

For The Fiscal Year Ended 2023  
INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO  
ANNUAL COMPREHENSIVE  
FINANCIAL REPORT (ACFR)

LOS ALAMOS

**Incorporated County of Los Alamos, New Mexico**



# LOS ALAMOS

**Annual Comprehensive Financial Report**

**Fiscal Year Ended**

**June 30, 2023**

*Prepared by Finance of Administrative Services*

**INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2023  
TABLE OF CONTENTS**

|   | <b>Page</b> |
|---|-------------|
| <b>INTRODUCTORY SECTION:</b>  |             |
| Letter of Transmittal   | i-vi        |
| Certificate of Achievement for Excellence in Financial Reporting,<br>presented by the Government Finance Officers Association | vii         |
| Organizational Chart  | viii        |
| Elected and Appointed Officials   | ix          |
| <b>FINANCIAL SECTION:</b>   |             |
| Independent Auditors' Report  | 1-4         |
| Management's Discussion and Analysis  | 5-25        |
| <b>Basic Financial Statements:</b>  |             |
| Government-wide Financial Statements:   |             |
| Statement of Net Position   | 28-29       |
| Statement of Activities   | 30          |
| Governmental Fund Financial Statements:   |             |
| Balance Sheet   | 32-33       |
| Reconciliation of Balance Sheet to the Statement of Net Position  | 35          |
| Statement of Revenues, Expenditures, and Changes in Fund Balance  | 36-39       |
| Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance<br>to the Statement of Activities          | 41          |
| Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance -<br>Budget and Actual (Budget Basis)          |             |
| General Fund  | 42-52       |
| Economic Development Fund   | 54-55       |
| Emergency Declarations Fund   | 56          |
| Proprietary Fund Financial Statements:  |             |
| Statement of Net Position   | 58-59       |
| Statement of Revenues, Expenses, and Changes in Net Position  | 60          |
| Reconciliation of Revenues, Expenses and Changes in Net Position to the<br>Statement of Activities                            | 61          |
| Statement of Cash Flows   | 62-63       |
| Fiduciary Fund Financial Statements:  |             |
| Statement of Net Position   | 65          |
| Statement of Changes in Net Position  | 66          |
| Notes to the Financial Statements   | 67-148      |
| Required Supplementary Information - NM PERA Pension Liability  | 149-155     |
| Required Supplementary Information - NM RHCA Other Post Employment Benefits Liability   | 156-158     |

**SUPPLEMENTARY INFORMATION:****Combining and Individual Fund Financial Statements and Schedules:**

|   |         |
|---|---------|
| Other (nonmajor) Governmental Funds:  |         |
| Combining Balance Sheet   | 159     |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balance   | 160-161 |
| Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance -<br>Budget and Actual (Budget Basis) |         |
| State Shared Revenues Fund  | 162     |
| Lodgers' Tax Fund   | 163     |
| State Grants/Other Fund   | 164     |
| Health Care Assistance Fund   | 165     |
| Other Special Revenues Fund   | 166-167 |
| Gross Receipts Tax Revenue Bonds Fund   | 168     |
| Capital Projects Permanent Fund (Major Governmental Fund)   | 169     |
| Project-length Schedule of Construction Projects - Capital Improvement Projects Fund                                | 170     |
| Joint Utility System Enterprise Subfunds:   |         |
| Combining Statement of Net Position   | 172-173 |
| Combining Statement of Revenues, Expenses, and Changes in Net Position  | 175     |
| Combining Statement of Cash Flows   | 176-177 |
| Schedules of Revenues, Expenses, Encumbrances, and Changes in Net Position -<br>Budget and Actual (Budget Basis):   |         |
| Joint Utility System Fund   | 178-179 |
| Electric Subfund  | 180-181 |
| Gas Subfund   | 182-183 |
| Water Subfund   | 184-185 |
| Wastewater Subfund  | 186-187 |
| Other Enterprise Funds:   |         |
| Schedules of Revenues, Expenses, Encumbrances, and Changes in Net Position -<br>Budget and Actual (Budget Basis):   |         |
| Environmental Services  | 190-191 |
| Transit Fund  | 192-193 |
| Fire Fund   | 194-195 |
| Airport Fund  | 196-197 |
| Internal Service Funds:   |         |
| Combining Statement of Net Position   | 200     |
| Combining Statement of Revenues, Expenses, and Changes in Net Position  | 201     |
| Combining Statement of Cash Flows   | 202-203 |
| Schedules of Revenues, Expenses, Encumbrances, and Changes in Net Position -<br>Budget and Actual (Budget Basis):   |         |
| Equipment Fund  | 204-205 |
| Risk Management Fund  | 206-207 |
| Custodial Funds:  |         |
| Combining Statement of Net Position   | 208     |
| Combining Statement of Changes in Net Position  | 209     |

**TABLE OF CONTENTS****June 30, 2023**

| <b>STATISTICAL SECTION:</b>   | <b>Page</b> |
|---|-------------|
| Net Position by Component   | 211         |
| Changes in Net Position   | 212-213     |
| Fund Balance, Governmental Funds  | 215         |
| Changes in Fund Balance, Governmental Funds   | 216-217     |
| Joint Utility System Customer Base  | 218         |
| Joint Utility System Operating Revenue and Sales  | 219         |
| Joint Utility System Operating Revenue by Type of Customer  | 220         |
| Joint Utility System Rate Structure   | 221         |
| Taxable Gross Receipts by Business Sector (in \$1,000s)   | 222         |
| Gross Receipts Tax (GRT) Revenues and Rates   | 223         |
| Property Tax Levies and Collections   | 224         |
| Assessed and Estimated Actual Value of Taxable Property   | 225         |
| Property Tax Rates and Levies - All Direct and Overlapping Governments  | 226         |
| Ten Principal Property Taxpayers  | 227         |
| Ratios of Outstanding Debt by Type  | 228         |
| Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita   | 229         |
| Computation of Direct and Overlapping Debt  | 230         |
| Computation of Legal Debt Margin  | 231         |
| Joint Utility System Revenue Bond Coverage  | 232         |
| Demographic and Economic Statistics   | 233         |
| Largest Employers   | 234         |
| Census Population by Age Bracket, Counts, and Percentages   | 235         |
| Full-time Equivalent Employees by Function/Program  | 236         |
| Operating Indicators by Function/Program  | 237         |
| Capital Asset Statistics by Functions/Program   | 238         |
| Joint Utility System Profit Transfer and In Lieu Payments   | 239         |
| <b>OTHER SUPPLEMENTARY INFORMATION:</b>   |             |
| Exhibit 1 - Schedule of Reconciliation of Tax Receipts and Disbursements  | 241         |
| Exhibit 2 - County Treasurer's Property Tax Schedule  | 242-243     |
| Exhibit 3 - Schedule of Pledged Collateral  | 244         |
| Exhibit 3a - Detail of Pledged Collateral by Financial Institution  | 245         |
| Exhibit 4 - Schedule of Depository Accounts   | 247         |
| Exhibit 5 - Supplemental Schedule of Joint Powers Agreements  | 248-249     |
| Exhibit 6 - Schedule of Expenditures of Federal Awards  | 250-251     |
| Exhibit 7 - Schedule of Expenditures of State Awards  | 252-253     |
| Exhibit 8 - Utility Subfunds Combining Balance Sheet - Industry Format  | 254-255     |
| Exhibit 9 - Utility Subfunds Combining Schedule of Revenues, Expenses, and Changes in Proprietary<br>Capital - Industry Format  | 256-257     |
| Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance<br>and Other Matters Based on an Audit of Financial Statements Performed in<br>Accordance with <i>Government Auditing Standards</i> | 258-259     |
| Independent Auditors' Report on Compliance for Each Major Federal Program and Report on<br>Internal Control over Compliance Required by the Uniform Guidance  | 260-262     |
| Schedule of Findings and Questioned Costs   | 263-264     |
| Exit Conference   | 265         |

December 1, 2023

To the County Council and Citizens of the  
Incorporated County of Los Alamos:

We are pleased to submit to you the Annual Comprehensive Financial Report of the Incorporated County of Los Alamos (the County) for fiscal year 2023. The Finance Division of the Administrative Services Department has prepared this report to present the financial position of the County as of June 30, 2023, and the results of its operations for the year then ended. The financial statements and supporting schedules have been prepared in conformity with generally accepted accounting principles for governments, and with the requirements of the State of New Mexico, Office of the State Auditor.

**COUNTY COUNCIL**

Denise Derkacs  
Council Chair

Theresa Cull  
Council Vice Chair

**COUNCILORS**

Melanee Hand  
Suzie Havemann  
Keith Lepsch  
David Reagor  
Randall Rytli

**COUNTY MANAGER**

Steven Lynne

This report consists of an Introductory Section, the Financial Section which includes the opinion of the County's independent auditors, Hinkle + Landers, PC, and Management's Discussion and Analysis, a Statistical Section with ten years of summary data, and the Other Information Section. Readers should refer to the Management's Discussion and Analysis beginning on page 5 of this report for a more detailed overview of how to use this report, an introduction to the County's basic financial statements and an analytical overview of the County's financial activities.

**INTERNAL CONTROL AND MANAGEMENT'S RESPONSIBILITY**

County management is responsible for the accuracy of the County's financial statements and the completeness and fairness of their presentation. The County maintains a system of internal accounting controls that is intended to provide reasonable assurance that assets are safeguarded against loss or unauthorized use, and that financial records can be relied upon to produce financial statements according to generally accepted accounting principles. The concept of reasonable assurance recognizes that the cost of maintaining the system of internal accounting controls should not exceed the benefits to be derived.

The County had no findings from the independent auditors. The Schedule of Findings and Questioned Costs, is included in the Other Financial Information Section of this report beginning on page 263.

## **THE REPORTING ENTITY AND ITS SERVICES**

In 1949, the County was formed from parts of three other existing counties as a separate political subdivision by the New Mexico legislature. It was incorporated on December 10, 1968, when County voters adopted the Charter. The County has the rights and responsibilities of both a county and a municipality under the County's Charter and New Mexico State law.

The County is located on the Pajarito Plateau in northern New Mexico, about 35 miles northwest of Santa Fe, the capital of New Mexico. The County covers about 109 square miles. The National Forest Service owns 41.2% of the County's area, the United States Department of Energy (DOE) owns 35.3%, the County and its citizens own 14%, and Bandelier National Monument owns 9.5%.

Before the establishment of the Los Alamos National Laboratory (LANL) in 1943, a few isolated ranches and a preparatory school for boys occupied the area that is now the County. This isolated area became the home for scientists and military personnel working as a key part of the Manhattan Project, which resulted in ending World War II. Initially, the Laboratory and the surrounding area were owned and controlled by the federal government. Under the Atomic Energy Communities Act of 1955, the government sold most commercial real estate, residential lots, and housing units to private owners. Churches and institutional properties, including hospitals, schools, municipal offices, the electric, gas, and water distribution systems and the wastewater collection system were transferred to private institutions, the school system, or County ownership.

The County operates under a council-manager form of government. The County Council consists of seven members who are elected at large. Under the Charter, the County Council appoints a County Manager, the chief executive officer of the County, who is responsible for all County affairs placed in his or her charge by New Mexico State statutes, the County Charter, County ordinances, and the County Council.

The Basic Financial Statements of the County include all government activities, organizations and functions for which the County is financially accountable as defined by the Governmental Accounting Standards Board (GASB). Based on these criteria, no other governmental organizations are included in this report.

The County provides a wide variety of services to its citizens, including the following: police services including dispatch of all emergency services; fire protection and prevention services; emergency medical services; maintenance of parks, streets and roads in the County; public transit services; residential and commercial refuse collection and disposal and transfer station operation; electric, water, gas, and wastewater utilities; public library operation; airport facilities; recreation facilities and programs; community planning and development; and certain health, social, and cultural services.

## **ECONOMIC CONDITION AND OUTLOOK**

Like other communities around the nation, Los Alamos County has had to quickly adapt to rapidly changing situations as the pandemic situation evolved. The County has continued to adapt to hybrid work formats and continued its efforts in working together with community counterparts to maximize resources on testing and reduction of spread of the virus. Through it all, employees remained upbeat and highly responsive, continuing to adapt as needed or suggest ideas that might keep services operational with little or no disruption. This success is a testimony to the County's commitment to provide excellent customer service – a benefit that citizens have come to know and expect in Los Alamos.

A driving force in developing our budget each year is the estimation of County revenues. Gross Receipts Tax (GRT) accounts for 73.6% and Property Taxes accounts for 9.7% of the total General Fund budgeted revenues. The remaining General Fund revenues are comprised of user fees, interdepartmental charges, investment income, and grants. GRT is primarily from the community's largest employer, Los Alamos National Laboratory (LANL).

Regarding the future outlook, our guidance for budget development was to begin with the FY2022 Adopted budget, less one-time items, then allow for an average 5% adjustment in salaries (2% merit, 3% cost of labor) for non-collective bargaining employees, a 4% increase in medical premiums, and a non-labor expenditure target of an overall projected 3% increase from the prior year. Current projected revenues are in line with the County financial policy guidance to maintain a 20% reserve. The County also adopted \$6.15 million in budget options which includes recurring and non-recurring expenditures. The budget options added a total of 17.25 full time equivalent (FTE) employees.

The overall County adopted FY2023 expenditure budget is \$280.4 million as compared to FY2022 adopted expenditures of \$245.1 million. Overall County budgeted revenues are \$261.7 million as compared to FY2022 adopted revenues of \$237.2 million.

## **MAJOR ACCOMPLISHMENTS AND FUTURE INITIATIVES**

FY 2023 continued to be a challenging year for our community. The County continued to face challenges with post pandemic issues which include the way we deliver services, recruitment and retention, updating online work processing and contact-less ways of interacting, modifying work schedules for some employees to work remotely when possible. Inflation and supply change disruptions are also challenges the County is faced with. Through these challenges, the County continued to provide services and adapt to these changes while keeping in mind the council strategic plans and priorities. The following are a list of highlights and continued initiatives:

- In housing, the Mirador Subdivision in White Rock Phase 1 includes 161 units of market rate detached single family homes. Additional permits were issued in 2022. The site plan for Phase 2, a mixed-use development (57 apartments and 11,000 square feet of commercial use space) was approved.
- Canyon Walk Apartments: 70 multi-family units were constructed under the Low-Income Housing Tax Credit Program. The project was completed and 100% of the units were leased in FY 2023.



- The Bluffs Apartments: Construction is nearing completion for a senior housing rental development of 64 units under the Low-Income Housing Tax Credit Program with occupancy planned for calendar 2023.
- The Hill Apartments: Construction has started on 35th Street (at the old LASO site) east of the hospital for 149 market-rate apartments with completion expected in calendar 2023.
- The Downtown Master Plans for Los Alamos and White Rock were approved and the related work on two sections of the County's code (Chapter 16 and 18) is ongoing.
- Capital projects moved to construction for four quality of life initiatives. The Leisure Lagoon addition to the Aquatic Center was completed and is nearing completion and planning for Phase II of the Golf Course improvements is underway.
- Integrated Master Plan conducted to assist in prioritizing projects and maintenance needs.
- Americans with Disabilities Act (ADA) audit was performed to address accessibility and inclusivity options for facility users.
- A variety of infrastructure projects occurred. Most noticeably the San Juan Generating Station (coal-fired plant) was shut down in September 2022. The County has partially replaced this power with wind and solar generation through a power purchase agreement (firmed with market power). Reconstruction of Canyon Road with utility improvements was completed in November 2022, reconstruction of Sherwood Blvd drainage and road improvements (Grand Canyon Drive to Aztec Avenue), and the reconstruction of Cumbres del Norte (North Mesa) Road and Utility Improvements project were completed.
- Successful implementation of mid-year compensation adjustments in an effort to prioritize recruitment and retention efforts of the County's talented personnel. These resulted in four Collective Bargaining Agreement amendments, increased base pay by 10% for non-union employees, doubled stability pay for all employees that are eligible to receive it, and adopted resolutions to implement a 5% additional pickup of employees' Public Employees Retirement Association (PERA) contributions.

As a result of our current efforts to contain expenditures and a historically conservative approach to fund balance reserves, the County's Governmental Fund balances have remained positive. Projections for the long-range financial outlook are based upon the following assumptions:

- FY2024 and forward, the long-range financial outlook includes a \$1.6 Million per year transfer from the General Fund to the Economic Development Fund for the housing loan programs and assistance to schools.
- FY2024 and forward includes planned operational costs within Community Services and Public Works in the General Fund for capital projects under construction and for planned future projects.
- FY2024 includes a 5% increase to salaries and a 5% increase in medical premiums.
- FY2025 and later includes a 3% inflation factor for revenue and expenditures.

## **FEDERAL AND STATE MANDATES**

Cities and counties continue to experience an increase in state and federal mandates, many of which are not funded, but are simply imposed on local governments. These present not only additional financial liabilities, but also require the County to engage in the development of new reporting systems and programs that expand management's responsibilities and tax the County's resources.

Although the County is a relatively small government in terms of resident population served, the demands of our citizens for high quality services and the numerous direct and indirect relationships with the Department of Energy require levels of service and complexity normally found only in large metropolitan areas.

The County continually faces the challenge of balancing these high demands for services and the requirements of unfunded mandates with continued pressure to keep taxes and costs of services at reasonable levels. Historically the County has been able to meet this challenge, but conditions exist which may require some difficult choices in the next few years. Among these conditions are an aging infrastructure, and the uncertainties of a "one employer town".

## **ACCOUNTING SYSTEM AND BUDGETARY CONTROLS**

The County's Finance and Budget staff plans, organizes, directs, and coordinates the overall management of the County's finances. These responsibilities include: (1) carrying out the duties of the County Treasurer; (2) managing the County's investment and debt activities; (3) coordinating the annual audit of the County; (4) ensuring the accuracy and integrity of all financial data; (5) developing and monitoring the County's operating budget; and (6) forecasting financial results and monitoring trends. In addition, the Finance division maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Council. Activities of all funds except the Pension Trust Fund and the Custodial Fund are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of established budgetary control is by department within an individual fund.

The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control for interim reports. Unencumbered balances lapse at the end of the year. However, encumbrances are re-appropriated as part of the following year's budget. The County's budget policies and budget control procedures are fully described in the notes to the financial statements.

## **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Incorporated County of Los Alamos for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. The Certificate of Achievement is a national award that recognizes conformance with the highest standards for presentation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to rigid program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. The County has received a Certificate of Achievement for the last thirty-one consecutive years (fiscal years 1991 through 2022). We believe this current annual comprehensive financial report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it for review by GFOA. In addition, the County received the GFOA Award for Distinguished Budget Presentation for the Annual Budget for fiscal year 2023. This was the thirtieth consecutive year the County received the budget award. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization. Finally, the County received the GFOA Award for Popular Annual Financial Reporting for the seventh year. It has been compiled for FY2023. The PAFR is intended to be a more understandable report to the general public of information extracted from the ACFR. The County is very excited to continue the production of the PAFR in future years. The County was given GFOA's Triple Crown Honor for awards in all three programs.

