Ending, Budgetary Basis	$ 209,726	$ 255,366	$ 536,555	$ 281,189

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 88,803
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 88,803
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 109,211
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	12,265
Prior year accrued expenditures	(6,631)
Total Actual Expenditures - GAAP Basis	$ 114,845

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Trails Impact Fees Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees	$ 1,921	$ 3,600	$ 3,807	$ 207
Total Revenues	1,921	3,600	3,807	207
EXPENDITURES				
Current:				
General Government	58	108	114	(6)
Capital Outlay	1,863	160,525	—	160,525
Total Expenditures	1,921	160,633	114	160,519
Revenues Over (Under) Expenditures	—	(157,033)	3,693	160,726
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	—	(157,033)	3,693	160,726
Fund Balances - Beginning, Budgetary Basis	9,287	167,949	167,949	—
Fund Balances - Ending, Budgetary Basis	$ 9,287	$ 10,916	$ 171,642	$ 160,726

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 3,807
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 3,807
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 114
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 114

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Parks Impact Fees Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees	$ 25,177	$ 47,170	$ 43,404	$ (3,766)
Total Revenues	25,177	47,170	43,404	(3,766)
EXPENDITURES				
Current:				
General Government	756	1,415	1,302	113
Capital Outlay	215,257	427,719	62,267	365,452
Total Expenditures	216,013	429,134	63,569	365,565
Revenues Over (Under) Expenditures	(190,836)	(381,964)	(20,165)	361,799
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(190,836)	(381,964)	(20,165)	361,799
Fund Balances - Beginning, Budgetary Basis	228,583	441,047	441,047	—
Fund Balances - Ending, Budgetary Basis	$ 37,747	$ 59,083	$ 420,882	$ 361,799

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 43,404
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 43,404
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 63,569
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 63,569

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Public Safety Impact Fees Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees	$ 50,884	$ 80,508	$ 67,800	$ (12,708)
Total Revenues	50,884	80,508	67,800	(12,708)
EXPENDITURES				
Current:				
General Government	1,527	2,415	2,034	381
Capital Outlay	25,422	59,187	32,989	26,198
Total Expenditures	26,949	61,602	35,023	26,579
Revenues Over (Under) Expenditures	23,935	18,906	32,777	13,871
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	23,935	18,906	32,777	13,871
Fund Balances - Beginning, Budgetary Basis	127,711	135,476	135,476	—
Fund Balances - Ending, Budgetary Basis	$ 151,646	$ 154,382	$ 168,253	$ 13,871

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 67,800
(no differences)	—
Total Actual Revenues - GAAP Basis	$ 67,800
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 35,023
(no differences)	—
Total Actual Expenditures - GAAP Basis	$ 35,023

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Drainage Impact Fees Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees	$ 44,680	$ 106,037	$ 69,208	$ (36,829)
Total Revenues	44,680	106,037	69,208	(36,829)
EXPENDITURES				
Current:				
General Government	1,341	3,181	2,076	1,105
Capital Outlay	99,680	773,077	359,536	413,541
Total Expenditures	101,021	776,258	361,612	414,646
Revenues Over (Under) Expenditures	(56,341)	(670,221)	(292,404)	377,817
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(56,341)	(670,221)	(292,404)	377,817
Fund Balances - Beginning, Budgetary Basis	205,754	879,152	879,152	—
Fund Balances - Ending, Budgetary Basis	$ 149,413	$ 208,931	$ 586,748	$ 377,817

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 69,208
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	13,395
Prior year accrued revenue	—
Total Actual Revenues - GAAP Basis	$ 82,603
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 361,612
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	39,193
Prior year accrued expenditures	(1,339)
Total Actual Expenditures - GAAP Basis	$ 399,466

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Utilities Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for services - water	$ 24,038,728	$ 23,738,728	$ 22,905,140	$ (833,588)
Charges for services - wastewater	16,152,800	16,152,800	17,118,148	965,348
Interest on investments	24,900	24,900	3,047	(21,853)
Intergovernmental federal	—	6,516,116	46,429	(6,469,687)
Intergovernmental state	—	1,513,681	943,660	(570,021)
Intergovernmental county	—	3,000	3,000	—
Impact fees	151,581	301,221	396,811	95,590
Loan Proceeds	—	17,572,481	4,584,977	(12,987,504)
Other revenues	127,500	127,500	251,668	124,168
Total Revenues	40,495,509	65,950,427	46,252,880	(19,697,547)
EXPENDITURES				
Operations	22,859,271	26,808,231	20,990,323	5,817,908
Capital outlay	3,559,748	32,440,834	7,061,388	25,379,446
Debt service -				
Principal	8,157,487	8,157,487	7,227,487	930,000
Interest and fiscal charges	5,848,449	5,848,449	5,121,286	727,163
Total Expenditures	40,424,955	73,255,001	40,400,484	32,854,517
Revenues Over (Under) Expenditures	70,554	(7,304,574)	5,852,396	13,156,970
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	70,554	(7,304,574)	5,852,396	13,156,970
Fund Balances - Beginning, Budgetary Basis	34,426,956	34,174,012	34,174,012	—
Fund Balances - Ending, Budgetary Basis	$ 34,497,510	$ 26,869,438	$ 40,026,408	$ 13,156,970

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$46,252,880
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	2,622,098
Prior year accrued revenue	(6,483,909)
Capital Contributions from the State are considered revenue for financial reporting but not for budgetary reporting	(517,576)
Total Actual Revenues - GAAP Basis	$41,873,493
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$40,400,484
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	2,039,170
Prior year accrued expenditures	(8,720,662)
Allowances for doubtful accounts are considered expenditures for financial reporting but not for budgetary reporting	2,281,562
Depreciation, amortization and other expenses are considered expenditures for financial reporting but not for budgetary reporting	6,971,149
Principal payments on long-term debt are not considered expenses for financial reporting	(7,227,487)
Total Actual Expenditures - GAAP Basis	$35,744,216

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Multi-Purpose Event Center Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for services	$ 350,000	$ 350,000	$ 381,333	$ 31,333
Interest on investments	2,500	2,500	4,035	1,535
Intergovernmental	2,204,898	2,204,898	2,204,898	—
Other revenues	—	—	42,153	42,153
Total Revenues	2,557,398	2,557,398	2,632,419	75,021
EXPENDITURES				
Operations	1,177,052	1,177,052	1,175,003	2,049
Debt service -				
Principal	1,450,000	1,450,000	1,450,000	—
Interest and fiscal charges	2,498,895	2,498,895	1,024,897	1,473,998
Total Expenditures	5,125,947	5,125,947	3,649,900	1,476,047
Revenues Over (Under) Expenditures	(2,568,549)	(2,568,549)	(1,017,481)	1,551,068
OTHER FINANCING SOURCES (USES)				
Transfers In	1,097,052	1,097,052	1,097,052	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	1,097,052	1,097,052	1,097,052	—
Net Change in Fund Balances	(1,471,497)	(1,471,497)	79,571	1,551,068
Fund Balances - Beginning, Budgetary Basis	31,062,591	31,062,591	39,999,515	8,936,924
Fund Balances - Ending, Budgetary Basis	$ 29,591,094	$ 29,591,094	$ 40,079,086	$ 10,487,992

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 2,632,419
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	334,895
Prior year accrued revenue	(382,580)
Total Actual Revenues - GAAP Basis	$ 2,584,734
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 3,649,900
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	267,888
Prior year accrued expenditures	(86,196)
Depreciation, amortization and other expenses are considered expenditures for financial reporting but not for budgetary reporting	969,580
Reclassification of certain capital related transactions	(13,000)
Principal payments on long-term debt are not considered expenses for financial reporting	(1,450,000)
Total Actual Expenditures - GAAP Basis	$ 3,338,172

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Health Self-Insurance Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for services	$ 5,402,075	$ 5,402,075	$ 5,288,820	$ (113,255)
Interest on investments	992	992	2,568	1,576
Other revenues	39,296	39,296	36,205	(3,091)
Total Revenues	5,442,363	5,442,363	5,327,593	(114,770)
EXPENDITURES				
General and Administrative	383,474	389,474	333,369	56,105
Claims and Premiums	5,400,930	5,460,930	4,559,418	901,512
Total Expenditures	5,784,404	5,850,404	4,892,787	957,617
Revenues Over (Under) Expenditures	(342,041)	(408,041)	434,806	842,847
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(342,041)	(408,041)	434,806	842,847
Fund Balances - Beginning, Budgetary Basis	2,133,635	2,180,209	2,180,209	—
Fund Balances - Ending, Budgetary Basis	$ 1,791,594	$ 1,772,168	$ 2,615,015	$ 842,847

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 5,327,593
Certain collections are considered revenues for budgetary reporting but are classified as a reduction of expenses for financial reporting purposes	(36,205)
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	—
Prior year accrued revenue	(64)
Total Actual Revenues - GAAP Basis	$ 5,291,324
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 4,892,787
Certain collections are considered revenues for budgetary reporting but are classified as a reduction of expenses for financial reporting purposes	(36,205)
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	806,096
Prior year accrued expenditures	(825,129)
Total Actual Expenditures - GAAP Basis	$ 4,837,549

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule
Dental Self-Insurance Fund
For the Year Ended June 30, 2014

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for services	$ 466,714	$ 466,714	$ 465,740	$ (974)
Interest on investments	16	16	41	25
Total Revenues	466,730	466,730	465,781	(949)
EXPENDITURES				
General and Administrative	31,886	31,886	31,789	97
Claims and Premiums	436,568	436,568	417,265	19,303
Total Expenditures	468,454	468,454	449,054	19,400
Revenues Over (Under) Expenditures	(1,724)	(1,724)	16,727	18,451
OTHER FINANCING SOURCES (USES)				
Transfers In	—	—	—	—
Transfers Out	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(1,724)	(1,724)	16,727	18,451
Fund Balances - Beginning, Budgetary Basis	93,425	93,425	93,425	—
Fund Balances - Ending, Budgetary Basis	$ 91,701	$ 91,701	$ 110,152	$ 18,451

Budget to GAAP Reconciliation

Revenues:	
Total Actual Revenues - Budgetary Basis	$ 465,781
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue	—
Prior year accrued revenue	(6)
Total Actual Revenues - GAAP Basis	$ 465,775
Expenditures:	
Total Actual Expenditures - Budgetary Basis	$ 449,054
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures	93,708
Prior year accrued expenditures	(75,502)
Total Actual Expenditures - GAAP Basis	$ 467,260

Rio Rancho™

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OTHER SUPPLEMENTAL INFORMATION REQUIRED BY THE NEW MEXICO STATE AUDITOR

Rio Rancho™

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CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
AND PLEDGED COLLATERAL
June 30, 2014

DEPOSIT ACCOUNTS

Financial Institution: Account Name	Account Type	Balances: Reconciled	Balances: On Deposit
Wells Fargo			
Operating	Checking	$ 52,733,036	$ 53,394,833
Operating	Savings	5,217,471	5,217,471
Municipal Court - Bond	Checking	28,251	28,251
Total Wells Fargo Deposit Accounts		$ 57,978,758	$ 58,640,555

