

CITY OF ALBUQUERQUE, NEW MEXICO

Comprehensive Annual Financial Report

Year ended June 30, 2007

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

| | |
|--|---|
| Letter of Transmittal | 1 |
| Certificate of Achievement for Excellence in Financial Reporting | 5 |
| Distinguished Budget Presentation Award | 6 |
| Principal Officials | 7 |
| Organization Chart | 8 |
| Contributors | 9 |

FINANCIAL SECTION

| | |
|---|-----|
| Independent Auditors' Report | 10 |
| Management's Discussion and Analysis | 12 |
| Basic Financial Statements: | |
| Government-Wide Financial Statements: | |
| Statement of Net Assets | 24 |
| Statement of Activities | 26 |
| Fund Financial Statements: | |
| Governmental Funds: | |
| Balance Sheet - Governmental Funds | 28 |
| Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets | 30 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | 31 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities | 33 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual: | |
| General Fund | 34 |
| Proprietary Funds: | |
| Statement of Net Assets - Proprietary Funds | 40 |
| Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds | 44 |
| Statement of Cash Flows - Proprietary Funds | 46 |
| Fiduciary Funds: | |
| Statement of Fiduciary Assets and Liabilities | 50 |
| Notes to the Financial Statements | 51 |
| Combining Financial Statements and Supplementary Information: | |
| Major Governmental Funds: | |
| Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual: | |
| General Obligation Bond Debt Service Fund | 93 |
| Capital Acquisition Fund: | |
| Schedule of Revenues, Expenditures, and Changes in Project Fund Balances by Purpose | 94 |
| Schedule of Expenditures Compared to Appropriations by Purpose | 98 |
| Nonmajor Governmental Funds - Fund Types: | |
| Descriptions of Nonmajor Governmental Funds | 99 |
| Combining Balance Sheet - Nonmajor Governmental Funds | 101 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds | 107 |
| Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual: | |
| Special Revenue Funds: | |
| Community Development Fund | 113 |
| Fire Fund | 114 |
| Recreation Fund | 115 |
| Lodgers' Tax Fund | 116 |
| Hospitality Tax Fund | 117 |
| Culture and Recreation Projects Fund | 118 |

CITY OF ALBUQUERQUE, NEW MEXICO

Comprehensive Annual Financial Report

Year ended June 30, 2007

TABLE OF CONTENTS

| | Page |
|--|-------------|
| Open and Ethical Elections Fund | 119 |
| Albuquerque Biological Park Projects Fund | 120 |
| City Housing Fund | 121 |
| Air Quality Fund | 122 |
| Heart Ordinance Fund | 123 |
| Corrections and Detention Fund | 124 |
| Operating Grants Fund | 125 |
| Metropolitan Redevelopment Fund | 127 |
| Housing and Neighborhood Economic Development Fund | 128 |
| Law Enforcement Protection Fund | 129 |
| Gas Tax Road Fund | 130 |
| City/County Projects Fund | 131 |
| False Alarm Enforcement and Education Fund | 132 |
| City/County Facilities Fund | 133 |
| Plaza Del Sol Building Fund | 134 |
| Acquisition and Management of Open Space Expenditures Fund | 135 |
| Urban Enhancement Expenditures Fund | 136 |
| Debt Service Funds: | |
| Sales Tax Refunding Debt Service Fund | 137 |
| City/County Building Debt Service Fund | 138 |
| Capital Project Funds: | |
| Schedule of Expenditures Compared to Appropriations by Purpose – Certain Capital Projects Funds | 139 |
| Quality of Life Fund | 141 |
| Impact Fees Fund | 142 |
| Vehicle and Equipment Replacement Fund | 143 |
| Major Enterprise Funds: | |
| Statements of Revenues, Expenses, and Changes in Fund Net Assets - Budget and Actual: | |
| Airport Fund | 144 |
| Refuse Disposal Fund | 145 |
| Transit Fund | 146 |
| Schedules of Debt Service Requirements to Maturity: | |
| Airport Fund | 147 |
| Refuse Disposal Fund | 148 |
| Transit Fund | 149 |
| Nonmajor Proprietary Funds - Enterprise Funds: | |
| Descriptions of Nonmajor Enterprise Funds | 150 |
| Combining Statement of Net Assets - Nonmajor Proprietary Funds - Enterprise Funds | 151 |
| Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets - Nonmajor Proprietary Funds - Enterprise Funds | 155 |
| Combining Statement of Cash Flows - Nonmajor Proprietary Funds - Enterprise Funds | 157 |
| Statements of Revenues, Expenses, and Changes in Fund Net Assets – Budget and Actual: | |
| Golf Course Fund | 161 |
| Apartments Fund | 162 |
| Parking Facilities Fund | 163 |
| Stadium Fund | 164 |
| Combining Schedule of Debt Service Requirements to Maturity | 165 |
| Internal Service Funds: | |
| Descriptions of Internal Service Funds | 167 |
| Combining Statement of Net Assets - Internal Service Funds | 168 |
| Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets - Internal Service Funds . | 170 |
| Combining Statement of Cash Flows - Internal Service Funds | 172 |