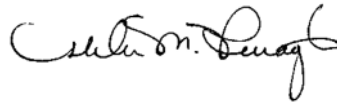
## ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated service of the staff within Finance. We wish to express our sincere appreciation to all staff members whose dedication and professionalism made the preparation of the report possible. We would also like to thank the staff from other County departments who assisted and contributed to its preparation. Finally, without the leadership and support of the members of the County Council, preparation of this report would not have been possible.

Sincerely,



Steven Lynne  
County Manager

Helen M. Perraglio, CPA  
Administrative Service Director





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Incorporated County of Los Alamos  
New Mexico**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

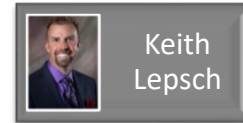
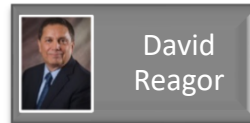
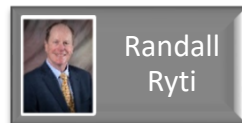
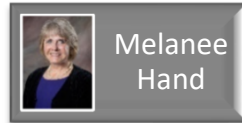
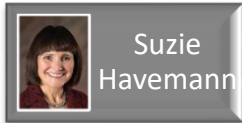
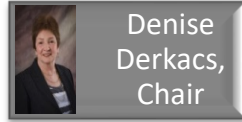
Executive Director/CEO

# INCORPORATED COUNTY OF LOS ALAMOS ELECTED AND APPOINTED OFFICIALS

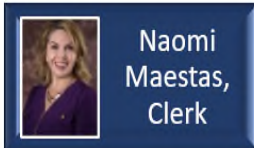
As of June 30, 2023

---

**Elected:**  
Council



**Elected:**  
Officials:

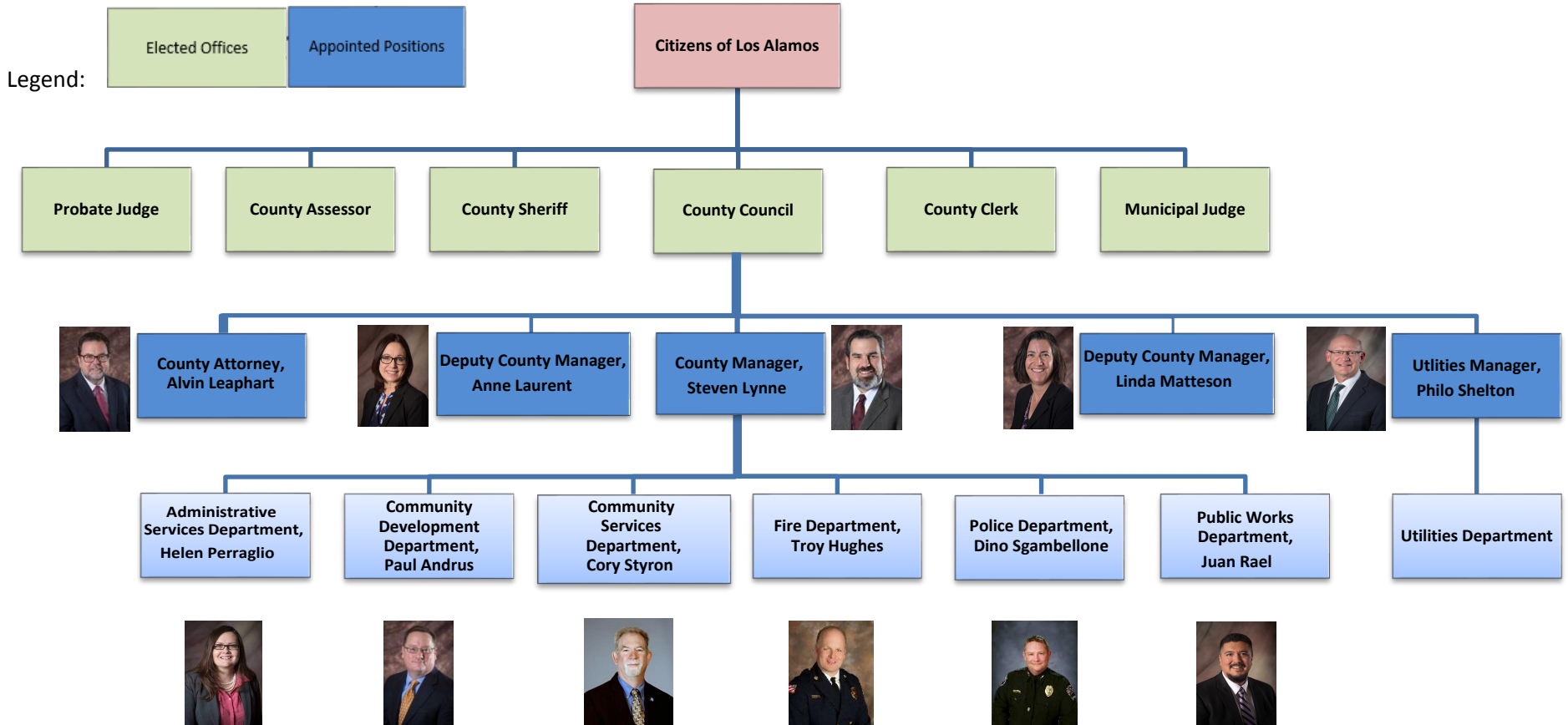


**Appointed:**

County Manager  
Deputy County Managers  
County Attorney  
Utilities Manager  
Community Development Director  
Community Services Director  
Fire Chief  
Police Chief  
Public Works  
Deputy County Assessor  
Deputy County Clerk

Steven Lynne  
Anne Laurent and Linda Matteson  
Alvin Leaphart  
Philo Shelton  
Paul Andrus  
Cory Styron  
Troy Hughes  
Dino Sgambellone  
Juan Rael  
Lucas Fresquez  
Tessa Jo Mascarenas

# INCORPORATED COUNTY OF LOS ALAMOS ORGANIZATIONAL CHART







Certified Public Accountants + Business Consultants

## **INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Denise Derkacs, Chair, County Council  
Members of the Council, and Mr. Steven Lynne, County Manager  
Los Alamos, New Mexico, and  
Joseph M. Maestas, P.E., State Auditor  
State of New Mexico, Office of the State Auditor

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the Incorporated County of Los Alamos (the County), as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the County, as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



**Emphasis of Matter****Adoption of New Accounting Guidance**

As discussed in Note 1 to the financial statements, the County has adopted the new accounting guidance GASB 96, *Subscription-Based Information Technology Arrangements*, and GASB 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which are required for adoption for all fiscal years beginning subsequent to June 15, 2022. Our opinions are not modified with respect to this matter.

**Restatements**

The financial statements of the County for the year ended June 30, 2022, before the restatements described in Note 25, were audited by other auditors whose report dated November 21, 2022, expressed unmodified opinions on those statements.

As part of our audit of the 2023 financial statements, we also audited the adjustments described in Note 23 that were applied to restate the 2022 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the 2022 financial statements of the County other than respect to the adjustments, and, accordingly, we do not express an opinion or any other form of assurance on the 2022 financial statements as a whole.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, schedules of the County's proportionate share of the net pension and OPEB liabilities and the County's contributions, as listed as "Required Supplementary Information" in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

#### **Supplementary and Other Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County's basic financial statements. The introductory and statistical sections, and Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the other schedules required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, the Schedule of Expenditures of Federal Awards and other schedules noted at Exhibits 1 – 5, as listed in the table of contents, required by 2.2.2 NMAC, are the responsibility of management and was 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the Schedule of Expenditures of Federal Awards and other schedules required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Information**

The introductory and statistical sections have not been subjected to the auditing procedures applied in the basic and combining individual fund financial statements, and accordingly, we do not express an opinion or provide assurance on them. Management is responsible for the other information included in the introductory and statistical sections of the Annual Comprehensive Financial Report (ACFR). The other information comprises the introductory and statistical sections of the ACFR but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2023, on our consideration of the County'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 solely 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 effectiveness of the County's 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 the County's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Hinkle & Landers, P.C.". The signature is written in a cursive, flowing style.

Hinkle + Landers, PC  
Albuquerque, New Mexico  
November 21, 2023



**Management's Discussion and Analysis**

# INCORPORATED COUNTY OF LOS ALAMOS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

---

Management of the Incorporated County of Los Alamos (County) offers this discussion and analysis about the County government's financial position and financial activities for the fiscal year that ended June 30, 2023. This analysis is intended to serve as an introduction to the County's basic financial statements and to provide an analytical overview of the County's operations. Please read it along with the County's *Basic Financial Statements* starting on page 28, the *Notes to the Financial Statements* starting on page 67, and the *Letter of Transmittal* on page i. Additional data about the County is provided in the Statistical Section, beginning on page 211.

### FINANCIAL HIGHLIGHTS

#### New Accounting Standards

In fiscal year 2023, the County analyzed and reviewed the need for adoption of the following new accounting standards issued by the Governmental Accounting Standards Board (GASB) related to leases, interest cost incurred during construction and interbank offered rates:

- GASB Statement No. 94 (GASBS 94), "Public-Private and Public-Public Partnerships and Availability Payment Arrangements"
- GASB Statement No. 96 (GASBS 96), "Subscription-Based Information Technology Arrangements"

GASBS 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. GASBS 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The County has implemented GASBS 94 as it is effective in fiscal year 2023.

In fiscal year 2023, the County identified six APAs, which are accounted for as outflows of resources and recorded as expense in the period in which the payment is made as required in GASBS 94, paragraph 78. There is no impact to the balance sheet. The total outflows of resources for the six APAs is \$1,397,329, which is recorded as expense for the year ended June 30, 2023. The total remaining outflows of resources, which will be recorded as expense in the future periods in which the payments will be made as required in GASBS 94, paragraph 78, is \$6,534,756.

GASBS 96 enhances the relevance and consistency of information about governments' subscription activities. GASBS 96 establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize subscription liability and an intangible right-to-use subscription asset.

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. In fiscal year 2023, the County has reported subscription liability of \$2,800,949 in the governmental activities and \$372,612 in the business-type activities. The County has also reported right to use assets for subscriptions, net of amortization, of \$3,275,741 in the governmental activities and \$428,467 in the business-type activities.

## Government-wide Financial Highlights

- The County's total net position, the amount of assets and deferred outflows after subtracting related liabilities and deferred inflows, was approximately \$512.6 million at fiscal year-ended June 30, 2023. This represents an increase of \$20.1 million in net position, or approximately 4.08%, as compared to the prior fiscal year-end. The largest contributors to this increase relate to an increase of \$22.7 million in the County's unrestricted interest and investment earnings due to favorable market conditions, a \$15.2 million increase in gross receipts taxes, an increase of \$13.2 million in charges for services an increase of \$2.0 million in operating grants and contributions, and an increase in the expenses of Joint Utility System-Electric Subfund in the amount of \$33.0 million. Overall, the County continues to have a strong financial position, operating reserves, and assets available to provide services to citizens.
- The County's Governmental long-term liabilities increased from \$78.9 million in fiscal year 2022 to \$89.1 million in fiscal year 2023 and the Business-Type Activities long-term liabilities increased from \$117.1 million in fiscal year 2022 to \$142.6 million in fiscal year 2023. The total increase of \$35.7 million is driven by the pension actuarial study. This study is one year in arrears; therefore, the liability for fiscal year 2023 is based on an actuarial study for period ending June 30, 2022. Market conditions were quite negative leading to a lower net position for PERA investments. The plan net position was lower, leading to a higher net pension liability for purposes as of June 30, 2023.
- Governmental activities increased the County's net position by \$43.9 million to \$367.0 million for the fiscal year-ended June 30, 2023. The largest contributing factor to this increase was a result of a \$20.1 million increase in investment earnings due to favorable market conditions. The County's Governmental activities also experienced an increase in gross receipts tax revenue of \$13.8 million and an increase in State shared revenue of \$9.0 million. Capital grants and contributions increased by \$1.7 million while operating grants and contributions decreased by \$.6 million. Charges for services decreased by \$.3 million and franchise taxes increased by \$.2 million. The County's Governmental program expenses increased by \$7.6 million from \$66.1 million in fiscal year 2022 to \$73.7 million in fiscal year 2023. Total revenues increased by \$33.2 million from \$85.5 million in fiscal year 2022 to \$118.7 million in fiscal year 2023 largely due to a gain on investment earnings.
- Business-type activities decreased the County's net position by \$21.2 million to \$145.6 million for the fiscal year-ended June 30, 2023. This compares to a \$6.8 million increase during the previous fiscal year. The largest contributing factor for this decrease is due to the \$33.0 million increase in the Electric subfund. The County's Business-type activities also experienced an increase in charges for services of \$13.5 million, and the Fire fund's program expenses increased by \$1.7 million. Total revenue from business-type activities was \$128.9 million for fiscal year 2023, approximately \$19.3 million more than the previous year. The increase is due to increases in program revenues, gross receipts taxes and investment earnings. Expenses in fiscal year 2023 increased by \$44.0 million or 41.5 percent. This change was primarily due to the Electric subfund experiencing a \$13.0 million increase in cost of purchased power, wheeling charges and contractual services combined as well as a \$19.7 million increase in the loss on disposition of capital assets due to the retirement of the San Juan power plant; the Gas fund experiencing a \$5.3 million increase in cost of gas; the Water fund experiencing an increase of \$2.3 million in contractual services; and the Fire fund experiencing an increase of \$1.9 million in salaries and benefits, the Environmental fund experiencing a \$1.0 million increase in materials and supplies, and the Airport fund experiencing a \$.8 million increase in contractual services.
- For the fiscal year-ended June 30, 2023, the County's Governmental Funds reported combined ending fund balance of approximately \$172.7 million. This is a \$32.2 million increase from the end of fiscal year 2022. The increase in fund balance is attributable to an increase in investment income of \$20.1 million, an increase in gross receipts taxes of \$13.7 million, an increase in State shared revenue of \$9.3 million

and a decrease in other judgements and settlements of \$10.9 million. The fund balance in the General Fund increased by \$18.2 million from prior year to \$78.6 million in fiscal year 2023. Cumulatively all other governmental fund balances increased by \$15.8 million from prior year.

## USING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

This Annual Comprehensive Financial Report (ACFR) is presented in four sections:

- 1) Introductory section, that includes the Transmittal Letter and general information;
- 2) Financial section that includes:
  - a. Independent Auditors' Report,
  - b. Management's Discussion and Analysis (this part),
  - c. The Basic Financial Statements, that include the Government-wide and the Fund financial statements, along with the Notes to these financial statements,
  - d. Other financial statements and required supplementary information;
- 3) Statistical Section; and
- 4) Other Information

Non-financial factors that help shape the County's finances are presented in both the Statistical Section and in the section entitled Other Information. Examples of non-financial factors are characteristics of the County population and assessed property values. Please consider non-financial factors when analyzing the County's overall financial condition.

### The Basic Financial Statements

The County's basic financial statements are comprised of three components 1) Government-wide financial statements; 2) Fund financial statements and 3) Notes to the financial statements. This set of financial statements provides both long-term and short-term views of the County's financial activities and financial position. See Table 1 for a comparison of the major features of these statements. Required Supplementary Information is included in addition to the basic financial statements.

**Government-wide Financial Statements** are designed to provide readers with a broad overview of County finances, in a manner similar to that used by private-sector businesses. These statements are reported using the economic resources measurement focus and the accrual basis of accounting and include:

The Statement of Net Position presents information about the financial position of the County as a whole, including all its capital assets and long-term liabilities on a full accrual basis of accounting with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. There are three categories of net position reported:

- a) *Net investment in capital assets*, represent land, buildings, machinery, equipment and infrastructure, such as pavement, bridges, parks and streetlights, less the amount of unpaid debt related to make or buy them.
- b) *Restricted* reflects amounts restricted either by contract or by law.
- c) *Unrestricted* are available to run the daily operations of the government and pay its current expenses.

The Statement of Activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these Government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a portion of their costs through user fees and charges (*business-type activities*).

**Governmental Activities** - All of the County's basic services are considered to be governmental functions, including County Council, Municipal Court, County Manager, County Attorney, County Clerk, County Assessor, Administrative Services, Community Development, Community Services, Police, Public Works, and Cemetery. These services are supported by general County revenues such as taxes, and by specific program revenues such as fees.

**Business-type Activities** - All of the County's enterprise activities are reported here, including Joint Utility System (Electric, Gas, Water, and Wastewater), Environmental Services, Transit, Fire, and Airport. Unlike governmental services, these services are generally supported by charges paid by users based on the amount of service they use.

Government-wide Financial Statements are prepared on the accrual basis of accounting that means they include all economic resources of the County as a whole. The Government-wide financial statement can be found on pages 28-30 of this report.

**Fund Financial Statements** are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the Government-wide financial statements. However, unlike the Government-wide statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the Government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental fund and governmental activities. The governmental funds financial statements can be found on pages 32-56 of this report.

**Proprietary funds** include two fund types. *Enterprise funds* are used to report the same functions presented as business-type activities in the Government-wide financial statements. The County uses enterprise funds to account for the Joint Utility System comprised of the Electric, Gas, Water, and Wastewater subfunds. Other enterprise funds are the Environmental Services, Transit, Fire, and Airport funds. *Internal service funds*



are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for the maintenance and replacement of the County's central equipment pool and for the County's insurance for health, workers compensation, unemployment, retiree health care, and property and general liability. The proprietary funds financial statements can be found on pages 58-63 of this report.

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the Government-wide financial statements because the resources of those funds are not available to support the County's own programs. This includes the Los Alamos County Employees Pension Fund and the Custodial Fund. The Custodial Fund is used to account for property taxes and other fees and assessments that are collected by the County for, and distributed to, other governmental entities as well as the contributions and benefits made to and from the Employee Assistance Fund, Recreation Programs and Utility Assistance Programs. The fiduciary funds financial statements can be found on pages 65-66 of this report.