INVESTMENT ACCOUNTS

Financial Institution: Account Name	Account Type	Cost	Market
State of New Mexico			
Local Government Investment Pool	Investment	$ 11,066	$ 11,066
Total State of New Mexico Investment Accounts		11,066	11,066
Bank of New York Mellon *			
Reserve (Loan# riorancho7)	Trust/Money Market	152,121	152,736
Reserve (Loan# riorancho19)	Trust/Money Market	339,000	340,372
Reserve (Loan# riorancho21)	Trust/Money Market	511,486	513,555
Reserve (Loan# riorancho22)	Trust/Money Market	653,528	656,172
Reserve (Loan# riorancho26)	Trust/Money Market	70,870	97,793
Total Bank of New York Mellon Investment Accounts		1,727,005	1,760,628
New Mexico Military Institute	Investment	450,000	450,527
New Mexico Military Institute Investment Accounts		450,000	450,527
		$ 2,188,071	$ 2,222,221

PLEDGED COLLATERAL

Custodian	Security	CUSIP Number	Location	Maturity Date	Fair Market Value
Bank of New York Mellon	FNMA-PT	3132L5AL7	San Francisco, CA	04/01/43	$ 41,267,731
Bank of New York Mellon	FNMA-PT	3138W9AZ3	San Francisco, CA	07/01/43	7,503,084
Bank of New York Mellon	FNMA-PT	3138W9PA2	San Francisco, CA	09/01/43	12,680,297
Bank of New York Mellon	FNMA-PT	31418A2W7	San Francisco, CA	12/01/33	106,210
Total Pledged Collateral					$ 61,557,321

*Bank of New York Mellon pledges internal cash reserves of 100% of deposit amounts.

CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF STATE APPROPRIATIONS
YEAR ENDED JUNE 30, 2014

Appropriation Purpose	Original Appropriation Amount	Appropriation Period	Reversion Date	Legislative Authority	Expenditures To Date	Remaining Balance
Library Equipment and Resources	$ 143,068	5/28/2014	6/30/2016	Ch 54, Sec 10, Par B1(b) (2012)	$ 143,068	$ —
New Senior Center Design	300,000	9/29/2011	6/30/2014	Ch 3, Sec 10/A, Par 65 (2010)	293,028	6,972 (a)
All Inclusive Park	114,081	2/1/2013	6/30/2014	Ch 63, Sec 92 (2012)	114,081	—
All Inclusive Park	227,196	2/1/2013	6/30/2014	Ch 63, Sec 90 (2012)	227,196	—
All Inclusive Park	187,594	2/1/2013	6/30/2014	Ch 63, Sec 87 (2012)	187,594	—
All Inclusive Park	102,488	2/1/2013	6/30/2014	Ch 63, Sec 84 (2012)	102,488	—
All Inclusive Park	100,000	2/12/2013	6/30/2014	Ch 63, Sec 86 (2012)	100,000	—
All Inclusive Park	234,661	9/14/2013	6/30/2014	Ch 63, Sec 91 (2012)	234,661	—
All Inclusive Park	99,278	1/8/2014	6/30/2014	Ch 63, Sec 85 (2012)	99,278	—
All Inclusive Park	300,000	10/28/2013	6/30/2015	Ch 202, Sec 37 (2013)	34,577	265,423
All Inclusive Park	182,926	2/5/2014	6/30/2017	Ch 226, Sec 31, Par 171 (2013)	—	182,926
Fire Station 1 Renovation	520,000	7/18/2014	6/30/2017	Ch 226, Sec 31, Par 173 (2013)	—	520,000
Senior Center Kitchen Equip	29,450	1/28/2014	6/30/2015	Ch 226, Sec 5, Par 42 (2013)	—	29,450
Senior Center Parking Lot	350,000	8/7/2012	6/30/2016	Ch 64, Sec 4, Par 6 (2012)	67,190	282,810
Senior Center Computer Lab	70,810	10/30/2013	6/30/2016	Ch 54, Sec 10-A, Par 96 (2012)	2,926	67,884
Senior Center Improvements	113,410	10/30/2013	6/30/2016	Ch 54, Sec 10-A, Par 97 (2012)	29,770	83,640
Senior Center Renovations	562,600	2/6/2014	6/30/2017	Ch 226, Sec 5, Par 41 (2013)	—	562,600
Water Line Replacement	1,075,000	11/4/2013	6/30/2017	Ch 226, Sec 23, Par 70 (2013)	517,576	557,424
Totals	$ 4,712,562				$ 2,153,433	$ 2,559,129

(a) This amount has been reverted to the State

CITY OF RIO RANCHO, NEW MEXICO
JOINT POWERS AGREEMENT (JPA) SCHEDULE
FISCAL YEAR ENDED
June 30, 2014

TYPE	*PARTICIPANTS*	*RESPONSIBLE PARTY*	*DESCRIPTION*	*BEGINNING/ ENDING DATES OF AGREEMENT*	*TOTAL AMOUNT CITY SHARE*	*FY14 AMOUNT*	*AUDIT RESPONSIBILITY*	*FISCAL AGENT*	*GOVERNMENT AGENCY FOR REPORTED REVENUES AND EXPENDITURES ARE REPORTED*
JPA	CITY OF RIO RANCHO/ NEW MEXICO TAXATION & REVENUE DEPARTMENT	BOTH	APPOINTMENT AS AGENT FOR ISSUANCE OF TAX ID	08/01/1988 - INDEFINITE	0.00%	$ -	N/A	N/A	N/A
JPA	CITY OF RIO RANCHO/ NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT, STATE FORESTRY DIVISION (EMNRD)	BOTH	USE OF INMATE CREWS FOR NATURAL RESOURCE IMPROVEMENTS TO CITY PROPERTY	12/1/2003 - UNTIL TERMINATED BY EITHER PARTY	0.00%	$ -	N/A	N/A	N/A
JPA	CITY OF RIO RANCHO/ COUNTY OF SANDOVAL, VILLAGE OF CORRALES, TOWN OF BERNALILLO, AND PUEBLO OF SANTA ANA	SANDOVAL COUNTY REGIONAL EMERGENCY COMMUNICATIONS CENTER BOARD	OPERATING, ADMINISTERING, AND MAINTAINING A JOINT ENHANCED 911 REGIONAL COMMUNICATIONS CENTER	08/25/2008- INDEFINITE	52.00%	$ 1,591,444	SANDOVAL COUNTY REGIONAL EMERGENCY COMMUNICATIONS CENTER BOARD	CITY	CITY
JPA	CITY OF RIO RANCHO/ NEW MEXICO SELF-INSURER'S FUND (NMSIF)	NMSIF BOARD OF TRUSTEES	PROTECTIONS FOR MEMBERS AND THEIR EMPLOYEES RELATING TO INSURANCE OR SELF-INSURANCE	07/01/1996- INDEFINITE	100.00%	$ 1,255,599	NMSIF	NMSIF	NMSIF
JPA	CITY OF RIO RANCHO/ NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT, STATE FORESTRY DIVISION (EMNRD)	BOTH	SUPPRESSION OF WILDFIRES ON STATE AND NON-MUNICIPAL PRIVATE LANDS AND PROVIDE ASSISTANCE TO EQUIP LOCAL FIREFIGHTING FORCES TO SUPPRESS FIRES IN RURAL AREAS	03/25/1998-UNTIL TERMINATED BY EITHER PARTY	0.00%	$ -	N/A	N/A	N/A

CITY OF RIO RANCHO, NEW MEXICO
MEMORANDUM OF UNDERSTANDING (MOU) SCHEDULE
FISCAL YEAR ENDED
June 30, 2014

TYPE	*PARTICIPANTS*	*RESPONSIBLE PARTY*	*DESCRIPTION*	*BEGINNING/ ENDING DATES OF AGREEMENT*	*TOTAL AMOUNT CITY SHARE*	*FY14 AMOUNT*	*AUDIT RESPONSIBILITY*	*FISCAL AGENT*	*GOVERNMENT AGENCY FOR REPORTED REVENUES AND EXPENDITURES ARE REPORTED*
MOU	CITY OF RIO RANCHO/ REGENTS OF THE UNIVERSITY OF NEW MEXICO (UNM)/SANDIA FOUNDATION/LOBO DEVELOPMENT CORPORATION	CITY	PROVIDE REVENUES COLLECTED FROM THE MUNICIPAL HIGHER EDUCATION FACILITIES GROSS RECEIPTS TAX	06/17/2009-UNTIL PAYMENT OBLIGATIONS HAVE BEEN FULFILLED	$ 7,565,000	$ 1,513,000	CITY	CITY	CITY
MOU	CITY OF RIO RANCHO/ UNIVERSITY OF NEW MEXICO (UNM)	BOTH	DESIGN, MAINTAIN, CONSTRUCT AND OWN A MARQUEE SIGN	03/12/2012-UNTIL TERMINATED	$ 150,000	$ -	CITY	BOTH	CITY
MOU	CITY OF RIO RANCHO/ CENTRAL NEW MEXICO COMMUNITY COLLEGE (CNM)	BOTH	DESIGN, MAINTAIN, CONSTRUCT AND OWN A MARQUEE SIGN	03/12/2012-UNTIL TERMINATED	$ 125,000	$ -	CITY	BOTH	CITY
MOU	CITY OF RIO RANCHO/ MID-REGION COUNCIL OF GOVERNMENTS	BOTH	PARTICIPATION IN THE MID-REGION COUNCIL OF GOVERNMENTS 2014 DIGITAL ORTHOPHOTOGRAPHY PROJECT	12/21/2011-12/21/2013	$ 15,000	$ -	CITY	BOTH	BOTH
MOU	CITY OF RIO RANCHO/ NEW MEXICO INTERSTATE STREAM COMMISSION (NMISC)	NMISC	INTEGRATED MANAGEMENT PLAN OF THE BOSQUE OPEN SPACE AND PLANNING AND DESIGN FOR PROPOSED HABITAT RESTORATION	09/12/2011-06/30/2014	$ 456,872	$ -	NMISC	NMISC	NMISC
MOU	CITY OF RIO RANCHO/ TOWN OF BERNALILLO	BOTH	EMERGENCY INTERCONNECTION AND EMERGENCY WATER SERVICE BETWEEN TOWN'S WATER SYSTEM AND CITY'S WATER SYSTEM	06/27/2011-06/27/2016	CURRENT RATE PER 1,000 GAL OF WATER	$ -	TOWN	TOWN	TOWN
MOU	CITY OF RIO RANCHO/COUNTY OF BERNALILLO	COUNTY	ADMINISTRATION OF SECTION 8 HOUSING CHOICE VOUCHER PROGRAM	12/01/2012-UNTIL TERMINATED	$ -	$ -	TOWN	TOWN	TOWN
MOU	CITY OF RIO RANCHO/ALBUQUERQUE HOUSING AUTHORITY (AHA)	AHA	AHA PROVIDES RENTAL ASSISTANCE PROGRAMS FOR ELIGIBLE CITY OF RIO RANCHO RESIDENTS	03/01/2013-UNTIL TERMINATED	$ -	$ -	AHA	AHA	AHA