CITY OF ALBUQUERQUE, NEW MEXICO

Comprehensive Annual Financial Report

Year ended June 30, 2007

TABLE OF CONTENTS

| | Page |
|---|-------------|
| Statements of Revenues, Expenses, and Changes in Fund Net Assets – Budget and Actual: | |
| Communications Fund | 174 |
| Employee Insurance Fund | 175 |
| Fleet Management Fund | 176 |
| Risk Management Fund | 177 |
| Supplies Inventory Management Fund | 178 |
| Agency Fund: | |
| Description of Agency Fund | 179 |
| Schedule of Changes in Fiduciary Assets and Liabilities | 180 |
| Schedule of Changes in Funds Held for Others | 181 |
| Other Supplementary Schedules: | |
| Schedule of Capital Assets at Cost by Fund | 182 |
| Schedule of Capital Assets at Cost by Function and Activity | 183 |
| Schedule of Changes in Capital Assets at Cost by Function and Activity | 185 |
| Schedule of Transfers Between Funds | 187 |

STATISTICAL SECTION

| | |
|---|-----|
| Table of Contents | 188 |
| Net Assets by Component | 189 |
| Changes in Net Assets | 190 |
| Governmental Activities Tax Revenue By Sources | 192 |
| Fund Balances of Governmental Funds | 193 |
| Changes in Fund Balances of Governmental Funds | 194 |
| Assessed Value and Estimated Actual Value of Taxable Property | 196 |
| Property Tax Levies and Collections | 197 |
| Taxable Sales By Category | 198 |
| Property Tax Rates Direct and Overlapping Governments | 199 |
| Direct and Overlapping Gross Receipts Tax Rates | 200 |
| Principal Property Tax Payers | 201 |
| Ratio of Outstanding Debt by Type | 202 |
| Ratios of General Bonded Debt Outstanding | 203 |
| Direct and Overlapping Governmental Activities Debt | 204 |
| Legal Debt Margin | 205 |
| Pledged Revenue Coverage | 206 |
| Principal Employers | 207 |
| Economic Statistics | 208 |
| Demographic Statistics | 209 |
| Full-time Equivalent City Employees by Function/Program | 210 |
| Operating Indicators by Function/Program | 211 |
| Schedule of Capital Assets by Function /Program | 212 |

SINGLE AUDIT INFORMATION

| | |
|--|-----|
| Schedule of Expenditures of Federal Awards | 213 |
| Notes to the Schedule of Expenditures of Federal Awards | 225 |
| Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements | 230 |
| Financial Data Schedule – Albuquerque Public Housing Authority | 231 |
| Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> ... | 239 |
| Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 | 241 |

CITY OF ALBUQUERQUE, NEW MEXICO

Comprehensive Annual Financial Report

Year ended June 30, 2007

TABLE OF CONTENTS

| | Page |
|--|-------------|
| Schedule of Findings and Questioned Costs | 243 |
| Status of Prior Year Audit Recommendations | 272 |

STATE COMPLIANCE

| | |
|---|-----|
| Schedule of Deposits and Investments by Financial Institution | 273 |
| Schedule of Pledged Collateral by Financial Institutions | 275 |
| Joint Powers Agreements | 277 |
| Exit Conference | 285 |