**Table 1: Major Features of the Basic Financial Statements**

|   | <b>County-wide<br/>Financial Statements</b>  | <b>Fund Financial Statements</b>   |  |  |
|---|--|--|--|--|
|   |  | <u>Governmental Funds</u>  | <u>Proprietary Funds</u>   | <u>Fiduciary Funds</u>   |
| <b>Scope</b>                                  | Entire County government (except fiduciary funds)  | Activities of the County that are not proprietary or fiduciary   | Activities of the County that are operated similar to private sector businesses  | Instances in which the County is the trustee or agent for someone else's resources     |
| <b>Required financial statements</b>          | Statement of net position<br>Statement of activities   | Balance sheet<br>Statement of revenues, expenditures, and changes in fund balances   | Statement of net position<br>Statement of revenues, expenses, and changes in net position<br>Statement of cash flows             | Statement of fiduciary net position<br>Statement of changes in fiduciary net position  |
| <b>Accounting basis and measurement focus</b> | Accrual accounting and economic resources focus  | Modified accrual accounting and current financial resources focus  | Accrual accounting and economic resources focus  | Accrual accounting and economic resources focus  |
| <b>Type of asset/liability information</b>    | All assets and liabilities, both financial and capital, short-term and long-term, and deferred inflows and outflows of resources | Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included  | All assets and liabilities, both financial and capital, short-term and long-term, and deferred inflows and outflows of resources | All assets and liabilities, both short-term and long-term                              |
| <b>Type of inflow/outflow information</b>     | All revenues and expenses during the year, regardless of when cash is received or paid   | Revenues for which cash is received during or soon after the end of the year<br>Expenditures when goods or services have been received and payment is due during the year or soon thereafter | All revenues and expenses during the year, regardless of when cash is received or paid   | All revenues and expenses during the year, regardless of when cash is received or paid |

**Notes to Financial Statements** are provided on pages 67-148 and contain additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Net Position

The County's net position, the amount of assets and deferred outflows after subtracting related liabilities and deferred inflows, was \$512.6 million at fiscal year-ended June 30, 2023. This is an increase of \$20.1 million in net position, or 4.08%, as compared to the prior fiscal year-end. Analyzing changes in the relative mix of capital assets, restricted and unrestricted net position provides additional indicators of financial position. Please see Table 2 below for a high-level summary of net position for fiscal year 2023 compared to fiscal year 2022.

|                                       | <u>Governmental Activities</u> |                | <u>Business-type Activities</u> |                | <u>Totals</u>  |                |
|---------------------------------------|--------------------------------|----------------|---------------------------------|----------------|----------------|----------------|
|                                       | <u>FY 2023</u>                 | <u>FY 2022</u> | <u>FY 2023</u>                  | <u>FY 2022</u> | <u>FY 2023</u> | <u>FY 2022</u> |
| <b>Assets:</b>                        |                                |                |                                 |                |                |                |
| Current and other assets              | \$ 202.0                       | 167.1          | 79.4                            | 84.9           | 281.4          | 252.0          |
| Capital assets                        | <u>280.6</u>                   | <u>273.7</u>   | <u>214.8</u>                    | <u>219.5</u>   | <u>495.4</u>   | <u>493.2</u>   |
| Total assets                          | <u>482.6</u>                   | <u>440.8</u>   | <u>294.2</u>                    | <u>304.4</u>   | <u>776.8</u>   | <u>745.2</u>   |
| <b>Deferred outflows of resources</b> | <u>15.1</u>                    | <u>12.6</u>    | <u>17.1</u>                     | <u>14.0</u>    | <u>32.2</u>    | <u>26.6</u>    |
| <b>Liabilities:</b>                   |                                |                |                                 |                |                |                |
| Current and other liabilities         | 9.5                            | 5.3            | 8.9                             | 8.1            | 18.4           | 13.4           |
| Long-term liabilities                 | <u>89.1</u>                    | <u>78.9</u>    | <u>142.6</u>                    | <u>117.1</u>   | <u>231.7</u>   | <u>196.0</u>   |
| Total liabilities                     | <u>98.6</u>                    | <u>84.2</u>    | <u>151.5</u>                    | <u>125.2</u>   | <u>250.1</u>   | <u>209.4</u>   |
| <b>Deferred inflows of resources</b>  | <u>32.1</u>                    | <u>43.5</u>    | <u>14.2</u>                     | <u>26.4</u>    | <u>46.3</u>    | <u>69.9</u>    |
| <b>Net position:</b>                  |                                |                |                                 |                |                |                |
| Net investment in capital assets      | 257.5                          | 250.2          | 171.2                           | 188.4          | 428.7          | 438.6          |
| Restricted                            | 51.2                           | 45.6           | 4.8                             | 17.6           | 56.0           | 63.2           |
| Unrestricted                          | <u>58.3</u>                    | <u>29.9</u>    | <u>(30.4)</u>                   | <u>(39.2)</u>  | <u>27.9</u>    | <u>(9.3)</u>   |
| Total net position                    | <u>\$ 367.0</u>                | <u>325.7</u>   | <u>145.6</u>                    | <u>166.8</u>   | <u>512.6</u>   | <u>492.5</u>   |

The largest portion of the County's net position is net investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment). As of June 30, 2023, this amount was \$428.7 million (83.6% of total net position). This compares to \$438.6 million (89.1% of total net position) net investment in capital assets for the previous fiscal year-end, a net decrease of \$9.9 million or negative 2.26%. This decrease is primarily the net result of three factors: paying down capital related debt, the retirement of the San Juan power plant, and an increase in depreciation due to the capitalization of large assets in prior years. Capital assets, including construction work in progress, are not available for future spending because the County uses them to provide its services.

The balance of restricted net position is \$56.0 million (10.9% of total net position) at fiscal year-end 2023, a decrease of \$7.2 million or negative 11.39% compared to the prior year. Restricted net position balances in the business-type activities decreased \$12.8 million as the Joint Utility fund used the cash restricted for operations and capital to fund the current year operations in the Joint Utility Fund. Restricted net position balances in the government-type activities increased \$5.6 million. The most significant changes were in the Capital Project Permanent Fund where the restricted balance for income stabilization increased \$3.1 million due to the increase in investment income, in the Capital Improvement Projects Fund where the restricted balance for capital projects decreased \$.3 million, in the State Grants Fund where the restricted balance for grants increased \$.8 million in the Health Care Assistance Fund where the restricted balance for health care claims increased \$1.0 million, and in the General Fund where the restricted balance for cash requirements increased \$1.0 million due to the increase in the current year revised budget.

The County reported \$27.9 million as unrestricted net position in fiscal year 2023. Unrestricted net position improved in fiscal year 2023 by \$37.2 million from negative \$9.3 million in fiscal year 2022 to \$27.8 million in 2023. The most significant reason for the improvement in the County's unrestricted net position is due to the increase in investment earnings combined with the increase in gross receipts tax revenue received during fiscal year 2023.

#### Changes in Net Position

Table 3 shows changes in net position as a result of revenues and expenses generated by governmental and business-type activities (next page).

**Table 3**  
**Los Alamos County's Changes in Net Position**  
**For Fiscal Year Ended June 30, 2023**  
(in millions of \$)

|  | <u>Governmental Activities</u> |                | <u>Business-type Activities</u> |                | <u>Total</u>   |                |
|--|--------------------------------|----------------|---------------------------------|----------------|----------------|----------------|
|  | <u>FY 2023</u>                 | <u>FY 2022</u> | <u>FY 2023</u>                  | <u>FY 2022</u> | <u>FY 2023</u> | <u>FY 2022</u> |
| <b>Revenues:</b>   |                                |                |                                 |                |                |                |
| Program revenues:  |                                |                |                                 |                |                |                |
| Charges for services   | \$ 3.3                         | 3.6            | 94.9                            | 81.4           | 98.2           | 85.0           |
| Operating grants and contributions                           | 3.1                            | 3.7            | 27.3                            | 24.7           | 30.4           | 28.4           |
| Capital grants and contributions                             | 3.4                            | 1.7            | 0.3                             | 1.1            | 3.7            | 2.8            |
| Total program revenues                                       | <u>9.8</u>                     | <u>9.0</u>     | <u>122.5</u>                    | <u>107.2</u>   | <u>132.3</u>   | <u>116.2</u>   |
| General revenues:  |                                |                |                                 |                |                |                |
| Gross receipts taxes   | 58.0                           | 44.2           | 4.9                             | 3.5            | 62.9           | 47.7           |
| Property taxes   | 8.6                            | 8.3            | 0.0                             | 0.0            | 8.6            | 8.3            |
| Franchise taxes  | 0.7                            | 0.5            | 0.0                             | 0.0            | 0.7            | 0.5            |
| Grants and contributions not restricted to specific programs | 1.0                            | 12.0           | 0.0                             | 0.0            | 1.0            | 12.0           |
| State shared revenue   | 33.5                           | 24.5           | 0.0                             | 0.0            | 33.5           | 24.5           |
| Unrestricted interest and investment earnings (loss)         | 7.1                            | (13.0)         | 1.5                             | (1.1)          | 8.6            | (14.1)         |
| Gain (loss) on exchange of capital assets                    | 0.0                            | 0.0            | 0.0                             | 0.0            | 0.0            | 0.0            |
| Total general revenues                                       | <u>108.9</u>                   | <u>76.5</u>    | <u>6.4</u>                      | <u>2.4</u>     | <u>115.3</u>   | <u>78.9</u>    |
| Total Revenues   | <u>118.7</u>                   | <u>85.5</u>    | <u>128.9</u>                    | <u>109.6</u>   | <u>247.6</u>   | <u>195.1</u>   |
| <b>Program expenses:</b>                                     |                                |                |                                 |                |                |                |
| General government   | 20.7                           | 16.3           | 0.0                             | 0.0            | 20.7           | 16.3           |
| Public safety  | 20.7                           | 18.3           | 0.0                             | 0.0            | 20.7           | 18.3           |
| Physical and economic environment                            | 3.9                            | 5.4            | 0.0                             | 0.0            | 3.9            | 5.4            |
| Transportation   | 10.2                           | 9.0            | 0.0                             | 0.0            | 10.2           | 9.0            |
| Health and welfare   | 5.5                            | 5.3            | 0.0                             | 0.0            | 5.5            | 5.3            |
| Culture and recreation                                       | 11.8                           | 10.7           | 0.0                             | 0.0            | 11.8           | 10.7           |
| Interest on long-term debt                                   | 0.9                            | 1.1            | 0.0                             | 0.0            | 0.9            | 1.1            |
| Electric   | 0.0                            | 0.0            | 80.7                            | 47.7           | 80.7           | 47.7           |
| Gas  | 0.0                            | 0.0            | 13.0                            | 8.3            | 13.0           | 8.3            |
| Water  | 0.0                            | 0.0            | 9.8                             | 8.2            | 9.8            | 8.2            |
| Wastewater   | 0.0                            | 0.0            | 5.2                             | 4.9            | 5.2            | 4.9            |
| Environmental services                                       | 0.0                            | 0.0            | 5.7                             | 4.2            | 5.7            | 4.2            |
| Transit (Atomic City Transit)                                | 0.0                            | 0.0            | 4.4                             | 4.2            | 4.4            | 4.2            |
| Fire   | 0.0                            | 0.0            | 29.1                            | 27.4           | 29.1           | 27.4           |
| Airport  | 0.0                            | 0.0            | 2.2                             | 1.2            | 2.2            | 1.2            |
| Total expenses   | <u>73.7</u>                    | <u>66.1</u>    | <u>150.1</u>                    | <u>106.1</u>   | <u>223.8</u>   | <u>172.2</u>   |
| <b>Change in net position before transfers</b>               | <b>45.0</b>                    | <b>19.4</b>    | <b>(21.2)</b>                   | <b>3.5</b>     | <b>23.8</b>    | <b>22.9</b>    |
| Transfers  | (1.1)                          | (3.3)          | 1.1                             | 3.3            | 0.0            | 0.0            |
| <b>Total Change in net position</b>                          | <b>43.9</b>                    | <b>16.1</b>    | <b>(20.1)</b>                   | <b>6.8</b>     | <b>23.8</b>    | <b>22.9</b>    |
| Beginning net position                                       | 325.7                          | 309.6          | 166.8                           | 160.0          | 492.5          | 469.6          |
| Prior period adjustment                                      | (2.6)                          | 0.0            | (1.1)                           | 0.0            | (3.7)          | 0.0            |
| Ending net position  | \$ <u>367.0</u>                | <u>325.7</u>   | <u>145.6</u>                    | <u>166.8</u>   | <u>512.6</u>   | <u>492.5</u>   |

### **Governmental Activities**

Governmental activities during the year increased the County's net position by \$43.9 million for fiscal year 2023 as compared to the prior year. This section compares results of governmental activities for fiscal year 2023 to fiscal year 2022 as summarized in Table 3.

Total revenues were \$118.7 million in fiscal year 2023, approximately \$33.2 million more than the previous year. Key variances include:

- An increase of \$13.8 million in gross receipts tax revenue and \$9.0 million in state shared revenue from fiscal year 2022 primarily due to increases in spending at LANL, the largest single employer in the county;
- Interest and investment earnings increased by \$20.1 million compared to the prior fiscal year. In fiscal year 2023, interest and investment earnings is \$7.1 million. In fiscal year 2022, interest and investment earnings was negative \$13 million. This was reflected primarily in balances invested in market-based funds with the New Mexico State Investment Council;
- Grants and contributions not restricted to specific programs decreased by \$11.0 million compared to the prior fiscal year primarily due to a settlement the County received from New Mexico Taxation and Revenue Department in fiscal year 2022;
- Capital grants and contributions increased by \$1.7 million from fiscal year 2022;
- Operating grants and contributions decreased by \$.6 million from fiscal year 2022; and
- Property taxes increased by \$.2 million from fiscal year 2022.

Total expenses for governmental activities were \$73.7 million in fiscal year 2023, or approximately \$7.6 million more than the previous year. Key variances include:

- An increase of \$4.4 million in General Government costs primarily due to increases in salaries and benefits;
- An increase of \$2.4 million in Public Safety costs mainly related to increases in salaries and benefits;
- A decrease of \$1.5 million in Physical and Economic Environment primarily in contractual services; and
- An increase of \$1.2 million in Transportation primarily due to increases in salaries and benefits;
- An increase of \$1.1 million in Culture and Recreation costs mainly related to contractual and professional services.

Figure 1 (next page) compares program revenues to expenses for governmental activities at the fiscal year-end 2023. This analysis demonstrates how dependent the County is on its ability to collect gross receipts, property and franchise taxes to fund basic services. At fiscal year-end, governmental activities' program expenses were far greater than related program revenues, resulting in the use of \$63.9 million in general revenues and accumulated net position from governmental activities. Approximately 13.3% of governmental program expenses were covered by program revenues during fiscal year 2023, which is a decrease compared to last year, at 13.6%.

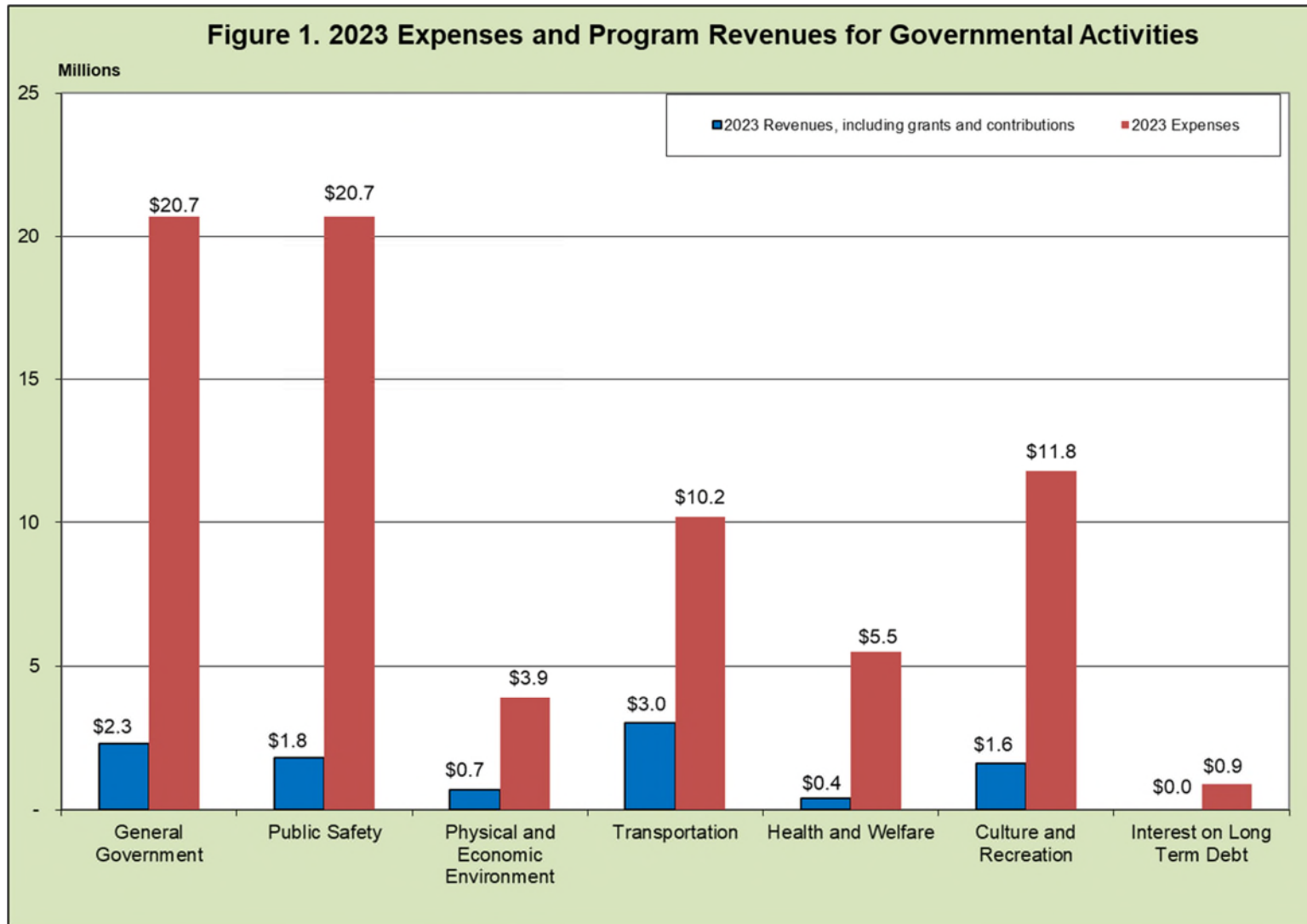
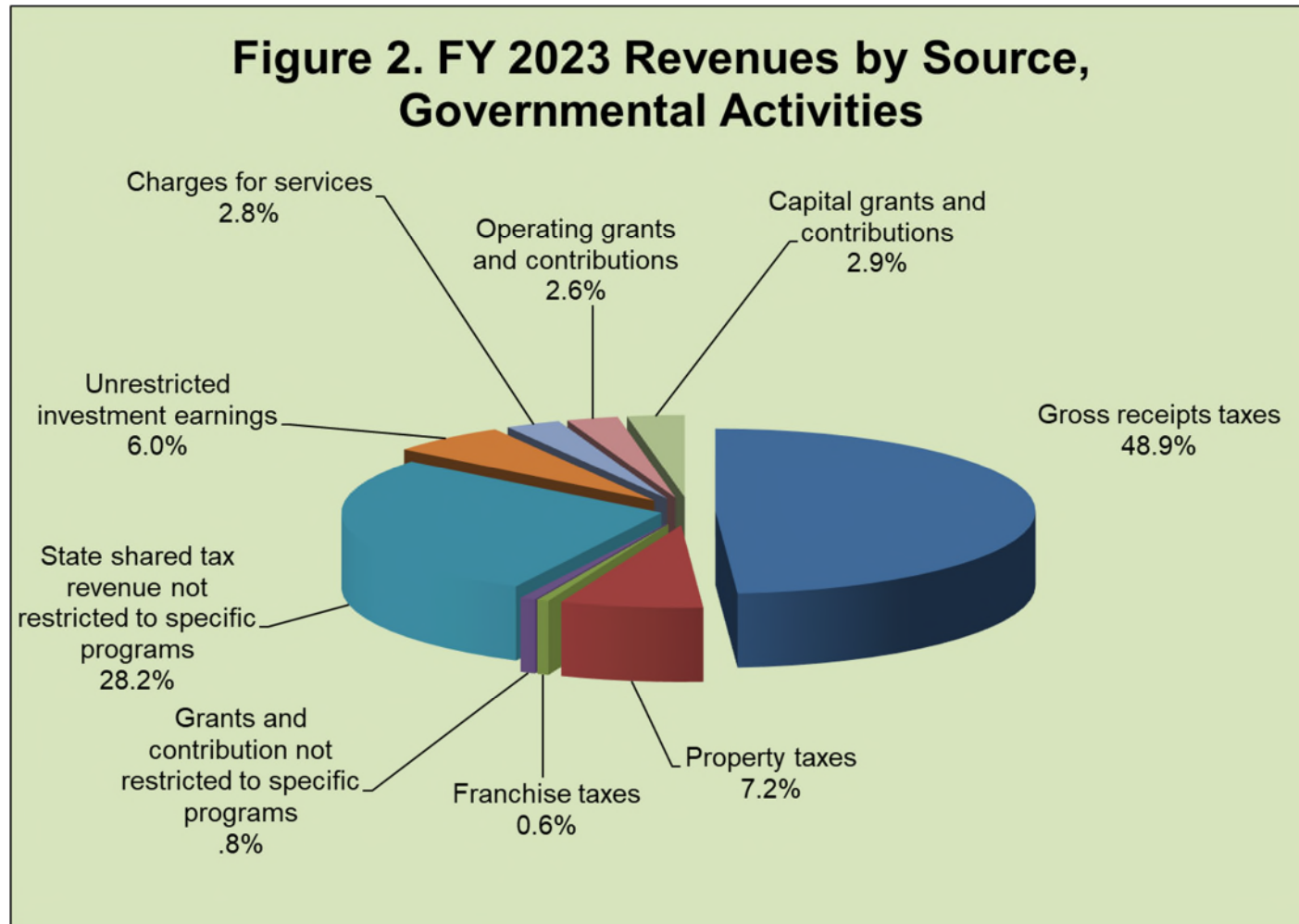


Figure 2 shows the mix of revenues by source for Governmental Activities. This chart demonstrates the relative importance of different types of taxes to the mix of general revenue in 2023. It should be noted that the State shared tax revenue not restricted to specific programs is almost entirely State Shared GRT revenue, so combined with locally imposed GRT tax increments, total GRT revenues made up approximately 77.1% of Governmental Activities revenues, which is a 3.3% decrease from the prior year. This change is primarily due to the \$20.1 million increase in unrestricted interest and investment earnings from fiscal year 2022.