CITY OF RIO RANCHO, NEW MEXICO
MEMORANDUM OF UNDERSTANDING (MOU) SCHEDULE
FISCAL YEAR ENDED
June 30, 2014

TYPE	*PARTICIPANTS*	*RESPONSIBLE PARTY*	*DESCRIPTION*	*BEGINNING/ ENDING DATES OF AGREEMENT*	*TOTAL AMOUNT CITY SHARE*	*FY14 AMOUNT*	*AUDIT RESPONSIBILITY*	*FISCAL AGENT*	*GOVERNMENT AGENCY FOR REPORTED REVENUES AND EXPENDITURES ARE REPORTED*
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	COUNTY	COMPENSATION COUNTY RESIDENTS USE OF THE CITY'S BULK WATER FILL STATION	03/21/2013-06/01/2014	$ 35,718	$ 35,718	CITY	CITY	CITY
MOU	CITY OF RIO RANCHO/SOUTHERN SANDOVAL COUNTY ARROYO AND FLOOD CONTROL AUTHORITY (SCAFCA)	BOTH	EVALUATION OF STORM DRAINAGE FROM THE CITY CENTER WATERSHED AND DEVELOPMENT OF DRAINAGE MANAGEMENT PLAN	05/17/2013-09/30/2013	$ 50,555	$ 50,555	SCAFCA	SCAFCA	SCAFCA
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	PARTICIPATE IN JOINT PLANNING SESSION WITH DWI TASKFORCE; PARTICIPATE IN JOINT OPERATIONS; SUBMIT OVERTIME DOCUMENTATION WITH 2 WEEKS OF OPERATION	07/25/2013-06/30/2014	$ 35,000	$ 35,000	CITY	COUNTY	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	CITY	PROVIDE FUNDING FOR PLANNING, DESIGN AND CONSTRUCTION COSTS OF THE COMMUNITY PARK (A PARK ABOVE)	12/05/2012-06/04/2014	$ 210,000	$ -	CITY	COUNTY	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	CITY	PROVIDE FUNDING FOR THE CONSTRUCTION OF A ROLL-OFF ROOF OBSERVATORY AT THE RAINBOW PARK COMPLEX	08/31/2012-12/31/2013	$ 15,000	$ 7,884	CITY	COUNTY	BOTH
MOU	CITY OF RIO RANCHO/MIDDLE RIO GRANDE VALLEY TASK FORCE (REGION ONE) (USDEA)	CITY	PROVIDE ONE POLICE OFFICER TO WORK WITH TASK FORCE TO CONDUCT JOINT NARCOTICS INVESTIGATIONS AND PROVIDE AN UNMARKED POLICE VEHICLE	07/01/2012-06/30/2015	$ 17,202	$ 13,571	BOTH	USDEA	BOTH
MOU	CITY OF RIO RANCHO/US MARSHAL SERVICE (USMS)	BOTH	PROVIDE POLICE OFFICERS TO WORK WITH USMS TO INVESTIGATE AND ARREST PERSONS WHO HAVE ACTIVE STATE AND FEDERAL WARRANTS FOR THEIR ARREST	10/6/2013-9/30/2014	$ 10,000	$ 6,272	CITY	USMS	BOTH

CITY OF RIO RANCHO, NEW MEXICO
MEMORANDUM OF UNDERSTANDING (MOU) SCHEDULE
FISCAL YEAR ENDED
June 30, 2014

TYPE	*PARTICIPANTS*	*RESPONSIBLE PARTY*	*DESCRIPTION*	*BEGINNING/ ENDING DATES OF AGREEMENT*	*TOTAL AMOUNT CITY SHARE*	*FY14 AMOUNT*	*AUDIT RESPONSIBILITY*	*FISCAL AGENT*	*GOVERNMENT AGENCY FOR REPORTED REVENUES AND EXPENDITURES ARE REPORTED*
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	PURCHASE AND IMPLEMENTATION OF THE IMAGE TREND EMERGENCY DATA SYSTEM FOR FIRE AND EMS INCIDENT REPORTING FOR ELECTRONIC REPORTING; SHARE COSTS OF ANNUAL MAINTENANCE FEES FOR MAINTAINING THE FIRE AND EMS REPORTING SYSTEM	2008-UNTIL TERMINATED BY EITHER PARTY	$ 49,300	$ 11,560	BOTH	CITY	BOTH
MOU	CITY OF RIO RANCHO/RIO METRO REGIONAL TRANSIT DISTRICT	BOTH	TRANSFER THE FUNDING, MANAGEMENT AND OPERATIONAL RESPONSIBILITIES OF RIO TRANSIT FROM THE CITY TO RIO METRO	2009-UNTIL TERMINATED BY MUTUAL CONSENT OF BOTH PARTIES	$ -	$ 109,261	RIO METRO	RIO METRO	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	USE OF AND PURCHASE FUEL FROM THE SANDOVAL COUNTY FULE TANKS FOR PUBLIC WORKS VEHICLES AND HEAVY EQUIPMENT; 10% ADMIN FEE	2010-UNTIL TERMINATED BY EITHER PARTY	$ -	$ 12,448	COUNTY	COUNTY	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	CITY	HOUSHOLD HAZARDOUS WASTE COLLECTION EVENT	03/11/2014-06/30/2014	$ 600	$ 600	CITY	CITY	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	OPERATION AND MANAGEMENT OF RECYCLING AND HOUSEHOLD HAZARDOUS WASTE FACILITY	06/12/2014-06/11/015	$ -	$ -	BOTH	CITY	BOTH
MOU	CITY OF RIO RANCHO/ MID-REGION COUNCIL OF GOVERNMENTS	BOTH	PARTICIPATION IN THE MID-REGION COUNCIL OF GOVERNMENTS 2016 DIGITAL ORTHOPHOTOGRAPHY PROJECT	01/01/2014-12/31/2016	$ 15,000	$ 7,500	CITY	BOTH	BOTH

Statistical Section

Index to the Statistical Section

The Statistical Section provides additional historical context and detail to aid in using the information in Rio Rancho's financial statements and in understanding and assessing the City's overall financial health.

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These Schedules present information to help the reader understand and assess the City's levels of outstanding debt and the City's ability to issue additional debt in the future.

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Sources: Unless otherwise noted, the information in the following schedules is derived from the City's Comprehensive Annual Financial Reports for the years indicated.

City of Rio Rancho, New Mexico
Net Position By Component
Last Ten Fiscal Years

Schedule 1

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	$ 98,222,797	$ 159,084,358	$ 184,408,573	$ 197,267,351	$ 206,205,225	$ 233,285,141	$ 233,918,334	$ 245,203,138	$ 226,630,240	$ 224,955,264
Restricted	30,233,533	36,157,574	19,344,282	8,797,171	8,006,271	9,465,808	10,158,631	7,128,889	6,362,543	6,755,392
Unrestricted	(1,967,967)	653,855	18,443,967	22,168,709	17,829,165	15,843,998	20,205,632	18,389,010	18,719,011	20,818,657
Total governmental activities net position	$ 126,488,363	$ 195,895,787	$ 222,196,822	$ 228,233,231	$ 232,040,661	$ 258,594,947	$ 264,282,597	$ 270,721,037	$ 251,711,794	$ 252,529,313
Business-type activities										
Net investment in capital assets	$ 18,092,619	$ 45,520,647	$ 57,733,951	$ 72,484,053	$ 108,895,574	$ 122,367,287	$ 137,363,850	$ 123,725,543	$ 159,709,769	$ 163,132,235
Restricted	3,615,705	8,378,213	11,581,655	11,284,077	8,813,942	9,111,523	9,623,009	10,276,537	10,079,181	10,076,109
Unrestricted	22,040,446	20,805,858	19,686,293	26,649,899	21,069,336	21,579,698	25,110,463	43,127,249	21,830,139	29,922,652
Total business-type activities net position	$ 43,748,770	$ 74,704,718	$ 89,001,899	$ 110,418,029	$ 138,778,852	$ 153,058,508	$ 172,097,322	$ 177,129,329	$ 191,619,089	$ 203,130,996
Primary government										
Net investment in capital assets	$ 116,315,416	$ 204,605,005	$ 242,142,524	$ 269,751,404	$ 315,100,799	$ 355,652,428	$ 371,282,184	$ 368,928,681	$ 386,340,009	$ 388,087,499
Restricted	33,849,238	44,535,787	30,925,937	20,081,248	16,820,213	18,577,331	19,781,640	17,405,426	16,441,724	16,831,501
Unrestricted	20,072,479	21,459,713	38,130,260	48,818,608	38,898,501	37,423,696	45,316,095	61,516,259	40,549,150	50,741,309
Total primary government net position	$ 170,237,133	$ 270,600,505	$ 311,198,721	$ 338,651,260	$ 370,819,513	$ 411,653,455	$ 436,379,919	$ 447,850,366	$ 443,330,883	$ 455,660,309

City of Rio Rancho, New Mexico
Changes in Net Position
Last Ten Fiscal Years

Schedule 2

	Fiscal Year									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Expenses										
Governmental Activities:										
General government	$ 4,274,259	$ 4,749,168	$ 9,446,698	$ 10,106,998	$ 8,726,702	$ 8,667,435	$ 13,287,694	$ 10,366,776	$ 10,771,678	$ 11,786,728
Public safety	15,528,740	18,308,571	22,755,627	30,453,273	28,644,454	36,265,064	35,822,606	29,556,691	29,856,037	28,239,143
Public works	9,488,494	12,893,315	15,388,104	18,078,174	16,119,562	14,926,671	25,118,971	17,987,939	38,202,128	16,718,667
Culture and recreation	6,216,143	7,383,200	8,877,320	9,478,686	10,277,960	9,497,987	9,882,400	9,600,763	10,100,647	10,365,242
Economic development	2,029,354	2,626,428	2,944,345	3,507,872	3,477,853	2,672,473	2,296,117	2,631,288	2,484,220	2,234,663
Interest on long-term debt	659,268	1,323,496	1,943,996	1,583,622	1,918,399	2,588,532	2,484,088	2,265,490	2,194,752	2,174,567
Total Government Activities	38,196,258	47,284,178	61,356,090	73,208,625	69,164,930	74,618,162	88,891,876	72,408,947	93,609,463	71,519,010
Business-type Activities:										
Water	16,814,429	19,460,962	19,502,867	23,733,204	24,725,258	27,303,245	29,008,301	35,628,205	33,025,443	34,375,211
Event Center	292	1,663,068	2,682,495	2,116,636	1,430,731	130,200	2,639,138	2,574,952	5,128,579	1,212,617
Total Business-type Activities	16,814,721	21,124,030	22,185,362	25,849,840	26,155,989	27,433,445	31,647,439	38,203,157	38,154,022	35,587,828
Total Expenses	$ 55,010,979	$ 68,408,208	$ 83,541,452	$ 99,058,465	$ 95,320,919	$ 102,051,607	$ 120,539,315	$ 110,612,104	$ 131,763,484	$ 107,106,838
Program Revenues										
Governmental Activities:										
Charge for services										
General government	$ 1,127,678	$ 1,321,470	$ 1,234,218	$ 1,304,678	$ 1,324,081	$ 1,464,466	$ 2,291,335	$ 2,418,576	$ 2,500,231	$ 6,894,697
Public safety	3,965,278	4,934,508	4,408,392	4,388,583	4,630,047	5,024,002	5,440,125	5,737,263	5,983,192	4,005,987
Public works	1,163,229	1,426,493	1,163,828	1,097,003	1,014,410	1,282,527	1,421,236	1,346,006	1,373,664	41,601
Culture and recreation	1,632,863	1,998,717	1,661,845	1,610,322	1,756,449	1,689,523	1,801,170	1,801,534	1,872,303	1,367,068
Economic development	436,865	622,809	490,463	495,912	515,304	466,756	372,553	530,137	516,409	291,331
Operating grants and contributions	1,620,825	1,424,185	2,564,015	3,660,574	3,308,384	10,780,000	10,059,893	2,699,763	2,572,438	3,032,461
Capital grants and contributions	1,789,291	28,864,918	25,160,023	15,336,888	12,616,188	32,356,726	22,786,582	9,614,534	8,769,372	4,229,012
Total Governmental Activities	11,736,029	40,593,100	36,682,784	27,893,960	25,164,863	53,064,000	44,172,894	24,147,813	23,587,609	19,862,157
Business-type Activities:										
Charge for services:										
Water	20,885,861	25,283,780	24,602,522	28,671,808	26,895,980	31,898,378	32,687,159	35,871,655	39,453,567	41,303,410
Event Center	14,600	159,074	1,161,574	864,634	1,249,508	581,776	463,616	447,954	473,043	415,491
Operating grants and contributions	-	-	150,000	1,650,000	-	-	-	-	2,500	3,000
Capital grants and contributions	4,617,957	18,313,509	7,130,740	13,320,728	9,952,147	8,316,845	12,546,387	988,436	4,783,616	2,690,952
Total Business-type Activities	25,518,418	43,756,363	33,044,836	44,507,170	38,097,635	40,796,999	45,697,162	37,308,045	44,712,726	44,412,853
Total Program Revenues	$ 37,254,447	$ 84,349,463	$ 69,727,620	$ 72,401,130	$ 63,262,498	$ 93,860,999	$ 89,870,056	$ 61,455,858	$ 68,300,335	$ 64,275,010

City of Rio Rancho, New Mexico
Changes in Net Position (continued)
Last Ten Fiscal Years

Schedule 2
(Continued)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue										
Governmental Activities	$ (26,460,229)	$ (6,691,078)	$ (24,673,306)	$ (45,314,665)	$ (44,000,067)	$ (21,554,162)	$ (44,718,982)	$ (48,261,134)	$ (70,021,854)	$ (51,656,853)
Business-type Activities	8,703,697	22,632,333	10,859,474	18,657,330	11,941,646	13,363,554	14,049,723	(895,112)	6,558,704	8,825,025
Total Net Expense	$ (17,756,532)	$ 15,941,255	$ (13,813,832)	$ (26,657,335)	$ (32,058,421)	$ (8,190,608)	$ (30,669,259)	$ (49,156,246)	$ (63,463,150)	$ (42,831,828)
General Revenues										
Governmental Activities:										
Taxes:										
Property taxes	$ 7,447,467	$ 8,394,598	$ 9,759,949	$ 12,857,673	$ 14,484,127	$ 15,969,391	$ 16,349,117	$ 15,650,672	$ 16,293,568	$ 17,056,432
Gross receipts taxes	13,120,239	19,526,233	18,858,973	18,148,103	15,720,986	15,434,222	17,201,811	19,132,261	19,154,083	18,914,841
Franchise taxes	2,301,133	2,692,885	2,800,615	2,898,700	2,988,269	2,995,701	3,219,655	3,552,461	3,615,212	3,526,365
Unrestricted grants, aid and state shared revenues	11,218,874	13,034,242	15,969,522	14,268,918	13,425,817	12,772,147	13,534,932	12,691,071	11,765,404	12,568,335
Investment income	485,905	2,004,373	2,881,181	1,167,530	284,896	53,817	23,408	(2,913)	2,870	57,881
Miscellaneous	70,498	15,590	704,101	2,010,150	903,402	764,358	77,709	306,977	181,474	43,542
Transfers	-	-	-	-	-	-	-	-	-	(1,097,052)
Impact fees **(A)**	3,527,405	-	-	-	-	-	-	-	-	-
Total Governmental Activities	38,171,521	45,667,921	50,974,341	51,351,074	47,807,497	47,989,636	50,406,632	51,330,529	51,012,611	51,070,344
Business-type Activities										
Unrestricted grants, aid and state shared revenues	-	-	-	-	-	-	4,972,974	2,671,184	2,452,570	-
Investment income	418,277	2,611,880	3,437,707	2,711,197	1,191,571	75,894	42,183	37,164	47,876	8,273
Miscellaneous	-	-	-	47,603	531,454	840,208	323,934	272,951	310,340	203,449
Transfers	-	-	-	-	-	-	-	-	-	1,097,052
Impact fees **(A)**	3,629,855	-	-	-	-	-	-	-	-	
Total Business-type Activities	4,048,132	2,611,880	3,437,707	2,758,800	1,723,025	916,102	5,339,091	2,981,299	2,810,786	1,308,774
Total primary government	$ 42,219,653	$ 48,279,801	$ 54,412,048	$ 54,109,874	$ 49,530,522	$ 48,905,738	$ 55,745,723	$ 54,311,828	$ 53,823,397	$ 52,379,118
Change in Net Position										
Governmental Activities	$ 11,711,292	$ 38,976,843	$ 26,301,035	$ 6,036,409	$ 3,807,430	$ 26,435,474	$ 5,687,650	$ 3,069,395	$ (19,009,243)	$ (586,509)
Business-type Activities	12,751,829	25,244,213	14,297,181	21,416,130	13,664,671	14,279,656	19,388,814	2,086,187	9,369,490	10,133,799
Total Change in Net Position	$ 24,463,121	$ 64,221,056	$ 40,598,216	$ 27,452,539	$ 17,472,101	$ 40,715,130	$ 25,076,464	$ 5,155,582	$ (9,639,753)	$ 9,547,290

(A) - Beginning in fiscal year 2006, impact fees are reclassified as Capital Grants and Contributions.

City of Rio Rancho, New Mexico
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

Schedule 3

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	$ 31,794,472	$ 40,938,066	$ 44,497,571	$ 44,647,539	$ 43,369,647	$ 44,037,406	$ 46,975,454	$ 47,720,554	$ 47,388,395	$ 48,818,310
Licenses and permits	388,605	379,136	375,559	362,924	309,310	335,490	595,520	470,789	347,319	360,856
Intergovernmental	3,102,857	6,843,550	14,967,100	7,160,889	8,302,542	23,581,048	22,738,572	8,524,385	6,849,622	6,947,391
Impact fees	3,527,405	3,656,952	3,346,000	1,969,502	1,312,729	2,251,932	1,262,121	447,021	350,561	286,417
Charges for services	5,902,794	7,650,816	6,266,634	5,798,568	5,383,534	5,487,067	5,555,463	6,116,083	6,141,128	5,075,417
Fines and forfeits	1,051,048	1,076,497	1,158,149	1,176,750	1,222,371	1,269,327	1,168,292	1,417,946	1,510,765	1,620,723
Franchise fees	2,301,133	2,692,885	2,800,615	2,898,700	2,988,269	2,995,701	3,219,655	3,552,461	3,615,212	3,526,365
Contributions and donations	168,816	2,129,098	1,707,453	35,554	81,493	65,298	71,202	182,263	51,323	47,766
Investment income	485,905	2,004,373	2,881,181	1,574,356	284,896	53,817	23,408	(2,913)	2,870	19,137
Other revenues	1,272,014	2,458,128	1,859,006	3,089,261	3,228,478	3,397,058	5,576,243	4,115,342	4,406,885	4,184,924
Total Revenues	49,995,049	69,829,501	79,859,268	68,714,043	66,483,269	83,474,144	87,185,930	72,543,931	70,664,080	70,887,306
Expenditures										
Current:										
General government	4,118,240	4,620,073	9,116,075	8,741,072	8,176,267	8,364,557	12,184,946	11,016,390	11,472,338	10,395,436
Public safety	14,309,389	17,415,423	21,579,173	26,644,563	26,989,915	34,893,280	34,260,842	28,048,592	28,412,480	28,682,657
Public works	4,787,679	5,917,153	8,836,988	10,584,274	8,885,685	7,378,256	17,248,448	9,166,030	7,096,798	8,049,846
Cultural and recreation	5,776,812	7,001,339	8,286,106	8,716,377	9,290,738	8,377,039	8,377,638	8,630,207	8,808,809	9,220,589
Economic development	1,961,868	2,557,163	2,864,539	3,467,383	3,428,467	2,652,601	2,261,268	2,397,408	2,447,343	2,267,103
Other expenses	-	-	-	-	11,500	3,000	43,874	-	-	-
Capital outlay	8,734,020	20,793,304	42,447,948	23,399,838	12,878,264	30,832,461	18,438,538	9,112,802	9,557,131	6,801,576
Debt service:										
Payment to bond escrow agent	-	-	-	-	-	-	-	-	-	-
Principal	2,452,119	2,827,984	3,128,174	2,097,825	4,790,762	4,464,510	5,285,055	5,087,639	4,712,283	4,922,232
Interest and fiscal charges	640,372	1,338,273	1,958,773	1,601,563	1,839,743	2,595,876	2,485,545	2,344,979	2,194,752	1,925,112
Bond issuance costs	386,061	135,027	-	-	85,097	50,249		-	-	-
Total Expenditures	43,166,560	62,605,739	98,217,776	85,252,895	76,376,438	99,611,829	100,586,154	75,804,047	74,701,934	72,264,551
Excess (Deficiency) of Revenues over Expenditures	6,828,489	7,223,762	(18,358,508)	(16,538,852)	(9,893,169)	(16,137,685)	(13,400,224)	(3,260,116)	(4,037,854)	(1,377,245)
Other Financing Sources (Uses)										
Issuance of general obligation bonds	5,500,000	7,000,000	-	-	25,554,472	-	-	-	-	-
Issuance of revenue bonds	18,130,000	-	-	-	-	-	-	-	-	-
Loan proceeds	215,556	-	2,696,286	231,639	9,886,100	337,259	5,179,765	-	795,925	2,034,000
Premium on sale of bonds	1,014,543	310,182	-	-	-	-	-	-	-	-
Sale of land proceeds	-	-	-	-	-	202,690	-	-	-	-
Transfer in	4,151,710	7,058,925	12,410,603	7,204,181	2,987,569	4,740,124	1,485,408	922,012	1,274,104	289,598
Payment to bond escrow agent	-	-	-	-	-	-	-	-	-	-
Transfer out	(4,151,710)	(7,058,925)	(12,410,603)	(7,204,181)	(2,987,569)	(4,740,124)	(1,485,408)	(922,012)	(1,274,104)	(1,386,650)
Total other Financing Sources (Uses)	24,860,099	7,310,182	2,696,286	231,639	35,440,572	539,949	5,179,765	-	795,925	936,948
Net Change in fund balances	$ 31,688,588	$ 14,533,944	$ (15,662,222)	$ (16,307,213)	$ 25,547,403	$ (15,597,736)	$ (8,220,459)	$ (3,260,116)	$ (3,241,929)	$ (440,297)
Debt service as a percentage of noncapital expenditures	8.98%	9.96%	9.12%	5.98%	10.44%	10.27%	9.46%	11.14%	10.60%	10.46%