## Business-type Activities

Business-type activities decreased the County's net position by \$20.1 million for the fiscal year-ended June 30, 2023. This compares to a \$6.8 million decrease during the previous fiscal year. This section compares results of business-type activities for fiscal year 2023 to fiscal year 2022 as summarized in Table 3.

Total revenues and contributions were \$128.9 million in fiscal year 2023; approximately \$19.3 million more than the previous year. This includes an increase of \$13.5 million in charges for services due to higher utility consumption coupled with gas and wastewater utility rate increases in fiscal year 2023. There was also a \$2.6 million increase in interest and investment income, a combined increase of \$1.8 million in operating and capital grants and contributions, and gross receipts taxes increased by \$1.4 million.

Total expenses were \$150.1 million in fiscal year 2023, a \$44.0 million increase over the previous year. The total Joint Utility System experienced an increase of \$39.6 million in expenses from prior year. The Electric fund experienced a \$12.4 million increase in cost of purchased power, wheeling charges and contractual services combined as well as a \$19.7 million increase in loss on disposition of capital assets, due to the retirement of the San Juan power plant. The Gas fund had a \$6.2 million increase in cost of gas while the Water fund had an increase of \$2.3 million in contractual services. The Transit fund had a \$.3 million increase in salaries and benefits and contractual services combined. The Fire fund had a \$1.9 million increase in salaries and benefits and a \$.3 million increase in contractual services. The Airport fund had a \$.9 million increase in contractual services.

Figure 3 (next page) compares program revenues to expenses for business-type activities for fiscal year 2023. This chart demonstrates to what degree revenues covered expenses for each program by type of activity. Overall, total business-type program expenses exceeded total program revenues by approximately \$27.6 million in fiscal year 2023 as compared to fiscal year 2022 where program revenues exceeded program expenses by \$1.1 million. The electric function has program losses due to the retirement of the San Juan power plant. The gas function has program losses due to the significant increase in cost of gas purchased.



**Figure 3. 2023 Expenses and Program Revenues for Business Type Activities**

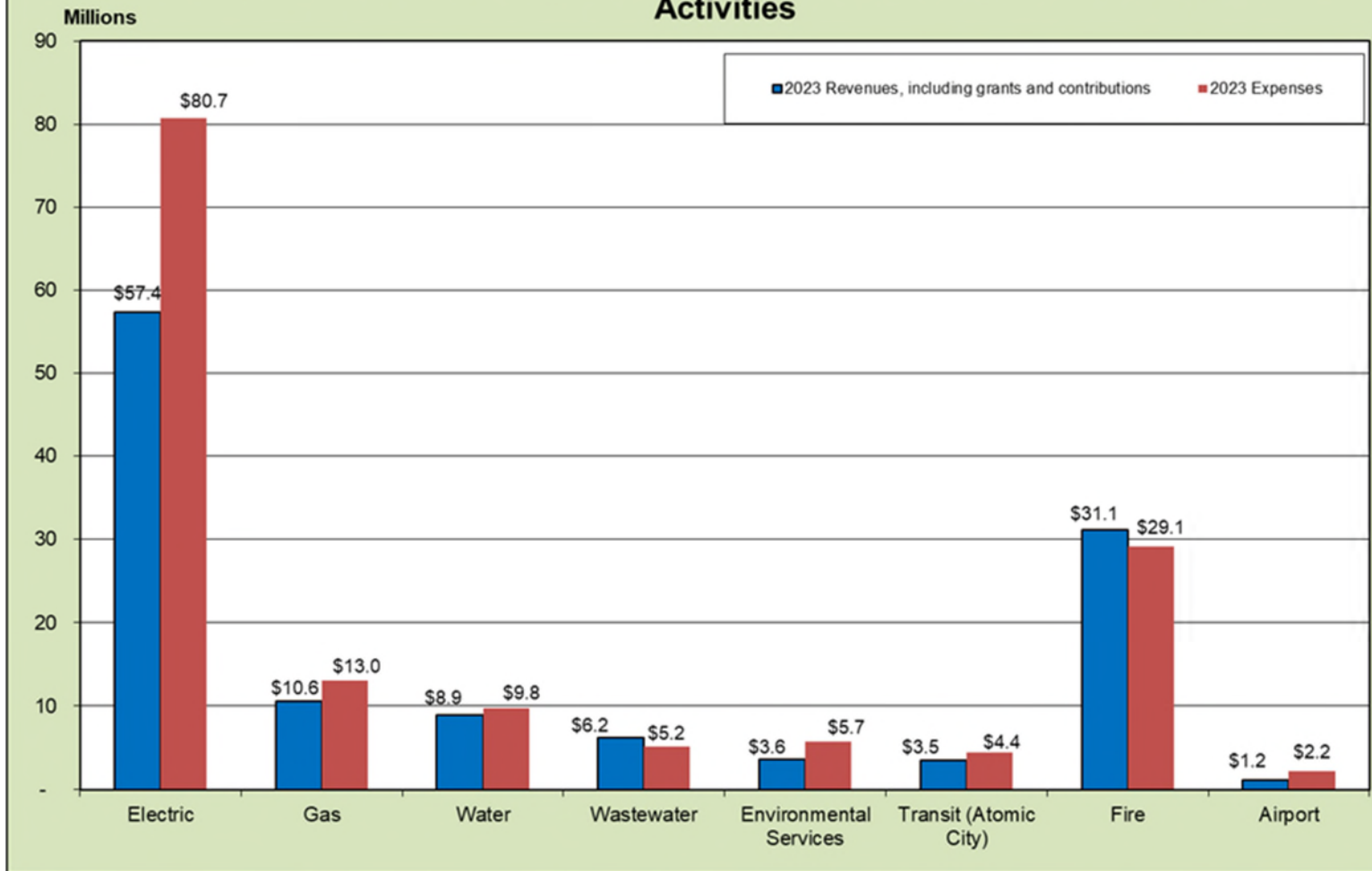
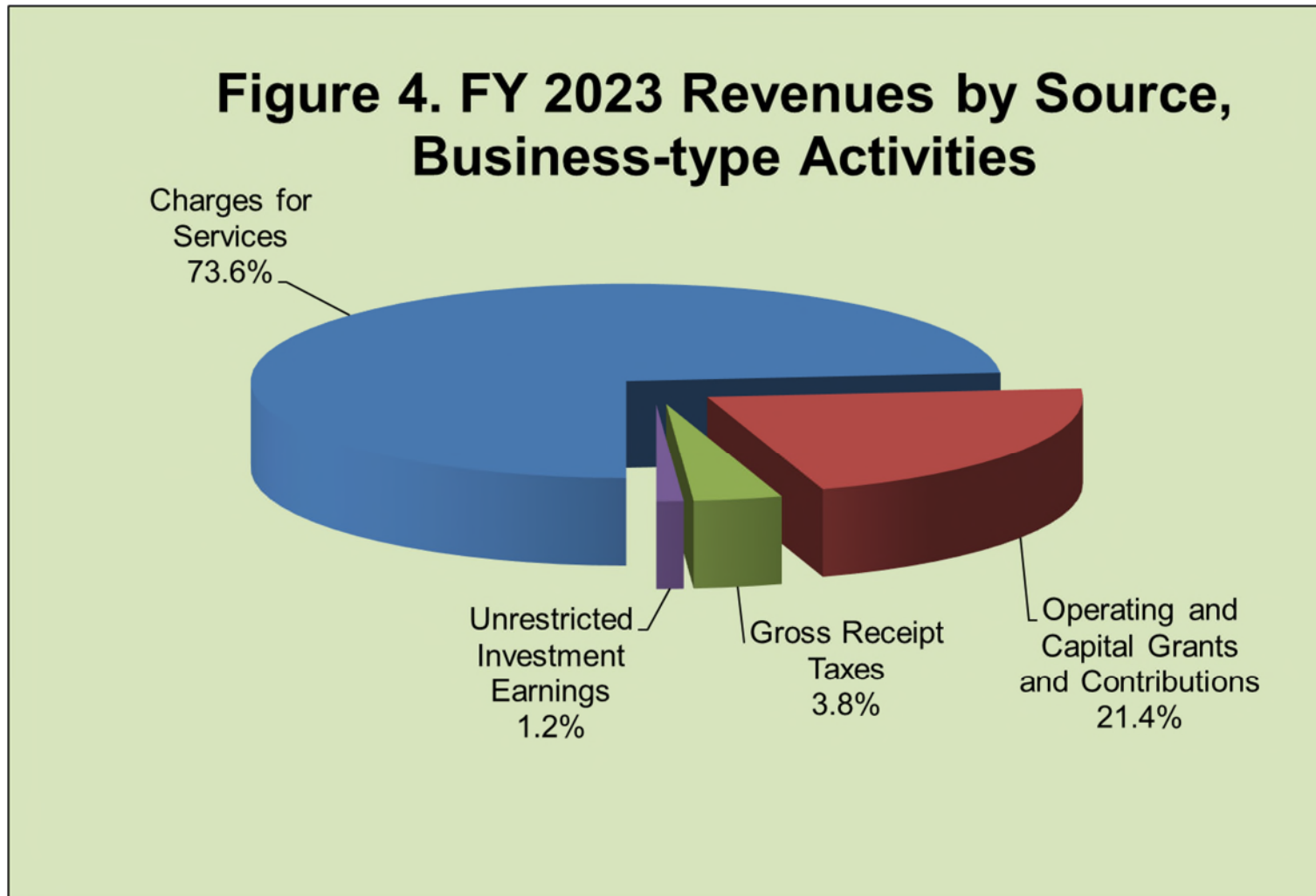


Figure 4 demonstrates that approximately 73.6% of business-type activities revenues were generated from user charges for services in fiscal year 2023, which is a decrease of .7% when compared to fiscal year 2022. In fiscal year 2023, operating and capital grants made up 21.4% of revenues, which remained respectively unchanged when compared to fiscal year 2022. The gain on investment earnings made up 1.2% of revenues, which is an increase of 2.2% when compared to fiscal year 2022.



## FINANCIAL ANALYSIS OF THE GOVERNMENT'S MAJOR FUNDS

**Analysis of Total Governmental Funds** - County governmental funds account for current year revenue, expenditures, and balances of resources available for spending. For the fiscal year-ended June 30, 2023, the County's governmental funds reported combined ending fund balance of approximately \$172.7 million. Overall, this was a \$32.2 million increase from the prior year. Activities that impacted fund balance compared to the prior year include an increase in investment income of \$20.1 million, an increase in gross receipts taxes of \$13.7 million, an increase in State shared revenue of \$9.3 million and a decrease in other judgements and settlements of \$10.9 million.

Fund balances are comprised of four categories:

- \$31.6 million was *nonspendable* at fiscal year-end 2023, a \$29.7 million increase over the prior year. In prior years, the Capital Projects Permanent fund had reported restricted fund balance; however, in fiscal year 2023, the balance of \$29.3 million was moved to the nonspendable category per GASBS 54, which states that the nonspendable classification more closely defines permanent fund principal and should be used to report permanent fund corpus in governmental funds. The Capital Projects Permanent fund was established by County Charter for capital projects. The County's Charter is only amendable by ballot or citizen's vote. These amounts are invested, and the real value of the fund principal is non-spendable and maintained using the implicit price deflator for the gross domestic product. When there is investment income in excess of the principal maintenance, it is made available for expenditure in the Capital Improvement Projects Fund. In fiscal year 2023, the General Fund reported a \$.4 million increase in the nonspendable classification of leases due to the implementation of GASB 87, *Leases*. Nonspendable balances are reported separately to indicate that certain assets do not represent available, spendable resources even though they are a component of net position. These assets are not expected to be converted to cash in time to pay current obligations. Nonspendable balances typically include long-term receivables and advances to other funds, inventories, and prepaid items.
- \$20.9 million of fund balance in governmental funds was *restricted* at fiscal year-end 2023, a \$23.7 million decrease from the prior year. The primary reason for this decrease is the re-classification of the Capital Projects Permanent fund of \$29.3 million from restricted to nonspendable in fiscal year 2023. The Capital Projects Permanent fund also includes income stabilization of \$4.3 million which is restricted per the County code. The income stabilization restricted balance increased \$3.1 million in fiscal year 2023 per the annual inflationary calculation required to maintain the real value of the principal. Restricted balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which require the resources to be used only for a specific purpose. This includes certain balances where the imposition of the revenue by Federal or State law restricts the expenditure to a specific purpose. Cumulatively, other restricted fund balances increased approximately \$2.5 million mainly due to an increase in restricted cash requirements.
- \$129 thousand of governmental funds' fund balance was *committed* at fiscal year-end 2023. This includes certain balances where the imposition of the revenue is by County code. The balance in this category is made up of fund balance committed to art in public places and is an increase of \$71 thousand over the prior year.
- \$68.1 million of governmental funds' fund balance was *assigned* at fiscal year-end 2023 which was a \$10.8 million increase from the prior year. These fund balances have constraints imposed by County Council policies and direction prior to fiscal year-end, but are not reflected in County ordinances. The fund balance *assigned to capital projects* in FY2023 increased \$12.6 million as capital expenditures to fund new and existing projects increased from prior year. The balance assigned for *continuing appropriations* increased \$2.0 million as \$11.9 million

was approved to be carried over to fiscal year 2024 compared to \$9.8 million which was approved to be carried over to fiscal year 2023 from fiscal year 2022. The balance assigned for *fire services* increased by \$.3 million as a result of assigning 1% to total program incurred costs. The balance assigned for *economic development* decreased \$1.2 million from prior year. The balance assigned for *emergency response and recovery* decreased \$2.9 million from prior year.

- The remaining \$52.0 million of fund balance was *unassigned* in the General Fund. This is a \$15.4 million increase from the prior year. Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This balance includes the residual fund balance of the General Fund. A significant portion of this change resulted from an increase in General Fund revenues.

**General Fund** - The General Fund is the main governmental operating fund of the County. Its total fund balance for the fiscal year-ended June 30, 2023, was approximately \$78.6 million as compared to \$59.5 million at the prior year-end, amounting to a net \$19.1 million increase. Revenues exceeded expenditures by \$10.5 million over the prior year, and some notable differences include an increase in investment income of \$8.3 million over prior year; an increase in state shared revenue of \$9.2 million; an increase in interdepartmental services of \$.5 million; an increase in property taxes of \$.4 million; an increase in general governmental expenditures of \$5.3 million; an increase in public safety expenditures of \$1.9 million; and an increase in culture and recreation expenditures of \$.7 million. See page 22 for a more detailed explanation of General Fund Budgetary Highlights. Two measures of the General Fund's liquidity are: (1) the percent of total fund balance as a percent of expenditures and (2) the spendable/unrestricted fund balance as a percent of expenditures. The total fund balance was 112.3% of expenditures and the spendable/unrestricted component was 94.5% of expenditures. Both liquidity measures increased as compared to the prior year as a result of the larger fund balance increase in fiscal year 2023. Significant account balances and transactions in the General Fund included:

- \$28.6 million transferred out to other funds which includes \$4.6 million to the Gross Receipts Tax Revenue Bond Debt Service Fund (for debt service). Other notable transfers out were \$19.4 million to the Capital Improvement Projects Fund (for capital projects), \$1.2 million to the Airport Fund (to support operations), \$1.6 million to the Economic Development Fund (related to the Los Alamos Public Schools (LAPS) grant for \$1.2 million and the University of New Mexico-Los Alamos (UNMLA) grant for \$.4 million), \$1.1 million to the Transit Fund (to support operations), and \$.7 million to the Health Care Assistance Fund (to support local health programs);
- \$14.1 million due from other governments, due primarily from the State of New Mexico for their portion of gross receipts taxes that is shared locally with the County and the GRT that the State collects on behalf of the County for locally imposed GRT increments. This balance is \$3.6 million higher than the prior year as a result of increased gross receipts tax accruals recorded in fiscal year 2023;
- \$10.1 million is restricted for cash requirements. The State requires that one-twelfth of General Fund revised-budgeted expenditures be maintained as a cash reserve; and
- Unassigned fund balance of the General Fund increased by \$15.9 million as a result of the increase in the County's gross receipts taxes received.

**Economic Development Fund** - The Economic Development Fund (special revenue fund) accounts for receipt, management, investment, and expenditure of the buyout payment received from the Department of Energy under the Atomic Energy Communities Act. The assignment of \$4.4 millions of fund balance recognizes that this is a one-time resource for the County to use to help develop the local economy so that it is less

dependent upon the Los Alamos National Laboratory (LANL). The \$4.4 million total fund balance at the end of fiscal year 2023 was \$1 million lower than in the prior fiscal year. Expenditures exceeded revenues by \$1 million with the balance resulting from transfers in of \$1.6 million.

Housing Sub-fund: During fiscal year 2023, the County issued mortgage loans totaling \$231 thousand under its Housing Rehabilitation Program and \$61 thousand under its Down Payment Assistance Program. The loans vary in terms and conditions for repayment based on affordability periods and qualifying events that may trigger future repayment.