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

Schedule 4

	2005	2006	2007	2008	2009	2010	2011 (A)	2012	2013	2014
General Fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	-	-	-	-	-	-	282,630	58,279	137,120	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	18,424	2	3	-
Unassigned	-	-	-	-	-	-	13,013,702	14,611,124	14,067,789	13,724,452
Unreserved	15,456,118	20,969,824	19,180,448	13,787,854	9,600,869	10,925,800	-	-	-	-
Total general fund	$ 15,456,118	$ 20,969,824	$ 19,180,448	$ 13,787,854	$ 9,600,869	$ 10,925,800	$ 13,314,756	$ 14,669,405	$ 14,204,912	$ 13,724,452
All other Governmental Funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	-	-	-	-	-	-	25,791,554	20,486,621	17,311,487	18,085,520
Committed	-	-	-	-	-	-	122,462	87,381	76,479	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(409,895)	(1,295)	(150,767)
Unreserved, reported in:	-	-	-	-	-	-	(2,609,260)	-	-	-
Special revenue funds	4,167,797	5,649,848	6,602,598	5,754,154	7,222,212	9,592,523	-	-	-	-
Capital project funds	32,834,006	39,254,295	24,834,816	11,381,019	39,219,423	20,129,681	-	-	-	-
Debt service funds	1,441,050	1,885,213	1,609,098	3,848,464	4,276,390	4,191,966	-	-	-	-
Total all other governmental funds	$ 38,442,853	$ 46,789,356	$ 33,046,512	$ 20,983,637	$ 50,718,025	$ 33,914,170	$ 23,304,756	$ 20,164,107	$ 17,386,671	$ 17,934,753

(A) - Starting in FY 2011 the City is reporting Fund Balance as per GASB 54 requirements.

City of Rio Rancho, New Mexico **Schedule 5**

Taxable and Full Value of Taxable Property

Last Ten Fiscal Years

	Sandoval County									
	Residential property		Commercial Property			Total				Rio Rancho Share in Sandoval County Net Taxable Value
Fiscal Year	Taxable Value	Full Value	Taxable Value	Full Value	Less: Tax-exempt Property	Net Taxable Value	Full Value	Total Direct Tax Rate	Net Value Rio Rancho	
2005	1,441,214,926	1,921,619,853	435,359,989	580,479,971	164,240,183	1,712,334,732	2,283,112,919	8.35	190,708,422	11%
2006	1,702,012,677	2,269,350,179	467,597,877	623,463,820	175,879,345	1,993,731,209	2,658,308,212	7.96	211,601,334	11%
2007	2,076,419,611	2,768,559,412	972,070,958	1,296,094,578	221,336,819	2,827,153,750	3,769,538,239	7.97	300,582,979	11%
2008	2,352,908,682	3,137,211,498	1,015,360,974	1,353,814,598	241,137,494	3,127,132,162	4,169,509,445	7.91	329,683,112	11%
2009	2,554,628,852	3,406,171,718	861,081,854	1,148,109,110	249,476,650	3,166,234,056	4,221,645,302	8.01	338,153,789	11%
2010	2,579,985,543	3,439,980,638	1,010,359,661	1,347,146,181	277,937,023	3,312,408,181	4,416,544,131	8.17	360,964,152	11%
2011	2,488,635,092	3,318,180,040	899,975,115	1,199,966,790	293,490,264	3,095,119,943	4,126,826,487	8.16	336,872,846	11%
2012	2,479,553,645	3,306,071,444	896,586,605	1,195,448,777	327,461,819	3,048,678,431	4,064,904,473	8.61	349,866,328	11%
2013	2,506,048,285	3,341,397,630	865,697,974	1,154,263,936	330,180,812	3,041,565,447	4,055,420,495	8.97	363,771,218	12%
2014	2,550,635,313	3,400,846,999	933,702,767	1,244,936,992	427,111,657	3,057,226,423	4,076,301,795	9.18	374,204,505	12%

Source: Sandoval County Assessor's Office Valuation Summary 2003, Sandoval County Assessor's Office Abstract 2005 through 2014.

City of Rio Rancho, New Mexico **Schedule 6**

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year (A)	Collected within the Fiscal Year of the Levy		Delinquent Tax Collection (A)	Total Tax Collection	Ratio of Total Tax Collections to Total Tax	Outstanding Delinquent Taxes	Ratio of Outstanding Delinquent
		Amount (A)	Percentage					
2004	7,545,782	7,540,954	100%	669	7,541,622	100%	4,828	0.06%
2005	8,469,274	8,435,316	100%	1,164	8,436,480	100%	9,111	0.11%
2006	9,702,393	9,662,450	100%	1,618	9,664,068	100%	4,056	0.04%
2007	13,183,372	12,853,482	97%	2,639	12,856,122	98%	14,890	0.11%
2008	14,693,018	14,598,582	99%	25,409	14,623,991	100%	33,961	0.23%
2009	16,274,329	16,062,228	99%	57,050	16,119,278	99%	65,508	0.40%
2010	16,634,587	16,220,593	98%	181,927	16,402,520	99%	91,527	0.55%
2011	15,843,029	15,517,155	98%	310,895	15,828,051	100%	231,205	1.46%
2012	16,451,481	15,951,790	97%	330,046	16,281,836	99%	580,067	3.53%
2013	17,385,326	16,801,608	97%	352,497	17,154,106	99%	571,558	3.29%

Source: Sandoval County Treasurer's Office

(A) - Subject to change each day due to additions and deletions of levied and collected amounts.

City of Rio Rancho, New Mexico **Schedule 7**
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
(rate per $1,000 of assessed value)

	City of Rio Rancho			Overlapping Rates					
Fiscal Year	General Fund	Debt Service Fund	Total	State	County	School District	Central NM Comm. College	Pres. Hospital (A)	Total
2005	6.286	2.067	8.353	1.234	6.384	10.756	3.038	-	29.765
2006	6.138	1.826	7.964	1.291	6.271	10.704	3.027	-	29.257
2007	5.914	2.060	7.974	1.221	5.800	10.624	2.992	-	28.611
2008	5.847	2.060	7.907	1.250	5.368	10.899	2.989	-	28.413
2009	5.944	2.067	8.011	1.150	5.809	10.635	3.046	4.250	32.901
2010	6.113	2.060	8.173	1.530	5.952	10.694	3.158	4.250	33.757
2011	6.518	1.645	8.163	1.362	6.659	10.773	3.237	4.250	34.444
2012	6.990	1.617	8.607	1.360	6.995	10.785	3.344	4.250	35.341
2013	7.181	1.789	8.970	1.360	7.167	10.791	3.392	4.250	35.930
2014	7.307	1.881	9.188	1.360	6.779	10.795	3.377	4.250	35.749

Source: State of New Mexico Department of Finance and Administration

(A) - Starting in 2009 Presbyterian Hospital Rates are listed separately.

City of Rio Rancho, New Mexico **Schedule 8**
Principal Property Taxpayers
Current Year and Ten Years Previous

	2013 (A)			2005 (B)		
Tax Payer	**Taxable Assessed Value**	**Rank**	**Percent of Total Taxable Valuation**	**Taxable Assessed Value**	**Rank**	**Percent of Total Taxable Valuation**
Public Service Company of New Mexico	$ 30,758,514.00	1	1.54%			
Presbyterian Healthcare	13,598,995.00	2	0.68%			
New Mexico Gas Company	7,411,963.00	3	0.37%			
Walmart Stores	5,285,887.00	4	0.26%			
Rio Rancho Retirement Residence	4,926,919.00	5	0.25%			
De High Resort LLC Etal	4,761,835.00	6	0.24%			
Sandia View LLC	4,682,814.00	7	0.23%			
Tri State Gneration & Transmission Assoc	4,419,619.00	8	0.22%			
Lowe's Home Centers	3,471,712.00	9	0.17%			
Qwest Corp.	3,335,262.00	10	0.17%			
PNM				$ 19,672,866	1	1.57%
Presbyterian Healthcare				6,123,432	2	0.49%
Qwest Corp.				5,040,773	3	0.40%
G & I III Pinnacle High Resort				5,950,897	4	0.48%
Leisure Care, Inc.				3,098,353	5	0.25%
U.S. Cotton				2,826,114	6	0.23%
Meadowlark Apartments				2,536,400	7	0.20%
Fulcrum Building, Inc.				2,259,561	8	0.18%
Target				2,043,463	9	0.16%
Total	$ 82,653,520		4.14%	$ 49,551,859		3.96%

Source: Sandoval County Assessor's Office

Note: **(A)** The fiscal year for collection is November through October; this schedule uses the 2014 collection year valuation.
(B) Information is not available for ten years prior; this schedule uses the most currently available data.

City of Rio Rancho, New Mexico
Taxable Gross Receipts by Type of Trade
Last Ten Fiscal Years

Schedule 9

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Construction	$ 256,139,117	$ 393,313,384	$ 490,940,456	$ 375,570,976	$ 266,089,467	$ 160,792,616	$ 249,844,125	$ 176,706,959	$ 152,623,955	$ 121,401,829
Manufacturing	8,021,933	8,226,714	14,124,152	10,518,506	12,671,847	5,160,066	7,616,958	8,932,464	20,637,604	35,061,412
Transportation, Communication and Utility	97,765,401	109,619,203	110,037,820	98,640,371	107,587,644	97,909,454	102,451,897	122,637,955	106,060,766	79,347,221
Wholesale	11,836,622	13,745,588	11,293,040	11,301,564	9,110,123	9,326,176	8,763,818	10,740,203	9,903,257	9,852,041
Retail	226,347,806	280,255,799	402,411,448	455,834,662	380,784,663	396,763,790	399,295,852	418,644,640	412,419,647	420,470,058
Finance, Insurance and Real Estate	14,928,802	32,469,846	32,486,743	29,108,506	20,584,655	25,015,494	24,603,362	25,000,526	20,857,006	21,650,905
Services	174,467,008	161,736,299	172,096,364	199,175,032	193,070,878	226,829,005	255,388,681	278,055,736	283,096,347	290,050,737
Other (A)	21,834,798	(9,632,397)	(22,743,369)	(102,518,633)	(20,924,025)	-	1,213,942	2,650,447	2,763,517	4,547,528
Total Taxable Gross Receipts	$ 811,341,487	$ 989,734,436	$ 1,210,646,654	$ 1,077,630,984	$ 968,975,252	$ 921,796,601	$ 1,049,178,635	$ 1,043,368,930	$ 1,008,362,099	$ 982,381,731
City direct sales tax rate	6.6875%	6.6875%	6.6875%	6.6875%	6.9375%	7.0625%	7.4375%	7.4375%	7.4375%	7.4375%
Sandoval County direct sales tax rate	6.0000%	6.0000%	6.0000%	6.0000%	6.0000%	6.1250%	6.2500%	6.2500%	6.2500%	6.2500%

Source: State of New Mexico, Department of Taxation and Revenue
Notes: Unable to provide schedule of Principal Sales Tax Remitters, per New Mexico Taxation and Revenue Laws and Regulations 2004 Edition, section 7-1-8, Confidentiality of returns and other information.

(A) - This category is made up of "undetermined establishments" due to adjustments of monthly reportings by the state, therefore, negative amounts may be reported.

City of Rio Rancho, New Mexico **Schedule 10**

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

	Governmental Activities			Business-Type Activities				
Fiscal Year	**General Obligation Bonds**	**GRT Revenue Bonds**	**Notes Payable**	**Revenue Bonds**	**Loan Payable**	**Total Primary Government**	**Percentage of Personal Income (A)**	**Per Capita**
2004	7,350,000	4,225,000	1,447,904	80,095,000	10,096,360	103,214,264	2.58%	1,754
2005	11,270,000	21,840,000	1,306,341	134,340,000	9,694,384	178,450,725	1.64%	2,858
2006	16,765,000	20,980,000	843,357	130,555,000	9,280,350	178,423,707	1.82%	2,687
2007	15,075,000	20,225,000	2,856,469	159,655,000	8,853,895	206,665,364	1.68%	2,886
2008	14,325,000	19,445,000	2,520,283	154,200,000	8,414,645	198,904,928	1.93%	2,618
2009	36,075,000	18,645,000	11,665,621	158,460,000	8,032,219	232,877,840	1.74%	2,924
2010	32,875,000	17,820,000	11,563,370	151,825,000	8,888,514	222,971,884	1.90%	2,700
2011	30,124,384	17,340,884	15,918,080	149,252,148	16,513,872	229,149,368	1.93%	2,618
2012	26,374,440	16,707,249	15,115,441	142,080,510	27,558,858	227,836,498	2.02%	2,551
2013	23,739,496	16,847,314	14,769,084	137,968,590	31,564,398	224,888,882	N/A	2,476
2014	21,293,643	15,512,187	15,410,852	130,575,210	34,307,146	217,099,038	N/A	2,361

Source: The City's Financial Records, Financial Services Department

(A) - This information uses Sandoval County Personal Income through 2012, this information is not available for 2013 and 2014.

City of Rio Rancho, New Mexico **Schedule 11**

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2005	11,270,000	1,296,944	9,973,056	0.95%	159.72
2006	16,765,000	1,469,470	15,295,530	1.22%	230.33
2007	15,075,000	1,506,930	13,568,070	0.74%	189.48
2008	14,325,000	3,584,693	10,740,307	0.51%	141.36
2009	36,075,000	3,893,758	32,181,242	1.48%	404.01
2010	32,875,000	4,039,681	28,835,319	1.33%	349.21
2011	30,124,384	4,180,471	25,943,913	1.27%	296.43
2012	26,374,440	3,045,519	23,328,921	1.17%	261.18
2013	23,739,496	2,878,113	20,861,383	1.05%	229.71
2014	20,715,000	3,451,041	17,263,959	0.86%	187.74

Source: The City's Financial Records, Financial Services Department

(A) - This information uses the Bureau of Business and Economic Research (BBER) City of Rio Rancho population estimation.

City of Rio Rancho, New Mexico **Schedule 12**
Direct and Overlapping Debt
As of June 30, 2014

Governmental Unit	Debt Outstanding	Estimated Applicable Percentage (A)	Estimated Share Applicable to City
Debt repaid with property taxes			
State of New Mexico	$ 311,270,000	3.57%	$ 11,112,339
Sandoval County	14,110,000	62.80%	8,861,080
Central NM Community College	78,340,000	11.73%	9,189,282
SSCAFCA	26,145,000	82.66%	21,611,457
Rio Rancho School District	109,950,000	96.62%	106,233,690
Mariposa East Public Improvement District	15,675,000	100.00%	15,675,000
Subtotal, overlapping debt			172,682,848
City direct debt			52,216,682
Total direct & overlapping debt			$ 224,899,530

Source: Sandoval County Assessor's Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Rio Rancho. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(A) - The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

City of Rio Rancho, New Mexico **Schedule 13**

Computation of Legal Debt Margin

Last Ten Fiscal Years

Fiscal Year	Debt Limit	Total net debt applicable to limit	Total net debt applicable to limit as a % of debt limit
2005	$ 41,810,547	$ 9,973,056	23.85%
2006	$ 49,987,941	$ 15,295,530	30.60%
2007	$ 73,611,213	$ 13,568,070	18.43%
2008	$ 83,765,112	$ 10,740,307	12.82%
2009	$ 86,731,396	$ 32,181,242	37.10%
2010	$ 86,824,311	$ 28,835,319	33.21%
2011	$ 81,961,320	$ 25,943,913	31.65%
2012	$ 79,685,637	$ 23,328,921	29.28%
2013	$ 79,523,289	$ 20,861,383	26.23%
2014	$ 79,963,344	$ 17,263,959	21.59%

Legal Debt Margin Calculation for Fiscal Year 2014:

Assessed value	$1,999,083,608
Debt limit (4% of assessed value)	79,963,344
Debt applicable to limit:	
General obligation bonds	20,715,000
Less: Amount set aside for repayment of general obligation debt	(3,451,041)
Total net debt applicable to limit	17,263,959
Legal debt margin	$62,699,385

Sources: The City's Financial Records, Financial Services Department and the Sandoval County Assessor's Office.

City of Rio Rancho, New Mexico **Schedule 14**

Demographic and Economic Statistics

Last Ten Fiscal Years

Year	City Population	County Population	Personal Income	Per Capita Personal Income			Unemployment Rate		
				U.S.	New Mexico	Sandoval County	U.S.	New Mexico	Sandoval County
2005	62,440	101,206	2,991,155	35,424	28,876	28,293	5.10%	5.20%	5.10%
2006	66,407	105,625	3,319,080	37,698	30,513	29,620	4.60%	4.20%	4.40%
2007	71,607	111,855	3,632,911	39,392	32,018	30,833	4.60%	3.50%	4.00%
2008	75,978	117,583	3,986,250	40,166	33,609	31,907	5.80%	4.20%	4.90%
2009	79,655	122,298	3,992,904	39,635	33,267	32,172	9.30%	7.20%	8.20%
2010	87,521	131,561	4,187,920	39,945	33,368	32,021	9.60%	8.40%	9.30%
2011	89,320	134,259	4,421,270	41,560	34,133	32,931	8.90%	7.40%	7.80%
2012	90,818	135,588	4,600,835	42,693	35,079	33,932	8.10%	6.90%	7.90%
2013	91,956	136,575	N/A	N/A	N/A	N/A	7.40%	6.90%	8.00%
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Bureau of Business and Economic Research (BBER) and City of Rio Rancho budget documents.

Notes: Personal income, per capita income and unemployment rates are only available for the county, not for the city.
Personal income and per capita personal income for the U.S., New Mexico and Sandoval County is unavailable for 2013.
No information is available for 2014.

City of Rio Rancho, New Mexico **Schedule 15**
Principal Employers
Current Year and Ten Years Previous

	2011 (A)			2004 (B)		
Employer	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Intel Corporation	3,300	1	5%	-		
Pueblo of Sandia Casino	1,800	2	3%	-		
Rio Rancho Public Schools	1,300	3	2%	-		
Santa Ana Star Casino	841	4	1%	-		
Sprint PCS	800	5	1%	-		
Hyatt Regency	750	6	1%	-		
City of Rio Rancho	685	7	1%	-		
eTelecard Global Solutions	616	8	1%	-		
J B Henderson Construction	375	9	1%	-		
Walmart Supercenter	375	10	1%	-		
				-		
Total Major Employers-Sandoval County *	10,842			-		
Total Sandoval County Employment **	62,861					

Sources: (*) http://nmnetlinks.com, 2011
(**) US Census Bureau, 2008-2012 American Community Survey

(A) - The 2011 data is the most recent available.
(B) - Data unavailable for fiscal year 2004.

City of Rio Rancho, New Mexico **Schedule 16**

Full-time-Equivalent Employees by Function/Program

Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
City Administration	12	3	4	5	6	5	5	5	5	5
Human Resources	13	11	10	10	9	8	6	6	6	6
City Clerk	4	4	4	4	4	4	4	3	3	3
City Attorney	5	5	6	7	7	6	6	6	6	6
Municipal Court	12	12	13	13	13	12	12	11	11	11
Finance/IT	19	30	30	35	29	34	34	34	34	33
Public Safety										
Police	106	118	123	124	127	127	127	129	129	133
Firefighters	50	56	99	100	101	100	99	100	100	104
Civilians	66	72	90	88	86	87	88	90	90	88
Public Works										
Engineering	9	13	21	25	27	25	21	17	17	18
Others	53	65	77	75	74	71	68	68	68	71
Parks and Recreation	75	78	110	132	139	115	92	91	91	88
Senior Services	15	18	17	17	8	15	8	8	8	7
Library and Information Services	25	30	36	36	38	35	36	36	36	35
City Development	20	32	40	42	36	32	29	30	30	29
Special Funds	8	11	14	14	20	5	15	18	18	15
Water and Wastewater	32	36	41	42	38	35	35	33	33	33
Total	524	593.45	736	769	762	716	685	685	685	685