**Emergency Declarations Fund** – The Emergency Declarations Fund (special revenue fund) accounts for revenues and expenditures associated with the response to and recovery from declared emergencies including the Las Conchas Fire which began July 26, 2011, flooding events within the community in September 2013, and the public health emergency resulting from the COVID-19 pandemic which began in March 2020. The Emergency Declarations Fund (special revenue fund) accounts for revenues and expenditures associated with the response to and recovery from declared emergencies beginning with the Las Conchas Fire on July 26, 2011, subsequent flooding events, and the public health emergency resulting from the COVID-19 pandemic which began in March 2020. The fund reflects a fund balance of \$.5 million, a decrease of \$2.9 million from FY2022 due to a prior period adjustment (per GASB Statement 33) of \$2.6 million to reclass ARPA earned revenue to unearned revenue as well as a transfer to the General Fund in the amount of \$.3 million to close out two separate funds associated with the flooding events of 2011, 2012, and 2013.

**Capital Improvement Projects Fund** - The Capital Improvement Projects Fund accounts for the financing and construction of structures and improvements approved by the County Council. The total fund balance at fiscal year-end was \$49.4 36.6 million, which represents the unspent portion of previously approved and funded capital projects. The fund balance increased by \$12.8 million from the prior fiscal year as transfers in exceeded expenditures to fund new and existing projects. Significant capital expenditures in fiscal year 2023 include the following: \$4.0 million on Canyon Road, \$2.0 million on the Arkansas Street Reconstruction, and \$1.1 million on the Sherwood Blvd Reconstruction.

**Capital Projects Permanent Fund** – The Capital Projects Permanent Fund accounts for amounts received as a settlement of prior years' gross receipts taxes, and that was set aside by the County Council and the County Charter for capital projects. These amounts are invested, and the real value of the fund principal is required by County Charter to be maintained at an annual level that keeps pace with the implicit price deflator for the gross domestic product. The minimum principal requirement of approximately \$29.3 million, as of June 30, 2023 is identified as nonspendable in fund balance to recognize the County Charter restrictions. When there is investment income in excess of the principal maintenance requirement, it is made available for expenditure in the Capital Improvement Projects Fund. During fiscal year 2023, \$1.6 million was transferred out to the Capital Improvement Projects Fund as regularly scheduled. The balance in this fund is primarily invested in long-term pooled funds with the New Mexico State Investment Council. Total ending fund balance at June 30, 2023 was \$33.6 million, an increase of \$2.8 million from the prior year.

**Analysis of Total Proprietary Funds** - The County proprietary funds provide detail about the same type of information found in the government-wide financial statements. This analysis of proprietary funds focuses on the significant balances and operations of individual funds, reasons why these balances changed, and significant limitations on future uses.

**Joint Utility System Fund** - The most notable balances and transactions in the Joint Utility System Fund were:

- \$175.3 million in capital assets (net of accumulated depreciation of \$152.2 million), including electric production and distribution assets, water production and distribution assets, gas distribution assets and wastewater collection and processing assets. This balance decreased by \$3.1 million in fiscal year 2023;

- \$39.8 million in debt related to the Utility plant in service, which is \$12.6 million higher than the prior year with the fiscal year regularly scheduled debt service payments in the amount of \$2.0 million and the issuance of loans which include a \$10.6 million loan from New Mexico Environment Department for the White Rock Treatment Plant, a \$2.0 million loan from New Mexico Environment Department to design and construct Otowi Wells 2 and 4, a \$.2 million loan from New Mexico Finance Administration for the effluent water storage tank at the Bayo Booster Station, a \$1.2 million loan for the filtration treatment process at the new Wastewater Treatment Plant from New Mexico Finance Administration, a \$.6 million Drinking Water Fund loan from New Mexico Finance Administration;
- \$11.4 million restricted for future liabilities special closure costs related to the San Juan Plant decommissioning and Laramie River decommissioning. This increased \$.1 million from the prior year because work on reclamation has ramped up with the closure of the San Juan Power Plant;
- \$12.5 million in pension liability increased by \$3.7 million, deferred pension outflows increased by \$0.9 million from a \$2.4 million decrease in prior year, and \$.1 million in deferred pension inflows decreased by \$2.7 million from the prior year, all related to the changes in the County's share of the pension liability;
- Operating revenues were \$83 million in fiscal year 2023, an increase of \$13.3 million compared to the prior year. The increase is the result of a \$8.5 million increase in revenues in electric (due mostly to an increase in wholesale sales to LANL based on its demand), a \$3.5 million increase in gas revenues (due to higher demand), and an increase of \$1.3 million in intergovernmental revenue;
- Operating expenses were \$21.7 million higher at \$85.0 million in fiscal year 2023, compared to \$63.3 million in fiscal year 2022. The increase is the net result of: an increase of \$14.0 million in the Electric subfund, related to increased contractual services, a \$5.4 million increase in the Gas subfund, related to increased contractual services, a \$2.1 million increase in the Water subfund, related to increased contractual services, and a \$.2 million increase in the Wastewater subfund contractual services;
- Overall the Joint Utility System Fund ended the fiscal year with \$24.8 million lower in net position compared to FY2022.

**Environmental Services Fund** – The Environmental Services Fund has a long-term liability balance of \$5.7 million. Of this, \$1.1 million is for landfill closure and monitoring and \$2.8 million is intergovernmental debt payable for a loan from the New Mexico Finance Authority that was used to fund the construction of the Solid Waste Transfer Station (EcoStation). The remainder relates to net pension liability, net other post employment benefits liability and compensated absences of \$1.8 million. Total expenses of \$5.8 million exceeded operating and non-operating revenues of \$5.3 million by \$.5 million in fiscal year 2023, compared to a \$0.8 million income in the prior year.

**Transit Fund** – The Transit Fund accounts for public transportation services provided to the community, with no additional user fees or charges, under the name Atomic City Transit (ACT). The fund is funded primarily through federal grants of \$1.8 million, payments from the North Central Regional Transit District of \$1.6 million, and transfers in from the general fund of \$1.0 million. Other notable balances include the net other post employment benefits liability of \$.6 million, a decrease of \$.2 million from the prior year and the net pension liability of \$2.8 million, an increase of \$.8 million from the prior year. The Transit Fund has an ending negative net position of \$102 thousand, an increase of \$28 thousand from fiscal year 2022, primarily related to the cumulative result of recording pension and post employment benefit liabilities in prior years.

**Fire Fund** – On October 1, 2013 the County entered into a ten year cooperative agreement with the National Nuclear Security Administration (NNSA) to provide enhanced fire protection services to LANL (replacing a similar 5 year cooperative agreement). Under the agreement, the County pays a

share of costs for operating the fire department. The County share for fiscal year 2023 was \$7.7 million. The intergovernmental revenue of \$22.6 million in the Fire Fund includes all operating grant revenue under the cooperative agreement. Per GASBS 87, *Leases*, the Fire Fund recorded an initial lease liability in the amount of \$.9 million for the use of 999 Central Avenue in fiscal year 2022. As of fiscal year 2023, the value of the lease liability is \$.7 million. The Fire Fund is required to make monthly fixed payments of \$18 thousand. The lease has an interest rate of 1.14%. In addition, per GASBS 96, *Subscription Based IT Arrangements*, the Fire Fund recorded an initial subscription liability in the amount of \$.4 million for the use of three individual subscriptions in fiscal year 2023. As of fiscal year 2023, the value of the SBITA liability is \$.3 million. SBITA has an average interest rate of 2.49%. The value of the right to use asset for both Leases and Subscriptions as of June 30, 2023, is \$1.4 million with accumulated amortization of \$.4 million. The Fire Fund has an ending negative net position of \$42.9 million, an increase of \$2 million from fiscal year 2022, primarily related to the cumulative result of recording pension and post employment benefit liabilities in prior years. Total operating and non-operating revenues of \$34.2 million exceeded expenses of \$29.5 million by \$4.6 million in fiscal year 2023.

**Airport Fund** – Net position increased \$0.4 million as operating and non-operating revenues of \$1.4 million and transfers-in of \$1.2 million exceeded expenses of \$2.2 million. Depreciation on capital assets represents 27.3% of the operating expenses of the airport, which no longer has commercial air service.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

General Fund revenues available for spending on budgeted needs were \$4.0 million more than the final revised budget of \$92.8 million. The variance between actual revenue and the revised budget was largely due to an increase Gross Receipts Tax Revenue. Gross receipts tax revenue was \$3.9 million more than projected. State shared revenue was \$3.8 million less than projected. Charges for services revenue was \$.2 million more than projected. Interdepartmental services were \$.6 million less than projected. Pension forfeitures were \$.19 million more than projected. Local units in-lieu taxes were \$.16 million more than projected.

Actual General Fund expenditures were approximately \$15.5 million less than the final revised fiscal year 2023 budget. This variance was achieved through careful cost management measures across all departments while, simultaneously, deferring spending due to the COVID19 pandemic which have caused product delays and staff shortages. Most variances were less than 5% of budget, as the County has been managing to tighten budgets and cutting back for several years. The County Manager's Office is \$2 million or 20% under budget, Administrative Services is \$1.8 million or 15.0% below budget, Community Services is \$2.7 million or 17% below budget, Police is \$1.6 million or 11% below budget, Public Works is \$4.6 million or 20.0% below budget and the Community Development Department is 59% or \$2.3 million under in its expenditure budget.

The revised budget for revenues of \$89.4 million is \$.481 million higher than the adopted annual budget. The revised budget for expenditures of \$92.6 million is \$18.6 million higher than the adopted budget. The increase is comprised of the following: approximately \$4.5 million for encumbrance carry overs, \$3.2 million for Progress through Partnering, \$3.0 million for approved prior year fund carryovers for continued projects, \$1.3 million for Pavement Preservation, \$1.6 million for Major Facilities Maintenance, \$2.5 million for midyear salary adjustments, and \$2.5 million in various grants and additional projects.

A detailed statement of budget variances for the General Fund can be found on pages 42-52.

## ADMINISTRATION OF CAPITAL ASSETS AND DEBT

**Capital Assets** - The County's total investment in capital assets for its governmental and business type activities as of June 30, 2023 was \$495.4 million, net of \$397.1 million in accumulated depreciation. This investment in capital assets includes land, utility plant, facilities and buildings, machinery and equipment, parks and recreation facilities and improvements and infrastructure such as highways, roads, sidewalks, storm drains, storm inlets, bridges, traffic lights, flasher beacons and streetlights, and right to use assets, which include a building and equipment that the County is leasing as well as subscription based information technology arrangements. Total capital assets for the County increased by approximately \$2.1 million from 2022 to 2023 or .43%. Capital assets associated with governmental activities increased by \$6.9 million mostly due to the \$13.9 million cumulative addition of improvements and infrastructure, \$1.8 million addition of machinery and equipment, depreciation of \$9.7 million, decrease of construction in progress of \$3.7 million, the addition of right to use assets of \$.5 million, net of amortization, due to the implementation of GASBS 87, *Leases*, and the addition of right to use assets of \$3.3 million, net of amortization, due to the implementation of GASBS 96, *Subscription Based IT Arrangements*. Capital assets associated with business-type activities decreased by \$4.8 million due to the cumulative effect of a \$38.7 million decrease in utility plant in service and a \$27.0 million decrease in accumulated depreciation, as well as a \$.3 million decrease in machinery and equipment, an increase of \$7.0 million in construction work in progress, an increase of right to use assets of \$.2 million, net of amortization, due to the implementation of GASBS 87, *Leases*, and GASBS 96, *Subscription Based IT Arrangements*. In October 2022, the San Juan Electric Generating Station ceased operations; thereby requiring all capital assets remaining for the San Juan location be retired and depreciated. During fiscal year 2023, the disposition amount for utility plant in service was \$55.3 million and accumulated depreciation was \$34.8 million as a result of the plant closure. Additional information about the County's capital assets can be found on pages 89-92.

A year over year comparison of changes in capital assets is shown in Table 4.

|   | <u>Governmental Activities</u> |                 | <u>Business-type Activities</u> |                 | <u>Total</u>    |                 |
|---|--------------------------------|-----------------|---------------------------------|-----------------|-----------------|-----------------|
|   | <u>FY 2023</u>                 | <u>FY 2022</u>  | <u>FY 2023</u>                  | <u>FY 2022</u>  | <u>FY 2023</u>  | <u>FY 2022</u>  |
| Land  | \$ 40.3                        | \$ 40.3         | 8.4                             | 8.4             | 48.7            | 48.7            |
| Right of Way  | 18.0                           | 18.0            | 0.0                             | 0.0             | 18.0            | 18.0            |
| Utility Plant in Service                                | 0.0                            | 0.0             | 296.5                           | 335.2           | 296.5           | 335.2           |
| Buildings   | 144.6                          | 143.8           | 25.1                            | 25.1            | 169.7           | 168.9           |
| Improvements other than buildings                       | 40.2                           | 31.6            | 18.2                            | 18.2            | 58.4            | 49.8            |
| Machinery and Equipment, Art and Historic Treasures     | 25.3                           | 23.5            | 38.3                            | 38.6            | 63.6            | 62.1            |
| Infrastructure  | 201.3                          | 196.0           | 0.0                             | 0.0             | 201.3           | 196.0           |
| Less Accumulated Depreciation                           | (200.0)                        | (190.3)         | (197.1)                         | (224.1)         | (397.1)         | (414.4)         |
| Construction in Progress                                | 6.7                            | 10.4            | 24.3                            | 17.3            | 31.0            | 27.7            |
| Right to use assets                                     |                                |                 |                                 |                 |                 |                 |
| Buildings - Leases, net of amortization                 | 0.2                            | 0.3             | 0.7                             | 0.9             | 0.9             | 1.2             |
| Machinery and equipment - Leases, net of amortization   | 0.7                            | 0.1             | 0.0                             | 0.0             | 0.7             | 0.1             |
| Subscription based IT arrangements, net of amortization | 3.3                            | 0.0             | 0.4                             | 0.0             | 3.7             | 0.0             |
| <b>Total</b>  | <b>\$ 280.6</b>                | <b>\$ 273.7</b> | <b>\$ 214.8</b>                 | <b>\$ 219.6</b> | <b>\$ 495.4</b> | <b>\$ 493.3</b> |



**Administration of Debt** - From fiscal year 2022 to 2023, the County's total debt payable for governmental and business-type activities combined increased by \$8.0 million as additions were made in the amount of \$14.6 million and regularly scheduled debt service payments were made in the amount of \$6.6 million. Additions to debt include a \$10.6 million loan from New Mexico Environment Department for the White Rock Treatment Plant, a \$2.0 million loan from New Mexico Environment Department to design and construct Otowi Wells 2 and 4, a \$.2 million loan from New Mexico Finance Administration for the effluent water storage tank at the Bayo Booster Station, a \$1.2 million loan for the filtration treatment process at the new Wastewater Treatment Plant from New Mexico Finance Administration, a \$.6 million Drinking Water Fund loan from New Mexico Finance Administration. In fiscal year 2020, the New Mexico Environment Department Solid Waste Bureau approved and updated the post-closure cost estimate for the Los Alamos County Landfill for the remaining 22 years of the post closure care period. Based on the updated estimate, as of June 30, 2023, the total landfill closure liability to the estimated \$1.1 million. The County has applied a method to reserve 5 years or \$.3 million of the total cost for the remainder of the long-term liability. This reserve is in excess of the financial assurance requirements, and has been put in place for any additional costs that may arise due the nature of continuous monitoring of the landfill. The reserve of \$.3 million is reflected in restricted assets in the Environmental Services Fund as of June 30, 2023. Closure costs for the Joint Utility System Fund increased by \$.1 million. The County has no General Obligation debt outstanding. See additional information in Note 9 in the Notes to Financial Statements, starting on page 106.

## **ECONOMIC FACTORS AND THE FISCAL YEAR 2023 ADOPTED BUDGET**

Like other communities around the nation, Los Alamos County has had to quickly adapt to rapidly changing situations as the pandemic situation evolved. The County has continued to adapt to hybrid work formats and continued its efforts in working together with community counterparts.. The County focused significant efforts in employee retention and recruitment to ensure our staff remained upbeat and highly responsive, continuing to adapt as needed or suggest ideas that might keep services operational with little or no disruption. This success is a testimony to the County's commitment to provide excellent customer service – a benefit that citizens have come to know and expect in Los Alamos.

A driving force in developing our budget each year is the estimation of County revenues. Gross Receipts Tax (GRT) accounts for 73.6% and Property Taxes accounts for 9.7% of the total General Fund budgeted revenues. The remaining General Fund revenues are comprised of user fees, interdepartmental charges, investment income, and grants. GRT is primarily from the community's largest employer, Los Alamos National Laboratory (LANL).

Regarding the future outlook, our guidance for budget development was to begin with the FY2022 Adopted budget, less one-time items, then allow for an average 5% adjustment in salaries (2% merit, 3% cost of labor) for non-collective bargaining employees, a 4% increase in medical premiums, and a non-labor expenditure target of an overall projected 3% increase from the prior year. Projected revenues remained in line with the County financial policy guidance to maintain a 20% reserve. The County also adopted \$6.15 million in budget options which included recurring and non-recurring expenditures. The budget options added a total of 17.25 full time equivalent (FTE) employees.

The overall County adopted FY2023 expenditure budget was \$280.4 million as compared to FY2022 adopted expenditures of \$245.1 million. Overall County budgeted revenues were \$261.7 million as compared to FY2022 adopted revenues of \$237.2 million.

## **REQUESTS FOR INFORMATION**

The Annual Comprehensive Financial Report is designed to provide a general overview of the County's financial position. Questions about the information provided in this report and requests for more information should be addressed to the County of Los Alamos, Helen Perraglio, Administrative Services Director, Finance, 1000 Central Avenue, Suite 300, Los Alamos, New Mexico 87544.



LOS ALAMOS



**Government-wide Financial Statements**

**L**  **S** **A** **L** **A** **M**  **S**  
where discoveries are made

**INCORPORATED COUNTY OF LOS ALAMOS**  
**Government-wide**  
**Statement of Net Position**  
**June 30, 2023**

|  | <b>GOVERNMENTAL<br/>ACTIVITIES</b> | <b>BUSINESS-TYPE<br/>ACTIVITIES</b> | <b>TOTAL</b>       |
|--|------------------------------------|-------------------------------------|--------------------|
| <b>ASSETS</b>  |                                    |                                     |                    |
| Equity in pooled cash and investments                      | \$ 124,761,189                     | 42,406,588                          | 167,167,777        |
| Investments  | 37,190,257                         | 0                                   | 37,190,257         |
| Receivables, net of allowance for uncollectibles           |                                    |                                     |                    |
| Accounts   | 1,605,346                          | 8,321,848                           | 9,927,194          |
| Interest   | 584,295                            | 462                                 | 584,757            |
| Pension forfeitures  | 40,818                             | 0                                   | 40,818             |
| Property taxes   | 162,840                            | 0                                   | 162,840            |
| Unbilled   | 0                                  | 1,728,817                           | 1,728,817          |
| Leases   | 21,312,955                         | 210,086                             | 21,523,041         |
| Loans receivable, net of discounts/reserve for loan losses | 1,522,966                          | 0                                   | 1,522,966          |
| Due from other governments                                 | 15,033,409                         | 6,187,629                           | 21,221,038         |
| Internal balances  | (930,517)                          | 930,517                             | 0                  |
| Inventories and prepayments                                |                                    |                                     |                    |
| Inventories  | 715,666                            | 2,243,694                           | 2,959,360          |
| Prepayments  | 8,591                              | 663,446                             | 672,037            |
| Restricted assets  |                                    |                                     |                    |
| Cash and cash equivalents                                  |                                    |                                     |                    |
| Debt reserves and debt service                             | 47,427                             | 3,827,030                           | 3,874,457          |
| Operations and maintenance                                 | 0                                  | 12,829,820                          | 12,829,820         |
| Capital assets   |                                    |                                     |                    |
| Land   | 40,318,380                         | 8,427,544                           | 48,745,924         |
| Right of way   | 17,993,250                         | 0                                   | 17,993,250         |
| Utility plant in service                                   | 0                                  | 296,489,229                         | 296,489,229        |
| Buildings  | 144,583,954                        | 25,094,555                          | 169,678,509        |
| Improvements other than buildings                          | 40,233,176                         | 18,210,971                          | 58,444,147         |
| Machinery, equipment, art and historic treasures           | 25,323,097                         | 38,320,418                          | 63,643,515         |
| Infrastructure   | 201,289,166                        | 0                                   | 201,289,166        |
| Less accumulated depreciation                              | (199,960,792)                      | (197,112,578)                       | (397,073,370)      |
| Construction in progress                                   | 6,739,873                          | 24,335,498                          | 31,075,371         |
| Right to use assets  |                                    |                                     |                    |
| Buildings - Leases, net of amortization                    | 162,896                            | 691,932                             | 854,828            |
| Machinery and equipment - Leases, net of amortization      | 687,208                            | 0                                   | 687,208            |
| Subscription based IT arrangements, net of amortization    | 3,275,741                          | 428,467                             | 3,704,208          |
| <b>TOTAL ASSETS</b>  | <b>482,701,191</b>                 | <b>294,235,973</b>                  | <b>776,937,164</b> |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>                     |                                    |                                     |                    |
| Deferred amounts (debits) from refunding of debt           | 2,758,234                          | 198,081                             | 2,956,315          |
| Deferred other post employment benefits                    | 4,071,041                          | 3,596,654                           | 7,667,695          |
| Deferred pension   | 8,249,012                          | 10,870,614                          | 19,119,626         |
| Deferred decommissioning cost                              | 0                                  | 2,474,890                           | 2,474,890          |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>                | <b>15,078,287</b>                  | <b>17,140,239</b>                   | <b>32,218,526</b>  |

**LIABILITIES**

|  |                       |                    |                    |
|--|-----------------------|--------------------|--------------------|
| Accounts payable                                   | 3,982,776             | 6,868,847          | 10,851,623         |
| Accrued salaries and benefits payable              | 1,585,454             | 486,470            | 2,071,924          |
| Customer deposits payable                          | 85,371                | 584,210            | 669,581            |
| Due to other governments                           | 0                     | 136,791            | 136,791            |
| Due to fiduciary funds                             | 79,649                | 0                  | 79,649             |
| Unearned revenue                                   | 3,739,224             | 317,313            | 4,056,537          |
| Noncurrent liabilities                             |                       |                    |                    |
| Due within one year                                |                       |                    |                    |
| Accrued compensated absences                       | 3,273,456             | 3,404,880          | 6,678,336          |
| Claims and judgments payable                       | 0                     | 544,236            | 544,236            |
| Revenue bonds payable                              | 3,720,000             | 1,360,000          | 5,080,000          |
| Contracts and intergovernmental debt payable       | 0                     | 1,093,653          | 1,093,653          |
| Subscription based IT arrangements liability       | 777,847               | 44,786             | 822,633            |
| Lease liability                                    | 258,522               | 173,257            | 431,779            |
| Special closure costs                              | 0                     | 58,077             | 58,077             |
| Interest payable on non-current liabilities        | 92,350                | 84,180             | 176,530            |
| Due in more than one year                          |                       |                    |                    |
| Accrued compensated absences                       | 1,495,343             | 2,234,478          | 3,729,821          |
| Claims and judgments payable                       | 0                     | 29,389             | 29,389             |
| Revenue bonds payable                              | 18,483,375            | 11,311,361         | 29,794,736         |
| Contracts and intergovernmental debt payable       | 0                     | 29,045,058         | 29,045,058         |
| Special closure costs                              | 0                     | 12,443,243         | 12,443,243         |
| Other post employment liability                    | 11,708,343            | 9,512,706          | 21,221,049         |
| Pension liability                                  | 46,710,777            | 70,898,482         | 117,609,259        |
| Subscription based IT arrangements liability       | 2,023,102             | 327,826            | 2,350,928          |
| Lease liability                                    | 593,340               | 531,753            | 1,125,093          |
| <b>TOTAL LIABILITIES</b>                           | <b>98,608,929</b>     | <b>151,490,996</b> | <b>250,099,925</b> |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>              |                       |                    |                    |
| Deferred other post employment benefits            | 11,251,953            | 11,085,470         | 22,337,423         |
| Deferred pension                                   | 0                     | 2,955,210          | 2,955,210          |
| Deferred leases                                    | 20,858,003            | 207,133            | 21,065,136         |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>         | <b>32,109,956</b>     | <b>14,247,813</b>  | <b>46,357,769</b>  |
| <b>NET POSITION</b>                                |                       |                    |                    |
| Net investment in capital assets                   | 257,547,997           | 171,196,423        | 428,744,420        |
| Restricted for (Restricted by):                    |                       |                    |                    |
| Capital projects - nonexpendable (County charter)  | 29,331,758            | 0                  | 29,331,758         |
| Debt service (Bond and loan agreements)            | 324,248               | 4,821,440          | 5,145,688          |
| Perpetual care (County code)                       | 965,494               | 0                  | 965,494            |
| Lodgers' tax (State law)                           | 300,971               | 0                  | 300,971            |
| Clerk records and files (State law)                | 208,209               | 0                  | 208,209            |
| Health care assistance (State law)                 | 2,323,703             | 0                  | 2,323,703          |
| Property tax valuation (State law)                 | 487,065               | 0                  | 487,065            |
| Grants (Granting entities)                         | 2,394,697             | 0                  | 2,394,697          |
| Cash requirements (State law)                      | 10,100,801            | 0                  | 10,100,801         |
| Recreation (County code and contributors)          | 37,416                | 0                  | 37,416             |
| LG Abatement (State litigation Settlement)         | 128,834               | 0                  | 128,834            |
| Library operations (Contributors)                  | 83,531                | 0                  | 83,531             |
| Major street maintenance (State law)               | 211,622               | 0                  | 211,622            |
| Municipal court (State law and County code)        | 28,400                | 0                  | 28,400             |
| Income stabilization - expendable (County charter) | 4,254,147             | 0                  | 4,254,147          |
| Unrestricted                                       | 58,331,700            | (30,380,460)       | 27,951,240         |
| <b>TOTAL NET POSITION</b>                          | <b>\$ 367,060,593</b> | <b>145,637,403</b> | <b>512,697,996</b> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS**  
**Government-wide**  
**Statement of Activities**  
**Year ended June 30, 2023**

|  | <u>Program Revenues</u> |                             |   |   | <u>Net (Expense) Revenue and Changes in Net Position</u> |                                 |                     |
|--|-------------------------|-----------------------------|---|---|--|---------------------------------|---------------------|
|  | <u>Expenses</u>         | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | <u>Governmental Activities</u>                           | <u>Business-type Activities</u> | <u>Total</u>        |
| <b>FUNCTIONS / PROGRAMS</b>                                  |                         |                             |   |   |  |                                 |                     |
| <b>Governmental activities</b>                               |                         |                             |   |   |  |                                 |                     |
| General government   | \$ 20,676,315           | 1,254,372                   | 1,192,439                                 | 126,300                                 | (18,103,204)   | 0                               | (18,103,204)        |
| Public safety  | 20,738,869              | 59,174                      | 1,471,616                                 | 206,440                                 | (19,001,639)   | 0                               | (19,001,639)        |
| Physical and economic environment                            | 3,930,581               | 670,006                     | 0   | 0                                       | (3,260,575)  | 0                               | (3,260,575)         |
| Transportation   | 10,205,310              | 0                           | 212,085                                   | 2,772,596                               | (7,220,629)  | 0                               | (7,220,629)         |
| Health and welfare   | 5,481,122               | 128,834                     | 229,572                                   | 0                                       | (5,122,716)  | 0                               | (5,122,716)         |
| Culture and recreation                                       | 11,781,094              | 1,226,187                   | 59,792                                    | 287,321                                 | (10,207,794)   | 0                               | (10,207,794)        |
| Interest on long-term debt                                   | 865,146                 | 0                           | 0   | 0                                       | (865,146)  | 0                               | (865,146)           |
| Total governmental activities                                | <b>73,678,437</b>       | <b>3,338,573</b>            | <b>3,165,504</b>                          | <b>3,392,657</b>                        | <b>(63,781,703)</b>                                      | <b>0</b>                        | <b>(63,781,703)</b> |
| <b>Business-type activities</b>                              |                         |                             |   |   |  |                                 |                     |
| Joint Utilities  |                         |                             |   |   |  |                                 |                     |
| Electric   | 80,721,534              | 57,246,658                  | 0   | 101,926                                 | 0  | (23,372,950)                    | (23,372,950)        |
| Gas  | 12,968,995              | 10,638,454                  | 0   | 0                                       | 0  | (2,330,541)                     | (2,330,541)         |
| Water  | 9,828,332               | 8,869,295                   | 0   | 27,576                                  | 0  | (931,461)                       | (931,461)           |
| Wastewater   | 5,162,592               | 6,185,740                   | 0   | 0                                       | 0  | 1,023,148                       | 1,023,148           |
| Environmental Services                                       | 5,738,530               | 3,480,490                   | 74,125                                    | 0                                       | 0  | (2,183,915)                     | (2,183,915)         |
| Transit (Atomic City Transit)                                | 4,421,882               | 0                           | 3,402,447                                 | 0                                       | 0  | (1,019,435)                     | (1,019,435)         |
| Fire   | 29,142,067              | 8,403,860                   | 22,650,641                                | 0                                       | 0  | 1,912,434                       | 1,912,434           |
| Airport  | 2,162,626               | 76,846                      | 1,180,315                                 | 134,145                                 | 0  | (771,320)                       | (771,320)           |
| Total business-type activities                               | <b>150,146,558</b>      | <b>94,901,343</b>           | <b>27,307,528</b>                         | <b>263,647</b>                          | <b>0</b>   | <b>(27,674,040)</b>             | <b>(27,674,040)</b> |
| <b>Total government</b>                                      | <b>\$ 223,824,995</b>   | <b>98,239,916</b>           | <b>30,473,032</b>                         | <b>3,656,304</b>                        | <b>(63,781,703)</b>                                      | <b>(27,674,040)</b>             | <b>(91,455,743)</b> |
| <b>General revenues:</b>                                     |                         |                             |   |   |  |                                 |                     |
| Gross receipts taxes and excise tax                          |                         |                             |   |   | 58,009,664   | 4,914,058                       | 62,923,722          |
| Property taxes   |                         |                             |   |   | 8,630,254  | 0                               | 8,630,254           |
| Franchise taxes  |                         |                             |   |   | 669,861  | 0                               | 669,861             |
| Grants and contributions not restricted to specific programs |                         |                             |   |   | 959,951  | 0                               | 959,951             |
| State shared tax revenue not restricted to specific programs |                         |                             |   |   | 33,529,142   | 0                               | 33,529,142          |
| Unrestricted investment earnings                             |                         |                             |   |   | 7,086,363  | 1,548,520                       | 8,634,883           |
| <b>Transfers:</b>  |                         |                             |   |   |  |                                 |                     |
| Transfers  |                         |                             |   |   | (1,099,716)  | 1,099,716                       | 0                   |
| Total general revenues, and transfers                        |                         |                             |   |   | <b>107,785,519</b>                                       | <b>7,562,294</b>                | <b>115,347,813</b>  |
| Change in net position                                       |                         |                             |   |   | 44,003,816   | (20,111,746)                    | 23,892,070          |
| Net position - beginning                                     |                         |                             |   |   | 325,690,318  | 166,823,332                     | 492,513,650         |
| Prior period restatement (Note 25)                           |                         |                             |   |   | (2,633,541)  | (1,074,183)                     | (3,707,724)         |
| Beginning of fiscal year, as restated                        |                         |                             |   |   | 323,056,777  | 165,749,149                     | 488,805,926         |
| <b>Net position - ending</b>                                 |                         |                             |   |   | <b>\$ 367,060,593</b>                                    | <b>145,637,403</b>              | <b>512,697,996</b>  |

# Major Governmental Funds

**General Fund 010** - accounts for all financial resources traditionally associated with governments which are not required to be accounted for in another fund. It is the general operating fund of the County.

**Economic Development Fund 170** - accounts for the receipt, management, investment, and expenditure of the buyout payment received from the U.S. Department of Energy under the Atomic Energy Community Act. This special revenue fund was established by County Council. In FY2017 the County added a Housing subfund 173 to account for the housing rehabilitation and affordable housing programs funded by the economic development subfund 171.

**Emergency Declarations Fund 190** - this special revenue fund accounts for the revenues and expenditures associated with declared emergencies including the response and recovery to the Las Conchas Fire, which began June 26, 2011 and flooding events in the community in September 2013. During 2020, the County added a sub-fund related to the COVID-19 emergency to account for the related activity. During 2022, the County added a sub-fund related to the Coronavirus Aid, Relief, and Economic Security Act (Public Law 115-136) as well as the American Rescue Plan Act to account for related activity. This special revenue fund was established by County Council.

**Capital Improvement Projects Fund 310** - this capital projects fund accounts for the financing and construction of structures and improvements approved by the County Council.

**Capital Projects Permanent Fund 391** - this permanent fund accounts for amounts received under a settlement of prior years' gross receipts taxes. The fund was established under the County Charter for capital projects. The County's Charter is only amendable by ballot or citizen's vote. These amounts are invested, and the real value of the fund principal is non-spensible and maintained using the implicit price deflator for the gross domestic product. When there is investment income in excess of the principal maintenance, it is made available for expenditure in the Capital Improvement Projects Fund.

**Other governmental funds** - nonmajor governmental funds are shown in aggregate. Combining fund financial statements are provided following the notes to the financial statements.





**INCORPORATED COUNTY OF LOS ALAMOS**  
**Governmental Funds**  
Balance Sheet  
June 30, 2023

|  | GENERAL               | ECONOMIC<br>DEVELOPMENT<br>SPECIAL REVENUE | EMERGENCY<br>DECLARATIONS<br>SPECIAL REVENUE | CAPITAL<br>IMPROVEMENT<br>PROJECTS | CAPITAL<br>PROJECTS<br>PERMANENT | OTHER<br>GOVERNMENTAL | TOTAL              |
|--|-----------------------|--|--|------------------------------------|----------------------------------|-----------------------|--------------------|
| <b>ASSETS</b>  |                       |  |  |                                    |                                  |                       |                    |
| Equity in pooled cash and investments                      | \$ 61,696,959         | 4,411,495                                  | 2,224,071                                    | 50,590,830                         | 0                                | 5,837,834             | 124,761,189        |
| Investments  | 1,294,803             | 0  | 0  | 0                                  | 35,895,454                       | 0                     | 37,190,257         |
| Receivables, net of allowance for uncollectibles           |                       |  |  |                                    |                                  |                       |                    |
| Accounts   | 1,560,082             | 3,869                                      | 0  | 0                                  | 0                                | 41,395                | 1,605,346          |
| Interest   | 443,237               | 141,058                                    | 0  | 0                                  | 0                                | 0                     | 584,295            |
| Property taxes   | 162,840               | 0  | 0  | 0                                  | 0                                | 0                     | 162,840            |
| Leases   | 21,312,955            | 0  | 0  | 0                                  | 0                                | 0                     | 21,312,955         |
| Loans receivable, net of discounts/reserve for loan losses | 0                     | 1,522,966                                  | 0  | 0                                  | 0                                | 0                     | 1,522,966          |
| Due from other governments                                 | 14,086,137            | 0  | 115,600                                      | 144,672                            | 0                                | 687,000               | 15,033,409         |
| Due from other funds                                       | 2,350,367             | 0  | 0  | 0                                  | 0                                | 0                     | 2,350,367          |
| Inventories and prepayments                                |                       |  |  |                                    |                                  |                       |                    |
| Inventories  | 715,666               | 0  | 0  | 0                                  | 0                                | 0                     | 715,666            |
| Prepayments  | 8,591                 | 0  | 0  | 0                                  | 0                                | 0                     | 8,591              |
| Advances to other funds                                    | 146,799               | 0  | 0  | 0                                  | 0                                | 0                     | 146,799            |
| Restricted assets  |                       |  |  |                                    |                                  |                       |                    |
| Cash and cash equivalents                                  | 0                     | 0  | 0  | 0                                  | 0                                | 47,427                | 47,427             |
| Debt reserves and debt service                             | 0                     | 0  | 0  | 0                                  | 0                                | 0                     | 0                  |
| <b>TOTAL ASSETS</b>  | <b>\$ 103,778,436</b> | <b>6,079,388</b>                           | <b>2,339,671</b>                             | <b>50,735,502</b>                  | <b>35,895,454</b>                | <b>6,613,656</b>      | <b>205,442,107</b> |
| <b>LIABILITIES</b>   |                       |  |  |                                    |                                  |                       |                    |
| Accounts payable   | \$ 2,340,959          | 137,410                                    | 0  | 1,344,600                          | 0                                | 159,807               | 3,982,776          |
| Accrued salaries and benefits payable                      | 1,580,803             | 0  | 427  | 0                                  | 0                                | 4,224                 | 1,585,454          |
| Customer deposits payable                                  | 85,371                | 0  | 0  | 0                                  | 0                                | 0                     | 85,371             |
| Due to other funds   | 79,649                | 0  | 0  | 0                                  | 2,309,549                        | 0                     | 2,389,198          |
| Unearned revenue   | 211,552               | 1,664,023                                  | 1,863,649                                    | 0                                  | 0                                | 0                     | 3,739,224          |
| <b>TOTAL LIABILITIES</b>                                   | <b>4,298,334</b>      | <b>1,801,433</b>                           | <b>1,864,076</b>                             | <b>1,344,600</b>                   | <b>2,309,549</b>                 | <b>164,031</b>        | <b>11,782,023</b>  |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>                      |                       |  |  |                                    |                                  |                       |                    |
| Federal and state grants (unavailable)                     | 20,382                | 0  | 0  | 39,276                             | 0                                | 0                     | 59,658             |
| Deferred leases  | 20,858,003            | 0  | 0  | 0                                  | 0                                | 0                     | 20,858,003         |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                 | <b>20,878,385</b>     | <b>0</b>                                   | <b>0</b>                                     | <b>39,276</b>                      | <b>0</b>                         | <b>0</b>              | <b>20,917,661</b>  |
| <b>FUND BALANCE</b>  |                       |  |  |                                    |                                  |                       |                    |
| Nonspendable   |                       |  |  |                                    |                                  |                       |                    |
| Principal - Capital projects                               | 0                     | 0  | 0  | 0                                  | 29,331,758                       | 0                     | 29,331,758         |
| Principal - Perpetual care                                 | 965,494               | 0  | 0  | 0                                  | 0                                | 0                     | 965,494            |
| Advances   | 146,799               | 0  | 0  | 0                                  | 0                                | 0                     | 146,799            |
| Inventories  | 715,666               | 0  | 0  | 0                                  | 0                                | 0                     | 715,666            |
| Leases   | 454,952               | 0  | 0  | 0                                  | 0                                | 0                     | 454,952            |
| Prepaid items  | 8,591                 | 0  | 0  | 0                                  | 0                                | 0                     | 8,591              |
| Restricted for   |                       |  |  |                                    |                                  |                       |                    |
| Clerk records and files (State law)                        | 0                     | 0  | 0  | 0                                  | 0                                | 208,209               | 208,209            |
| Debt service (Bond and loan agreements)                    | 0                     | 0  | 0  | 0                                  | 0                                | 324,248               | 324,248            |
| Grants (Granting entities)                                 | 0                     | 0  | 0  | 0                                  | 0                                | 2,394,697             | 2,394,697          |
| Library operations (County code and contributors)          | 79,071                | 0  | 0  | 0                                  | 0                                | 4,460                 | 83,531             |
| Lodgers' tax (State law)                                   | 0                     | 0  | 0  | 0                                  | 0                                | 300,971               | 300,971            |
| Health care claims (State law)                             | 0                     | 0  | 0  | 0                                  | 0                                | 2,323,703             | 2,323,703          |
| Municipal court (County code and State law)                | 0                     | 0  | 0  | 0                                  | 0                                | 28,400                | 28,400             |
| Property tax valuation (State law)                         | 0                     | 0  | 0  | 0                                  | 0                                | 487,065               | 487,065            |
| Recreation (County code and contributors)                  | 0                     | 0  | 0  | 0                                  | 0                                | 37,416                | 37,416             |
| LG Abatement (State litigation Settlement)                 | 0                     | 0  | 0  | 0                                  | 0                                | 128,834               | 128,834            |
| Income stabilization (County code)                         | 0                     | 0  | 0  | 0                                  | 4,254,147                        | 0                     | 4,254,147          |
| Major street maintenance (State law)                       | 0                     | 0  | 0  | 0                                  | 0                                | 211,622               | 211,622            |
| Cash requirements (State law)                              | 10,100,801            | 0  | 0  | 0                                  | 0                                | 0                     | 10,100,801         |