Source: City of Rio Rancho Annual Budget

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

City of Rio Rancho, New Mexico **Schedule 17**

Operating Indicators by Function/Program

Last Nine Fiscal Years

	Fiscal Year								
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Function/Program									
Police									
Total Violent Crimes (A)	776	927	886	920	946	935	717	726	588
Total Property Crimes (B)	1,399	1,775	1,961	1,709	1,686	1,426	1,816	1,891	1,760
Total Warnings & Citations (C)	24,305	23,840	27,250	21,082	19,898	15,777	19,055	22,382	22,005
Total Arrests (D)	3,008	3,337	3,620	3,613	3,477	3,269	4,073	3,895	
Total Traffic Crashes	1,791	2,008	1,856	1,576	1,593	1,844	1,591	1,581	1,532
Total Incident Reports (E)	3,586	8,881	9,045	9,485	8,716	8,099	9,113	8,915	9,132
Total Calls for Service	39,165	36,271	49,842	44,651	43,618	45,928	45,598	43,725	38,984
Fire									
Total Structural Fires	25	29	46	54	59	62	51	68	40
Total Fire Inspections	999	901	1,049	736	1,087	1,148	1,650	1,564	1,460
Total Calls for Service	1,582	1,372	1,693	1,508	9,505	10,261	8,116	8,113	8,165
EMS									
Total EMS Patients	4,345	5,141	-	-	-	-	-	-	7,357
Total Patient Transports	3,056	3,407	4,129	4,122	4,089	-	-	4,644	4,218
Total Calls for Service	4,764	5,243	6,330	7,481	5,896	5,956	5,971	7,797	7,357
Animal Control (F)									
Total Impounds	2,330	2,417	2,543	2,584	2,308	2,201	2,128	1,786	2,100
Total Claims	617	754	830	914	856	736	758	626	661
Total Adoptions	851	724	988	854	830	781	741	623	679
Total Euthanasia	674	732	663	758	574	684	579	515	661
Total Complaints	4,755	4,740	5,193	5,821	5,666	5,658	4,580	4,634	4,944
Code Enforcement (G)									
Total Inspections	8,043	10,010	7,055	6,989	9,430	8,884	8,259	7,374	6,729
Total Citations	280	260	479	369	489	511	524	408	371
Public Works									
Total Utility Cuts	390	-	-	-	-	-	-	-	-
Total Potholes Repaired	971	423	1,385	592	590	1,041	1,926	708	352
Parks & Recreation (H)									
Total Program Participation-Youth	20,961	19,632	22,620	9,149	8,311	13,221	-	-	-
Total Program Participation-Adult	18,638	6,556	6,621	3,969	8,581	1,672	-	-	-
Total Program Participation-Aquatics	7,050	2,897	2,935	4,321	3,966	3,865	-	-	-

City of Rio Rancho, New Mexico **Schedule 17**
Operating Indicators by Function/Program **(Continued)**
Last Nine Fiscal Years (continued)

	Fiscal Year								
	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function/Program									
Parks & Recreation (cont)									
Total Summer Camp Participants	-	-	-	-	-	-	2,370	2,972	2869
Total KidsZone Participants	-	-	-	-	-	-	93	145	201
Total Youth Sports League Participants	-	-	-	-	-	-	748	1,288	1198
Total Adult Sports League Participants	-	-	-	-	-	-	280	271	231
Total Indoor/Outdoor Aquatics Participants	-	-	-	-	-	-	3,397	3,975	3812
Total Free Summer Meals Served	-	-	-	-	-	-	42,901	35,616	45373
Total Student Attendance of Keep Rio Rancho Beautiful Program	-	-	-	-	-	-	4,227	5,072	4072
Meadowlark Senior Center									
Average # of Daily Participants per Employee	-	-	-	-	-	-	126	170	125
Total Volunteer Hours (I)	-	-	-	-	-	-	23,439	24,658	23,826
Library									
Total Collection	146,626	154,258	166,857	174,388	183,554	188,065	195,688	192,493	186,392
New Items Added	23,233	17,288	23,501	23,800	24,351	23,490	26,453	24,705	22,354
Items Withdrawn	7,252	9,656	10,902	16,269	15,185	18,979	18,830	27,900	28,455
Collection Growth/Decrease	15,981	7,632	12,599	7,531	9,166	4,511	7,623	(3,195)	(6,101)
Circulation Stats:									
Visitors	224,977	216,106	256,734	354,985	354,411	340,070	336,647	335,018	336,057
Circulation	171,156	296,142	426,653	543,528	605,737	654,031	674,227	680,672	686,638
Computer Usage	31,711	32,931	61,358	85,938	95,998	84,480	81,089	76,904	74,767
Program Attendance	5,578	15,597	24,074	26,016	25,489	25,297	30,403	20,396	18,122

Note: The City chose to use the prospective method of reporting for this schedule as the data was not tracked prior to GASB 44 implementation.
(A) Data was restated to include April through June 2013.
(B) Data was restated to include April through June 2013.
(C) Data was restated to include April through June 2013.
(D) Data not available for April through June 2013. No data for fiscal year 2014.
(E) Data was restated to include April through June 2013.
(F) Data was restated to include April through June 2013 on animal control categories.
(G) Data was restated to include April through June 2013 on both code enforcement categories.
(H) Parks & Recreation changed all operating indicators beginning fiscal year 2012.
(I) The Meadowlark Senior Center was closed during the month of June 2014 which resulted in some volunteer driven events being cancelled.
(J) Beginning in January 2010, the City of Rio Rancho no longer operates the transit system.
(K) Selling fare cards for the Rio Metro Transit system is the only function that the City currently continues to do with regards to transit.

Sources: Various City Departments

City of Rio Rancho, New Mexico **Schedule 18**

Capital Asset Statistics by Function/Program

Last Nine Fiscal Years

	Fiscal Year								
	2006	2007	2008	2009	2010 [1]	2011	2012	2013	2014
Function/Program									
Police									
Main Stations	1	1	1	1	1	1	1	1	1
Substations (E)	4	4							
Law Enforcement Units (H)	152	178	181	180	126	139	160	160	186
Fire									
Main Stations	2	5	6	5	5	5	6	6	6
Substations	4	1	1	1	1	1	1	1	1
Firetrucks	11	15	15	15	17	19	17	17	13
EMS									
Ambulances	7	8	9	9	11	11	11	12	11
Animal Control									
Patrol Units	7	7	7	7	7	7	7	7	8
Public Works									
Streets (centerline miles) (I)	831	831	837	846	428	449	454	455	456
Streetlights	1,156	2,544	2,604	2,710	2,770	2,859	2,930	2,941	2,972
Traffic Signals (Signalized Intersections)	35	42	45	45	49	49	53	53	55
Sidewalks & Paths (J)	121	121	123	134					
Parks & Recreation									
New/Renovated Park Facilities	2	3	2	1	10	1	5	7	1
Developed Parkland (acres) (R)	242	285	304	311	298	300	300	306	311
Constructed Trailways (linear feet) (A)	53,873	57,516	64,380	64,380	64,380	65,150	65,150	65,150	65,150
Transit									
Mini buses (K)	7	7	8	8	0	0	0	0	0
Water									
Water mains (miles)	385	388	395	403	552	563	565	567	570
Fire hydrants	24,950	25,822	25,866	25,939	3,768	3,870	3,871	3,890	3,928
New Connections (F)		1,381	1,040	668	472	348	375	503	504
Water main breaks (G)		32	39	37	43	49	32	36	41
Storage capacity (thousands of gallons) (B)	31.0	31.0			34,500	34,500	34,500	34,500	34,500
Average daily consumption (thousands of gallons) (C)		10,409	11,745	11,814	10,616	11,621	12,610	13,137	10,635
Booster Stations (L)					8	8	9	10	10
Wells (in production) (M)					19	17	17	17	17
Storage Tanks (N)					18	18	18	18	18
Arsenic Treatment Facilities (O)					8	10	10	10	10
Wastewater									
Sanitary sewers (miles)	335	337	343	351	355	368	371	377	378
Average daily treatment (thousands of gallons) (D)	4,176	4,565	4,954	4,863	4,875	4,324	4,626	4,398	4,889
Wastewater Treatment Plants (P)					6	5	5	5	5
Lift Stations (Q)					28	28	28	28	26

Sources: Various City Departments

City of Rio Rancho, New Mexico **Schedule 18**

Capital Asset Statistics by Function/Program

Last Nine Fiscal Years

Note: The City chose to use the prospective method of reporting for this schedule as the data was not tracked prior to GASB 44 implementation.

1. The City established a baseline for restatement of capital asset statistics for fiscal year ending June 30, 2010. Baseline figures were primarily obtained from the City's Geographic Information System (GIS). Amended the number of developed parkland, water line, sewer line, and street for fiscal year years 2010 to present in fiscal year 2012 CAFR for previous incorrect figures.

(A) Amended the linear feet of constructed trailways for fiscal year 2006 to correctly state the starting point.

(B) The City chose to no longer track the water storage capacity beginning in fiscal year 2008, however began tracking again in fiscal year 2010.

(C) The City chose to begin tracking the average daily water consumption beginning in fiscal year 2007.

(D) Amended the wastewater treatment capacity beginning with fiscal year 2006 to be an average daily treatment capacity in thousands of gallons.

(E) Police and Fire no longer under the same department. Substation numbers for police reported to Finance in error. Restatement of substations for police for fiscal year 2008.

(F) Utility department began tracking new connections. Addition of data for fiscal year 2007 and 2008.

(G) Utility department began tracking water main breaks. Addition of data for fiscal year 2007 and 2008.

(H) Amended the number of patrol units to correctly state the baseline point beginning FY2010. Law Enforcement Units include Marked, Unmarked, Administrative, Pool, and Special Use vehicles.

(I) Amended the centerline miles of paved roadway for fiscal year 2010 to correctly state the baseline point. Previous year's reporting was presumably based on a lane mile unit of measure.

(J) Public Works department discontinued tracking sidewalks beginning in fiscal year 2010. Sidewalks are considered part of the roadway/street infrastructure.

(K) On Dec. 16, 2009, the Rio Rancho City Council adopted a Resolution No. 134, ENACT 09-134 to transfer the city's Rio Transit Program to the Mid-Region Council of Governments and their Rio Metro Regional Transit District, effective Jan. 1, 2010.

(L) Public Works department began tracking number of booster stations beginning in fiscal year 2010.

(M) Public Works department began tracking number of wells beginning in fiscal year 2010.

(N) Public Works department began tracking number of water storage tanks beginning in fiscal year 2010.

(O) Public Works department began tracking number of arsenic treatment facilities beginning in fiscal year 2010.

(P) Public Works department began tracking number of wastwater treatment plants beginning in fiscal year 2010.

(Q) Public Works department began tracking number of lift stations beginning in fiscal year 2010.

(R) Amended the number of developed parkland for fiscal year 2010 to correctly state the baseline point. Amended the number of developed parkland for fiscal year years 2010 to present in fiscal year 2012 CAFR for previous incorrect figures.

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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*

Independent Auditor's Report

Mr. Hector H. Balderas
New Mexico State Auditor

Honorable Mayor and Members of the City Council
City of Rio Rancho, New Mexico

We have audited, in accordance with the 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, the financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparison for the general fund of the City of Rio Rancho, New Mexico, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise City of Rio Rancho, New Mexico's basic financial statements, and the combining and individual funds and related budgetary comparisons of the City of Rio Rancho, New Mexico, presented as supplementary information, and have issued our report thereon dated November 21, 2014. Our report included an emphasis of matter paragraph as to comparability because of the implementation of Governmental Accounting Standards Board Statement No. 65.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Rio Rancho, New Mexico's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Rio Rancho, New Mexico's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Rio Rancho, New Mexico's internal control.

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 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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Rio Rancho, New Mexico's financial statements are free from 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standard*s and which is described in the accompanying schedule of findings and questioned costs as item 2013-001.