See accompanying notes to financial statements

|   |                              |                         |                         |                          |                          |                         |                           |            |
|---|------------------------------|-------------------------|-------------------------|--------------------------|--------------------------|-------------------------|---------------------------|------------|
| Committed to  |                              |                         |                         |                          |                          |                         |                           |            |
| Art in Public Places (County code)  | 0                            | 0                       | 0                       | 128,664                  | 0                        | 0                       | 0                         | 128,664    |
| Assigned for  |                              |                         |                         |                          |                          |                         |                           |            |
| Capital projects  | 0                            | 0                       | 0                       | 49,222,962               | 0                        | 0                       | 0                         | 49,222,962 |
| Fire services   | 2,252,732                    | 0                       | 0                       | 0                        | 0                        | 0                       | 0                         | 2,252,732  |
| Continuing appropriations   | 11,859,960                   | 0                       | 0                       | 0                        | 0                        | 0                       | 0                         | 11,859,960 |
| Economic development  | 0                            | 4,277,955               | 0                       | 0                        | 0                        | 0                       | 0                         | 4,277,955  |
| Emergency response and recovery   | 0                            | 0                       | 475,595                 | 0                        | 0                        | 0                       | 0                         | 475,595    |
| Unassigned  | 52,017,651                   | 0                       | 0                       | 0                        | 0                        | 0                       | 0                         | 52,017,651 |
| <b>TOTAL FUND BALANCE (deficit)</b>                                       | <u>78,601,717</u>            | <u>4,277,955</u>        | <u>475,595</u>          | <u>49,351,626</u>        | <u>33,585,905</u>        | <u>6,449,625</u>        | <u>172,742,423</u>        |            |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b> | <u>\$ <b>103,778,436</b></u> | <u><b>6,079,388</b></u> | <u><b>2,339,671</b></u> | <u><b>50,735,502</b></u> | <u><b>35,895,454</b></u> | <u><b>6,613,656</b></u> | <u><b>205,442,107</b></u> |            |

L  S A L A M  S

# INCORPORATED COUNTY OF LOS ALAMOS

## Governmental Funds

### Reconciliation of Balance Sheet to the Statement of Net Position June 30, 2023

Amounts reported for governmental activities in the statement of net position are different from those reflected in the governmental funds balance sheet because:

|   |                              |
|---|------------------------------|
| Total fund balance as reported in governmental funds balance sheet:   | \$ 172,742,423               |
| Capital assets (\$469,741,023), net of accumulated depreciation (\$199,960,792), used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.  | 276,520,104                  |
| Right to use assets (\$5,714,991), net of accumulated amortization (\$1,589,146), used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.   | 4,125,845                    |
| Long-term liabilities, including bonds payable (\$20,385,000), bond premium/discount (\$1,818,375), net pension liability (\$46,710,777), net other post employments liability (\$11,708,343), compensated absences (\$4,768,799), leases payable (\$851,862), and subscriptions payable (\$2,800,949) are not due and payable in the current period and, therefore are not reported in the governmental funds. | (89,044,105)                 |
| Deferred outflow of resources related to advance refunding of long-term debt is not recorded in the governmental funds, but is included in the government-wide statement of net position.   | 2,758,234                    |
| Deferred outflow of resources related to the County's share of New Mexico Public Employee Retirement Association and the County's share of New Mexico Retiree Health Care Association benefits are not recorded in the governmental funds, but is included in the government-wide statement of net position.  | 12,320,053                   |
| Accrued interest payable on long-term liabilities are not recorded in the governmental funds, but are included in the government-wide statement of net position.  | (92,350)                     |
| Deferred inflow of resources related to the County's share of New Mexico Public Employee Retirement Association and New Mexico Retiree Health Care Association benefits are not recorded in the governmental funds, but are included in the government-wide statement of net position.  | (11,251,953)                 |
| Other long-term receivables are not available to pay for current period expenditures and, therefore are recorded as deferred inflows in the governmental funds.   | 59,658                       |
| Internal service funds are used by the County to charge the costs of equipment and risk management functions to individual funds. An internal balance is shown on the government-wide statement of Net Position to reflect the allocation of the internal service fund loss to the governmental funds from the business-type funds, where the internal service funds balances are combined.                     | (1,077,316)                  |
| Net position of governmental activities   | \$ <u><u>367,060,593</u></u> |

See accompanying notes to financial statements



|                                      |                    |                |                |                  |                  |                  |                    |
|--------------------------------------|--------------------|----------------|----------------|------------------|------------------|------------------|--------------------|
| Annual passes                        | 146,550            | 0              | 0              | 0                | 0                | 0                | 146,550            |
| Three-month passes                   | 27,585             | 0              | 0              | 0                | 0                | 0                | 27,585             |
| Punch passes                         | 81,024             | 0              | 0              | 0                | 0                | 0                | 81,024             |
| Recreation fees                      | 71,612             | 0              | 0              | 0                | 0                | 0                | 71,612             |
| Other fees                           | 46,106             | 0              | 0              | 0                | 0                | 0                | 46,106             |
|                                      | <u>1,198,105</u>   | <u>0</u>       | <u>0</u>       | <u>0</u>         | <u>0</u>         | <u>250,102</u>   | <u>1,448,207</u>   |
| Interfund/interdepartmental charges  |                    |                |                |                  |                  |                  |                    |
| Interdepartmental services           | 9,313,081          | 0              | 0              | 0                | 0                | 0                | 9,313,081          |
| Miscellaneous revenue                |                    |                |                |                  |                  |                  |                    |
| Investment income (loss)             | 2,406,068          | 148,302        | 0              | 0                | 4,386,283        | 145,710          | 7,086,363          |
| Interest charges-delinquent accounts | 181                | 0              | 0              | 0                | 0                | 0                | 181                |
| Building rental                      | 211,648            | 0              | 0              | 0                | 0                | 31,000           | 242,648            |
| Land rental                          | 562,631            | 0              | 0              | 0                | 0                | 0                | 562,631            |
| Miscellaneous rentals                | 220,285            | 0              | 0              | 0                | 0                | 0                | 220,285            |
| Pension forfeitures                  | 126,509            | 0              | 0              | 0                | 0                | 0                | 126,509            |
| Economic development loan principal  | 0                  | 115,588        | 0              | 0                | 0                | 0                | 115,588            |
| Economic development loan interest   | 0                  | 2,075          | 0              | 0                | 0                | 0                | 2,075              |
| Proceeds from sale of assets         | 0                  | 0              | 0              | 22,320           | 0                | 0                | 22,320             |
| Donations                            | 30,075             | 0              | 0              | 0                | 0                | 100              | 30,175             |
| Other judgments and settlements      | 0                  | 0              | 0              | 0                | 0                | 128,834          | 128,834            |
| Other                                | 196,611            | 0              | 0              | 0                | 0                | 855              | 197,466            |
|                                      | <u>3,754,008</u>   | <u>265,965</u> | <u>0</u>       | <u>22,320</u>    | <u>4,386,283</u> | <u>306,499</u>   | <u>8,735,075</u>   |
| <b>TOTAL REVENUES</b>                | <b>113,398,344</b> | <b>265,965</b> | <b>935,492</b> | <b>3,234,593</b> | <b>4,386,283</b> | <b>5,998,589</b> | <b>128,219,266</b> |

**INCORPORATED COUNTY OF LOS ALAMOS**
**Governmental Funds**

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2023

|   | GENERAL           | ECONOMIC<br>DEVELOPMENT<br>SPECIAL REVENUE | EMERGENCY<br>DECLARATIONS<br>SPECIAL REVENUE | CAPITAL<br>IMPROVEMENT<br>PROJECTS | CAPITAL<br>PROJECTS<br>PERMANENT | OTHER<br>GOVERNMENTAL | TOTAL             |
|---|-------------------|--|--|------------------------------------|----------------------------------|-----------------------|-------------------|
| <b>EXPENDITURES</b>                       |                   |  |  |                                    |                                  |                       |                   |
| <b>Current expenditures:</b>              |                   |  |  |                                    |                                  |                       |                   |
| General government                        |                   |  |  |                                    |                                  |                       |                   |
| County Council                            | 382,989           | 0  | 0  | 0                                  | 0                                | 0                     | 382,989           |
| Municipal Court                           | 592,873           | 0  | 0  | 0                                  | 0                                | 2,000                 | 594,873           |
| County Manager                            | 2,689,400         | 0  | 0  | 0                                  | 0                                | 0                     | 2,689,400         |
| County Manager-Comm. and Public Relations | 532,043           | 0  | 0  | 0                                  | 0                                | 0                     | 532,043           |
| County Manager-Human Resources            | 1,842,912         | 0  | 0  | 0                                  | 0                                | 0                     | 1,842,912         |
| County Assessor                           | 542,227           | 0  | 0  | 0                                  | 0                                | 229,699               | 771,926           |
| County Attorney                           | 1,122,158         | 0  | 0  | 0                                  | 0                                | 0                     | 1,122,158         |
| County Clerk                              | 759,949           | 0  | 0  | 0                                  | 0                                | 9,913                 | 769,862           |
| County Probate Clerk                      | 5,973             | 0  | 0  | 0                                  | 0                                | 0                     | 5,973             |
| County Sheriff                            | 16,537            | 0  | 0  | 0                                  | 0                                | 0                     | 16,537            |
| Administrative Services                   | 9,631,538         | 0  | 0  | 0                                  | 0                                | 0                     | 9,631,538         |
| Public Works                              | 11,136,299        | 0  | 0  | 0                                  | 0                                | 0                     | 11,136,299        |
|   | <b>29,254,898</b> | <b>0</b>                                   | <b>0</b>                                     | <b>0</b>                           | <b>0</b>                         | <b>241,612</b>        | <b>29,496,510</b> |
| Public safety                             |                   |  |  |                                    |                                  |                       |                   |
| Fire Department-County share              | 7,846,815         | 0  | 0  | 0                                  | 0                                | 0                     | 7,846,815         |
| Emergency response and recovery           | 0                 | 0  | 857,791                                      | 0                                  | 0                                | 0                     | 857,791           |
| Fire Marshal                              | 0                 | 0  | 0  | 0                                  | 0                                | 162,734               | 162,734           |
| Fire Mitigation                           | 10,745            | 0  | 0  | 0                                  | 0                                | 0                     | 10,745            |
| Fire-E.M.S. grant                         | 688,604           | 0  | 0  | 0                                  | 0                                | 10,055                | 698,659           |
| Police                                    | 10,724,126        | 0  | 0  | 0                                  | 0                                | 11,449                | 10,735,575        |
|   | <b>19,270,290</b> | <b>0</b>                                   | <b>857,791</b>                               | <b>0</b>                           | <b>0</b>                         | <b>184,238</b>        | <b>20,312,319</b> |
| Physical and economic environment         |                   |  |  |                                    |                                  |                       |                   |
| Economic Development                      | 1,148,101         | 0  | 0  | 0                                  | 0                                | 0                     | 1,148,101         |
| Community Development                     | 2,014,426         | 381,324                                    | 0  | 0                                  | 0                                | 453,378               | 2,849,128         |
|   | <b>3,162,527</b>  | <b>381,324</b>                             | <b>0</b>                                     | <b>0</b>                           | <b>0</b>                         | <b>453,378</b>        | <b>3,997,229</b>  |
| Transportation                            |                   |  |  |                                    |                                  |                       |                   |
| Public Works                              | 4,074,156         | 0  | 0  | 0                                  | 0                                | 580,000               | 4,654,156         |
| Health and welfare                        |                   |  |  |                                    |                                  |                       |                   |
| Community Services-Social Services        | 2,399,166         | 0  | 0  | 0                                  | 0                                | 3,101,264             | 5,500,430         |
| Culture and recreation                    |                   |  |  |                                    |                                  |                       |                   |
| Community Services-Administration         | 1,517,587         | 0  | 0  | 0                                  | 0                                | 0                     | 1,517,587         |
| Community Services-Library                | 2,536,783         | 0  | 0  | 0                                  | 0                                | 0                     | 2,536,783         |
| Community Services-Parks                  | 2,510,732         | 0  | 0  | 0                                  | 0                                | 0                     | 2,510,732         |
| Community Services-Recreation             | 3,443,726         | 0  | 0  | 0                                  | 0                                | 256                   | 3,443,982         |
|   | <b>10,008,828</b> | <b>0</b>                                   | <b>0</b>                                     | <b>0</b>                           | <b>0</b>                         | <b>256</b>            | <b>10,009,084</b> |



|  |                             |                         |                       |                          |                          |                         |                           |  |
|--|-----------------------------|-------------------------|-----------------------|--------------------------|--------------------------|-------------------------|---------------------------|--|
| <b>Capital outlay:</b>                               |                             |                         |                       |                          |                          |                         |                           |  |
| General government                                   |                             |                         |                       |                          |                          |                         |                           |  |
| Administrative Services                              | 300,611                     | 0                       | 0                     | 1,002,551                | 0                        | 0                       | 1,303,162                 |  |
| County Assessor                                      | 0                           | 0                       | 0                     | 0                        | 0                        | 32,437                  | 32,437                    |  |
| Community and Economic Development                   | 0                           | 0                       | 0                     | 368,074                  | 0                        | 0                       | 368,074                   |  |
| Public Works   | 119,589                     | 0                       | 0                     | 0                        | 0                        | 0                       | 119,589                   |  |
| County Clerk   | 0                           | 0                       | 0                     | 0                        | 0                        | 63,904                  | 63,904                    |  |
| Public safety  |                             |                         |                       |                          |                          |                         |                           |  |
| Fire   | 0                           | 0                       | 0                     | 0                        | 0                        | 159,552                 | 159,552                   |  |
| Police   | 702,909                     | 0                       | 0                     | 0                        | 0                        | 4,574                   | 707,483                   |  |
| Emergency response and recovery                      | 75,347                      | 0                       | 0                     | 0                        | 0                        | 0                       | 75,347                    |  |
| Economic environment - Community and Econ. Dev.      | 0                           | 729,536                 | 0                     | 0                        | 0                        | 0                       | 729,536                   |  |
| Transportation                                       |                             |                         |                       |                          |                          |                         |                           |  |
| Public Works   | 44,360                      | 0                       | 0                     | 8,354,916                | 0                        | 0                       | 8,399,276                 |  |
| Health and welfare-Community Services                | 49,126                      | 0                       | 0                     | 0                        | 0                        | 0                       | 49,126                    |  |
| Culture and recreation                               |                             |                         |                       |                          |                          |                         |                           |  |
| Community Services                                   | 508,988                     | 0                       | 0                     | 1,820,318                | 0                        | 55,760                  | 2,385,066                 |  |
|  | <u>1,800,930</u>            | <u>729,536</u>          | <u>0</u>              | <u>11,545,859</u>        | <u>0</u>                 | <u>316,227</u>          | <u>14,392,552</u>         |  |
| <b>Debt service:</b>                                 |                             |                         |                       |                          |                          |                         |                           |  |
| Principal  | 0                           | 0                       | 0                     | 0                        | 0                        | 3,545,000               | 3,545,000                 |  |
| Interest   | 0                           | 0                       | 0                     | 0                        | 0                        | 1,007,409               | 1,007,409                 |  |
|  | <u>0</u>                    | <u>0</u>                | <u>0</u>              | <u>0</u>                 | <u>0</u>                 | <u>4,552,409</u>        | <u>4,552,409</u>          |  |
| <b>TOTAL EXPENDITURES</b>                            | <u>69,970,795</u>           | <u>1,110,860</u>        | <u>857,791</u>        | <u>11,545,859</u>        | <u>0</u>                 | <u>9,429,384</u>        | <u>92,914,689</u>         |  |
| <b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>     | <b>43,427,549</b>           | <b>(844,895)</b>        | <b>77,701</b>         | <b>(8,311,266)</b>       | <b>4,386,283</b>         | <b>(3,430,795)</b>      | <b>35,304,577</b>         |  |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                             |                         |                       |                          |                          |                         |                           |  |
| Transfers in   | 4,046,113                   | 1,600,000               | 0                     | 21,016,469               | 0                        | 5,244,109               | 31,906,691                |  |
| Transfers out  | (28,630,963)                | (2,000,000)             | (387,235)             | 0                        | (1,575,170)              | 0                       | (32,593,368)              |  |
|  | <u>(24,584,850)</u>         | <u>(400,000)</u>        | <u>(387,235)</u>      | <u>21,016,469</u>        | <u>(1,575,170)</u>       | <u>5,244,109</u>        | <u>(686,677)</u>          |  |
| <b>NET CHANGE IN FUND BALANCE</b>                    | <b>18,842,699</b>           | <b>(1,244,895)</b>      | <b>(309,534)</b>      | <b>12,705,203</b>        | <b>2,811,113</b>         | <b>1,813,314</b>        | <b>34,617,900</b>         |  |
| <b>FUND BALANCE</b>                                  |                             |                         |                       |                          |                          |                         |                           |  |
| Beginning of fiscal year                             | 59,500,343                  | 5,522,850               | 3,418,670             | 36,646,423               | 30,774,792               | 4,636,311               | 140,499,389               |  |
| Prior period restatement GASB Statement 33 (Note 25) | 0                           | 0                       | (2,633,541)           | 0                        | 0                        | 0                       | (2,633,541)               |  |
| Prior period restatement GASB Statement 87 (Note 25) | 258,675                     | 0                       | 0                     | 0                        | 0                        | 0                       | 258,675                   |  |
| Beginning of fiscal year, as restated                | <u>59,759,018</u>           | <u>5,522,850</u>        | <u>785,129</u>        | <u>36,646,423</u>        | <u>30,774,792</u>        | <u>4,636,311</u>        | <u>138,124,523</u>        |  |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>             | <b>\$ <u>78,601,717</u></b> | <b><u>4,277,955</u></b> | <b><u>475,595</u></b> | <b><u>49,351,626</u></b> | <b><u>33,585,905</u></b> | <b><u>6,449,625</u></b> | <b><u>172,742,423</u></b> |  |