City of Rio Rancho, New Mexico's Response to Findings

City of Rio Rancho, New Mexico's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Rio Rancho, New Mexico's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
CPAs and Business Consultants

November 21, 2014

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Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and
Report on Schedule of Expenditures of Federal Awards
Required by OMB Circular A-133

Independent Auditor's Report

Mr. Hector H. Balderas
New Mexico State Auditor

Honorable Mayor and Members of the City Council
City of Rio Rancho, New Mexico

Report on Compliance for Each Major Federal Program

We have audited City of Rio Rancho, New Mexico's compliance 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 City of Rio Rancho, New Mexico's major federal programs for the year ended June 30, 2014. City of Rio Rancho, New Mexico's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Rio Rancho, New Mexico's major federal programs based on our audit of the types of compliance requirements referred to above. 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, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 City of Rio Rancho, New Mexico'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 on compliance for each major federal program. However, our audit does not provide a legal determination of City of Rio Rancho, New Mexico's compliance.

Other Matters
The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2014-001. Our opinion on each major federal program is not modified with respect to these matters.

City of Rio Rancho, New Mexico's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Rio Rancho, New Mexico's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance
Management of City of Rio Rancho, New Mexico is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of Rio Rancho, New Mexico's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 City of Rio Rancho, New Mexico's internal control over compliance.

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 a 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. 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
CPAs and Business Consultants

November 21, 2014

CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2014

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Grantor or Pass-Through Number	Expenditures
U.S. Department of Health and Human Services			
Passed through New Mexico Department of Health:			
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	MOA #14/665.0300.16274	$ 4,498
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	MOA #13/665.0300.15702	1,148
Total U.S. Department of Health and Human Services			5,646
U.S. Department of Homeland Security			
Passed through New Mexico Department of Homeland Security			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4152-025	13,113
Emergency Management Performance Grants	97.042	EMW-2012-EP-00039-S01	45,887
Homeland Security Grant Program	97.067	EMW-2012-SS-00097-S01	7,367
Homeland Security Grant Program	97.067	EMW-2013-SS-00152	3,666
Homeland Security Grant Program	97.067	EMW-2011-SS-00094	5,577
Subtotal			16,610
Total U.S. Department of Homeland Security			75,610
U.S. Department of Justice			
Direct Program:			
Law Enforcement Assistance - Narcotics and Dangerous Drugs	16.001	M-14-D51-O-000171	8,648
Community Oriented Policing Services (COPS) Grant	16.710	2013UMWX0188	48,632
Crime Victims Assistance	16.575	2013-VA-GX-0000	38,658
Federal Surplus Property Transfer Program	16.578	N/A	37,345
Bulletproof Vest Partnership Program	16.607	N/A	10,620
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX-0781	17,046
Passed through New Mexico Department of Public Safety Grant Management Bureau:			
Project Safe Neighborhoods	16.609	N/A	700
Total U.S. Department of Justice			161,649
U.S. Department of Agriculture			
Passed through New Mexico Department of Children Youth and Family:			
National School Lunch Program	10.555	3185	130,088
Total U.S. Department of Agriculture			130,088
U.S. Department of Housing and Urban Development			
Direct Program:			
Community Development Block Grants/Entitlement Grants	14.218	B-11-MC-35-0004	11,710
Community Development Block Grants/Entitlement Grants	14.218	B-12-MC-35-0004	117,308
Community Development Block Granst/Entitlement Grants	14.218	B-13-MC-35-0004	251,764
Total U.S. Department of Housing and Urban Development			380,782
U.S. Department of Interior			
Direct Program:			
Water Conservation Field Services Program (WCFSP)	15.530	R12AP40020	2,238
Total U.S. Department of Interior			2,238

See accompanying notes to this schedule.

CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2014

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Grantor or Pass-Through Number	Expenditures
U.S. Department of Transportation			
Passed through New Mexico Department of Transportation:			
Highway Planning and Construction	20.205	CD #A300520	260,236
Highway Planning and Construction	20.205	CN #A300200	386,777
Highway Planning and Construction	20.205	CN #A301140	157,239
Highway Planning and Construction	20.205	CN #A301150	91,296
Highway Planning and Construction	20.205	CN #A301040	506,488
Highway Planning and Construction	20.205	CN #A301320	17,230
Subtotal			1,419,266
State and Community Highway Safety	20.600	13-AL-64-081	63,393
State and Community Highway Safety	20.600	13-AL-64-P25	111,962
State and Community Highway Safety	20.600	13-HE-64-TE-081	23,474
Subtotal			198,829
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	14-AL-64-P13	207,587
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	14-AL-64-081	86,248
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	14-PT-02-P01	60,000
Subtotal			353,835
Total U.S. Department of Transportation			1,971,930
Executive Office of the President			
Passed through Region One DEA Office:			
High Intensity Drug Trafficking Areas Program	95.001	N/A	2,076
High Intensity Drug Trafficking Areas Program	95.001	N/A	14,652
Total Executive Office of the President			16,728
Total expenditures of federal awards			$ 2,744,671

See accompanying notes to this schedule.

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the City of Rio Rancho under programs of the federal government for the year ended June 30, 2014. The information in the schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the applicable OMB cost principles circular, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE 3 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The program titles and CFDA numbers were obtained from the federal or pass-through grantors or the 2014 *Catalog of Federal Domestic Assistance*.

NOTE 4 – NON-CASH ASSISTANCE, LOANS, AND LOAN GUARANTEES

In accordance with OMB Circular A-133, the City had no non-cash assistance, loans, or loan agreements outstanding at year-end.

(Notes continue on the next page)

NOTE 5 – CDBG GRANT AWARDS

Following are the various uses of the City's Community Development Block Grant (CDBG) awards, including funds granted to subrecipients:

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			
Community Development Block Grant/Entitlement Grants			
2012 calendar year grant			
Emergency Home Repair Program *	B-11-MC-35-0004	14.218	$ 11,710
Total			11,710
2013 calendar year grant			
Administration *	B-12-MC-35-0004	14.218	$ 176
Down Payment Assistance *	B-12-MC-35-0004	14.218	27,523
Emergency Home Repair Program *	B-12-MC-35-0004	14.218	64,201
Big Brothers Big Sisters	B-12-MC-35-0004	14.218	833
People Helping People	B-12-MC-35-0004	14.218	4,359
St. Felix Pantry	B-12-MC-35-0004	14.218	13,159
Rebuilding Together Sandoval County	B-12-MC-35-0004	14.218	7,057
Total			$ 117,308
2014 calendar year grant			
Administration *	B-13-MC-35-0004	14.218	$ 52,339
Abrazos Family Support	B-13-MC-35-0004	14.218	3,698
Big Brothers Big Sisters	B-13-MC-35-0004	14.218	4,792
Down Payment Assistance Program *	B-13-MC-35-0004	14.218	4,283
Emergency Home Repair Program *	B-13-MC-35-0004	14.218	102,227
Haven House Inc.	B-13-MC-35-0004	14.218	5,000
Sandoval County Shelter Plus Care Program	B-13-MC-35-0004	14.218	8,000
Storehouse West	B-13-MC-35-0004	14.218	21,922
People Helping People	B-13-MC-35-0004	14.218	10,000
Rebuilding Together Sandoval Co.	B-13-MC-35-0004	14.218	23,764
St Felix Pantry Inc.	B-13-MC-35-0004	14.218	15,739
Total			$ 251,764

* Administered directly by the City

CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____yes __X__no
- Significant deficiency(ies) identified? _____yes __X__none reported

Noncompliance material to financial statements noted? _____yes __X__no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____yes __X__no
- Significant deficiency(ies) identified? _____yes __X__none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? __X__yes _____no

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
14.218	Community Development Block Grant/Entitlement Grants
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

Auditee qualified as low-risk auditee? _____yes __X__no

FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Finding Number: 2013-001
Type of Finding: Findings that do not rise to the level of a significant deficiency
Description: Per Diem Reimbursements

CONDITION
For five of 10 travel reimbursements reviewed, the City did not reimburse mileage according to internal policy as follows:

- Three of the reimbursements were paid at less than the adopted rate, resulting in a net underpayment of $3.14.

- Two of the reimbursements were paid at a higher than adopted rate, resulting in a net overpayment of $1.11. In addition, this amount exceeded the rate specified in IRS guidelines and was not included as a taxable employee benefit.

CRITERIA
The City's Administrative Policies and Procedures (Chapter 2, Article 14) specifies allowable travel and mileage reimbursement rates.

EFFECT
Travel reimbursements were not always paid in accordance with City policy, and amounts paid over the IRS standard mileage rate were not reported as a taxable employee benefit.

CAUSE
Clerical error and use of an outdated form that had not been updated to reflect the 2014 federal reimbursement rate.

RECOMMENDATION
The City should ensure that the internal policy is reviewed for applicable updates on a regular basis, and perform periodic reviews to ensure the correct rates are used.

AGENCY RESPONSE
The City has updated the Mileage Reimbursement Form to reflect the 2014 federal rate of $0.56 and all mileage reimbursement requests are verified for use of the correct rate.

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Reference Number: 2014-001
Program Name: Community Development Block Grants/Entitlement Grants
CFDA Number: 14.218
Grantor Numbers: B-11-MC-35-0004, B-12-MC-35-0004, B-13-MC-35-0004
Federal Agencies: U.S. Department of Housing and Urban Development
Applicable ARRA Programs: N/A
Questioned Costs: N/A
Type of Finding: Noncompliance
Compliance Requirement: Reporting

CRITERIA
The Federal Funding Accountability and Transparency Act (FFATA) requires prime grant recipients awarded a new Federal grant greater than or equal to $25,000 after October 1, 2010 to file a FFATA sub-award report by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to $25,000.

CONDITION/CONTEXT
The City did not submit sub-award data on the fsrs.gov website by the end of the month following the sub-award dates.

EFFECT
The City was not in compliance with the Federal Funding Accountability and Transparency Act.

CAUSE
The City had experienced turnover in grant management personnel and the reporting requirement was not properly communicated to the appropriate individual.

RECOMMENDATION
The City should ensure sub-award information is submitted timely in order to comply with the program's requirements.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Due to staffing turnovers, the City did not realize the required reporting under the Federal Funding Accountability and Transparency Act (FFATA) was not being maintained properly. The reporting on the www.fsrs.gov website has been brought current. In addition, the City is updating the Procedures for the CDBG Entitlement Grant to include the reporting of sub-awards made to any subrecipient of $25,000 or more by the end of the month of the sub-award on www.fsrs.gov.

Contact Person: Kathy Fox, Grants Administrator
Anticipated Completion Date: November 17, 2014

CITY OF RIO RANCHO, NEW MEXICO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2014

Status of Findings and Questioned Costs

Finding Reference: 2013-001
Description: Per Diem Reimbursements
Status: Modified and repeated.

An exit conference was held at a closed meeting on November 21, 2014, to discuss the preceding findings. Attending were the following persons:

For the City of Rio Rancho:

Greggory D. Hull, Mayor
Keith J. Riesberg, City Manager
Dan Olsen, Financial Services Director
Michele Finley, Accounting Division Manager

For the Independent Auditor:

Jim Rebenar, Audit Manager

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