LOS ALAMOS

where discoveries are made

# INCORPORATED COUNTY OF LOS ALAMOS

## Governmental Funds

### Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities Year ended June 30, 2023

Amounts reported for governmental activities in the statement of activities are different from those reflected in the governmental funds statement of revenues, expenditures, and changes in fund balance because:

|  |                             |
|--|-----------------------------|
| Total net change in fund balance as reported in the governmental funds statement of revenues, expenditures, and changes in fund balance:   | \$ 34,617,900               |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$14,392,552) exceeded depreciation (\$9,766,145) in the current period.                             | 4,626,407                   |
| Loss on disposal of capital assets is not recorded in governmental funds. This includes expenditures in the Capital Improvement Projects capital projects funds which did not result in the creation of a capital asset.   | (1,041,331)                 |
| Transfers of capital assets to/from governmental capital assets from/to proprietary funds are not recorded in governmental funds.  | (413,039)                   |
| The repayment of debt is reflected as a use of current financial resources in the governmental funds, but has no effect on net position.   | 3,545,000                   |
| The amortization of debt premiums and discounts does not use current financial resources, and therefore is not reported in the governmental funds.   | 817,051                     |
| The change in interest payable on long-term liabilities is not recorded in the governmental funds, but is included in the government-wide statement of net position.   | 37,697                      |
| Amortization of deferred amounts related to advance refunding of long-term debt is not recorded in the governmental funds, but is included in the government-wide statement of activities.   | (689,559)                   |
| Amortization of right to use assets related to leases and subscriptions is not recorded in the governmental funds, but is included in the government-wide statement of activities.   | 1,447,428                   |
| Expenses, such as compensated absences, reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in governmental funds.   | (648,804)                   |
| Expenses, such as lease principal payments and subscription payments, reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in governmental funds.   | (1,015,388)                 |
| The pension expense related to the County's share of New Mexico Public Employee Retirement Association benefits and the other post employment expense related to the County's share of New Mexico Retiree Health Care Association benefits are not recorded in the governmental funds, but is included in the government-wide statement of net position. | 1,903,928                   |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.  | (101,896)                   |
| Internal service funds are used by the County to charge the costs of equipment and risk management functions to individual funds. The net gain or loss of certain activities in internal service funds is reported with governmental activities.   | 918,422                     |
| Change in net position of governmental activities  | \$ <u><u>44,003,816</u></u> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
GENERAL FUND**

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>    | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|-------------------|---|
| <b>REVENUES</b>                         |                      |                       |                   |   |
| <b>Taxes</b>                            |                      |                       |                   |   |
| Property taxes-current                  | \$ 8,667,253         | 8,667,253             | 8,630,254         | (36,999)                                    |
| Local units in-lieu taxes               | 397,254              | 397,254               | 356,356           | (40,898)                                    |
| General gross receipts taxes            | 37,571,000           | 37,571,000            | 54,308,489        | 16,737,489                                  |
| Franchise tax-privately owned           | 141,400              | 141,400               | 185,499           | 44,099                                      |
| Franchise tax-County owned              | 368,752              | 368,752               | 484,362           | 115,610                                     |
| Penalties and interest-taxes            | 42,420               | 42,420                | 60,911            | 18,491                                      |
|   | <b>47,188,079</b>    | <b>47,188,079</b>     | <b>64,025,871</b> | <b>16,837,792</b>                           |
| <b>Licenses and permits</b>             |                      |                       |                   |   |
| Business                                | 45,097               | 45,097                | 36,468            | (8,629)                                     |
| Nonbusiness                             | 259,884              | 259,884               | 323,429           | 63,545                                      |
|   | <b>304,981</b>       | <b>304,981</b>        | <b>359,897</b>    | <b>54,916</b>                               |
| <b>Intergovernmental</b>                |                      |                       |                   |   |
| Federal direct                          | 2,650                | 2,650                 | 976               | (1,674)                                     |
| Federal indirect                        | 374,013              | 762,739               | 398,463           | (364,276)                                   |
| Federal shared revenues                 | 0                    | 0                     | 4,735             | 4,735                                       |
| Federal in-lieu taxes                   | 0                    | 0                     | 409,365           | 409,365                                     |
| State grants-library                    | 43,187               | 44,004                | 29,692            | (14,312)                                    |
| State grants-police                     | 210,000              | 189,988               | 140,464           | (49,524)                                    |
| State grants-other                      | 156,147              | 268,442               | 372,673           | 104,231                                     |
| State shared revenues                   | 27,878,000           | 27,878,000            | 33,328,578        | 5,450,578                                   |
|   | <b>28,663,997</b>    | <b>29,145,823</b>     | <b>34,684,946</b> | <b>5,539,123</b>                            |
| <b>Fines and forfeitures</b>            |                      |                       |                   |   |
| Fines                                   | 54,644               | 54,644                | 21,136            | (33,508)                                    |
| Correction fees                         | 39,964               | 39,964                | 15,114            | (24,850)                                    |
| Special fees                            | 10,031               | 10,031                | 4,958             | (5,073)                                     |
| Court ordered reimbursements            | 35,560               | 35,560                | 18,248            | (17,312)                                    |
| Noncourt fines and forfeitures          | 2,855                | 2,855                 | 130               | (2,725)                                     |
| Magistrate Court Ordered Reimbursements | 12,031               | 12,031                | 2,850             | (9,181)                                     |
|   | <b>155,085</b>       | <b>155,085</b>        | <b>62,436</b>     | <b>(92,649)</b>                             |

|  |                   |                   |                    |                   |
|--|-------------------|-------------------|--------------------|-------------------|
| <b>Charges for services</b>                |                   |                   |                    |                   |
| Court fees                                 | 864               | 864               | 1,074              | 210               |
| Clerk fees                                 | 53,943            | 53,943            | 45,208             | (8,735)           |
| Planning fees                              | 38,381            | 38,381            | 163,521            | 125,140           |
| Administrative charges for services        | 43,446            | 43,446            | 32,418             | (11,028)          |
| Sales of food or merchandise               | 100,748           | 100,748           | 93,036             | (7,712)           |
| Other charges for services                 | 22,069            | 22,069            | 30,691             | 8,622             |
| Sheriff fees                               | 4,030             | 4,030             | 1,835              | (2,195)           |
| Police charges for services                | 20,725            | 20,725            | 54,964             | 34,239            |
| Miscellaneous services                     | 816               | 816               | 0                  | (816)             |
| Cemetery services                          | 60,652            | 60,652            | 62,051             | 1,399             |
| Perpetual care services                    | 57,570            | 57,570            | 58,275             | 705               |
| Animal shelter fees                        | 5,555             | 5,555             | 4,210              | (1,345)           |
| Daily fees/passes                          | 202,000           | 202,000           | 277,945            | 75,945            |
| Annual passes                              | 131,643           | 131,643           | 146,550            | 14,907            |
| Three-month passes                         | 31,350            | 31,350            | 27,585             | (3,765)           |
| Monthly passes                             | 16,160            | 16,160            | 0                  | (16,160)          |
| Punch passes                               | 67,064            | 67,064            | 81,024             | 13,960            |
| Recreation fees                            | 135,929           | 135,929           | 71,612             | (64,317)          |
| Other fees                                 | 16,443            | 16,443            | 46,106             | 29,663            |
|  | <b>1,009,388</b>  | <b>1,009,388</b>  | <b>1,198,105</b>   | <b>188,717</b>    |
| <b>Interfund/interdepartmental charges</b> |                   |                   |                    |                   |
| Interdepartmental services                 | 9,456,081         | 9,456,081         | 9,313,081          | (143,000)         |
|  | <b>9,456,081</b>  | <b>9,456,081</b>  | <b>9,313,081</b>   | <b>(143,000)</b>  |
| <b>Miscellaneous revenue</b>               |                   |                   |                    |                   |
| Interest income                            | 1,105,000         | 1,105,000         | 2,406,068          | 1,301,068         |
| Interest charges-delinquent accounts       | 0                 | 0                 | 181                | 181               |
| Buildings rental                           | 353,500           | 353,500           | 211,648            | (141,852)         |
| Land rental                                | 378,750           | 378,750           | 562,631            | 183,881           |
| Other rental                               | 131,300           | 131,300           | 220,285            | 88,985            |
| Pension forfeitures                        | 80,800            | 80,800            | 126,509            | 45,709            |
| Donations                                  | 50,500            | 50,500            | 30,075             | (20,425)          |
| Other judgments and settlements            | 619               | 619               | 0                  | (619)             |
| Other                                      | 76,255            | 76,255            | 196,611            | 120,356           |
|  | <b>2,176,724</b>  | <b>2,176,724</b>  | <b>3,754,008</b>   | <b>1,577,284</b>  |
| <b>TOTAL REVENUES</b>                      | <b>88,954,335</b> | <b>89,436,161</b> | <b>113,398,344</b> | <b>23,962,183</b> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
GENERAL FUND**

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|  | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>   | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|--|----------------------|-----------------------|------------------|---|
| <b>EXPENDITURES AND ENCUMBRANCES</b>       |                      |                       |                  |   |
| <b>County Council</b>                      |                      |                       |                  |   |
| Employee salaries and benefits             | 93,577               | 101,407               | 93,194           | 8,213                                       |
| Outside services                           | 305,992              | 305,992               | 263,533          | 42,459                                      |
| Materials and supplies                     | 23,000               | 23,000                | 24,382           | (1,382)                                     |
| Intrafund/interfund services               | 1,880                | 1,880                 | 1,880            | 0   |
|  | <u>424,449</u>       | <u>432,279</u>        | <u>382,989</u>   | <u>49,290</u>                               |
| <b>County Courts (Municipal judge)</b>     |                      |                       |                  |   |
| Employee salaries and benefits             | 473,738              | 506,998               | 505,660          | 1,338                                       |
| Outside services                           | 91,217               | 91,217                | 63,870           | 27,347                                      |
| Materials and supplies                     | 19,073               | 19,073                | 13,623           | 5,450                                       |
| Intrafund/interfund services               | 8,238                | 8,238                 | 8,238            | 0   |
| Debt and fiscal charges                    | 1,500                | 1,500                 | 1,482            | 18  |
|  | <u>593,766</u>       | <u>627,026</u>        | <u>592,873</u>   | <u>34,153</u>                               |
| <b>County Manager</b>                      |                      |                       |                  |   |
| <b>Operations</b>                          |                      |                       |                  |   |
| Employee salaries and benefits             | 1,428,262            | 1,531,672             | 1,514,682        | 16,990                                      |
| Outside services                           | 1,598,925            | 5,724,020             | 4,068,543        | 1,655,477                                   |
| Materials and supplies                     | 5,500                | 37,645                | 26,865           | 10,780                                      |
| Intrafund/interfund services               | 10,452               | 10,452                | 10,452           | 0   |
|  | <u>3,043,139</u>     | <u>7,303,789</u>      | <u>5,620,542</u> | <u>1,683,247</u>                            |
| <b>Communications and Public Relations</b> |                      |                       |                  |   |
| Employee salaries and benefits             | 474,283              | 484,013               | 402,647          | 81,366                                      |
| Outside services                           | 123,476              | 129,038               | 106,459          | 22,579                                      |
| Materials and supplies                     | 14,000               | 23,916                | 22,937           | 979   |
|  | <u>611,759</u>       | <u>636,967</u>        | <u>532,043</u>   | <u>104,924</u>                              |
| <b>Human Resources</b>                     |                      |                       |                  |   |
| Employee salaries and benefits             | 1,317,066            | 1,509,616             | 1,465,042        | 44,574                                      |
| Outside services                           | 450,819              | 680,640               | 506,804          | 173,836                                     |
| Materials and supplies                     | 42,030               | 42,030                | 42,922           | (892)                                       |
| Intrafund/interfund services               | 9,197                | 9,197                 | 9,197            | 0   |
|  | <u>1,819,112</u>     | <u>2,241,483</u>      | <u>2,023,965</u> | <u>217,518</u>                              |
| <b>Total County Manager</b>                | <b>5,474,010</b>     | <b>10,182,239</b>     | <b>8,176,550</b> | <b>2,005,689</b>                            |

See accompanying notes to financial statements

**County Assessor**

|                                |                |                |                |               |
|--------------------------------|----------------|----------------|----------------|---------------|
| Employee salaries and benefits | 458,897        | 545,221        | 522,427        | 22,794        |
| Outside services               | 12,036         | 12,036         | 11,075         | 961           |
| Materials and supplies         | 1,061          | 1,061          | 1,075          | (14)          |
| Intrafund/interfund services   | 7,650          | 7,650          | 7,650          | 0             |
|                                | <b>479,644</b> | <b>565,968</b> | <b>542,227</b> | <b>23,741</b> |

**County Attorney**

|                                |                  |                  |                  |                |
|--------------------------------|------------------|------------------|------------------|----------------|
| Employee salaries and benefits | 900,938          | 973,388          | 881,100          | 92,288         |
| Outside services               | 223,659          | 348,219          | 224,957          | 123,262        |
| Materials and supplies         | 16,236           | 16,236           | 10,412           | 5,824          |
| Intrafund/interfund services   | 5,688            | 5,688            | 5,688            | 0              |
|                                | <b>1,146,521</b> | <b>1,343,531</b> | <b>1,122,157</b> | <b>221,374</b> |

**County Clerk**

|                                |                |                |                |               |
|--------------------------------|----------------|----------------|----------------|---------------|
| Employee salaries and benefits | 663,851        | 701,481        | 628,881        | 72,600        |
| Outside services               | 64,260         | 79,030         | 54,295         | 24,735        |
| Materials and supplies         | 30,240         | 31,043         | 59,545         | (28,502)      |
| Intrafund/interfund services   | 12,320         | 12,320         | 12,320         | 0             |
| Capital outlay                 | 22,386         | 28,818         | 0              | 28,818        |
| Debt and fiscal charges        | 1,000          | 1,000          | 908            | 92            |
|                                | <b>794,057</b> | <b>853,692</b> | <b>755,949</b> | <b>97,743</b> |

**County Probate Judge**

|                                |              |              |              |            |
|--------------------------------|--------------|--------------|--------------|------------|
| Employee salaries and benefits | 4,883        | 5,283        | 5,412        | (129)      |
| Outside services               | 900          | 900          | 525          | 375        |
| Materials and supplies         | 134          | 134          | 0            | 134        |
| Intrafund/interfund services   | 36           | 36           | 36           | 0          |
|                                | <b>5,953</b> | <b>6,353</b> | <b>5,973</b> | <b>380</b> |

**County Sheriff**

|                                |               |               |               |            |
|--------------------------------|---------------|---------------|---------------|------------|
| Employee salaries and benefits | 7,601         | 8,291         | 8,084         | 207        |
| Outside services               | 4,620         | 4,620         | 6,287         | (1,667)    |
| Materials and supplies         | 3,800         | 3,800         | 2,075         | 1,725      |
| Intrafund/interfund services   | 115           | 91            | 91            | 0          |
|                                | <b>16,136</b> | <b>16,802</b> | <b>16,537</b> | <b>265</b> |

**INCORPORATED COUNTY OF LOS ALAMOS  
GENERAL FUND**

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|                                      | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>    | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|--------------------------------------|----------------------|-----------------------|-------------------|---|
| <b>Administrative Services</b>       |                      |                       |                   |   |
| Information Management               |                      |                       |                   |   |
| Employee salaries and benefits       | 3,296,771            | 3,646,341             | 3,115,896         | 530,445                                     |
| Outside services                     | 3,053,871            | 3,426,711             | 2,578,556         | 848,155                                     |
| Materials and supplies               | 198,700              | 321,700               | 419,636           | (97,936)                                    |
| Intrafund/interfund services         | 53,528               | 53,528                | 53,590            | (62)  |
| Capital outlay                       | 0                    | 165,000               | 285,611           | (120,611)                                   |
|                                      | <u>6,602,870</u>     | <u>7,613,280</u>      | <u>6,453,289</u>  | <u>1,159,991</u>                            |
| Finance                              |                      |                       |                   |   |
| Employee salaries and benefits       | 1,876,349            | 2,066,149             | 1,962,438         | 103,711                                     |
| Outside services                     | 149,565              | 149,565               | 128,855           | 20,710                                      |
| Materials and supplies               | 16,000               | 16,000                | 2,374             | 13,626                                      |
| Intrafund/interfund services         | 11,515               | 11,515                | 11,515            | 0   |
| Capital outlay                       | 2,000                | 2,000                 | 15,000            | (13,000)                                    |
| Debt and fiscal charges              | 2,000                | 2,000                 | 3,469             | (1,469)                                     |
|                                      | <u>2,057,429</u>     | <u>2,247,229</u>      | <u>2,123,651</u>  | <u>123,578</u>                              |
| Procurement                          |                      |                       |                   |   |
| Employee salaries and benefits       | 1,348,401            | 1,468,821             | 1,296,458         | 172,363                                     |
| Outside services                     | 69,455               | 615,455               | 293,679           | 321,776                                     |
| Materials and supplies               | 114,302              | 114,302               | 74,871            | 39,431                                      |
| Intrafund/interfund services         | 62,467               | 62,467                | 62,756            | (289)                                       |
|                                      | <u>1,594,625</u>     | <u>2,261,045</u>      | <u>1,727,764</u>  | <u>533,281</u>                              |
| <b>Total Administrative Services</b> | <b>10,254,924</b>    | <b>12,121,554</b>     | <b>10,304,704</b> | <b>1,816,850</b>                            |
| <b>Fire</b>                          |                      |                       |                   |   |
| Fire Mitigation                      |                      |                       |                   |   |
| Outside services                     | 0                    | 199,652               | 10,745            | 188,907                                     |
| Materials and supplies               | 100,000              | 0                     | 0                 | 0   |
|                                      | <u>100,000</u>       | <u>199,652</u>        | <u>10,745</u>     | <u>188,907</u>                              |
| Fire - County Shared Costs           |                      |                       |                   |   |
| Intrafund/interfund services         | 7,416,199            | 7,702,199             | 7,846,815         | (144,616)                                   |
| <b>Total Fire</b>                    | <b>7,516,199</b>     | <b>7,901,851</b>      | <b>7,857,560</b>  | <b>44,291</b>                               |



|  |                  |                  |                  |                |
|--|------------------|------------------|------------------|----------------|
| <b>Community Services-Administration</b> |                  |                  |                  |                |
| Employee salaries and benefits           | 1,174,789        | 955,678          | 754,467          | 201,211        |
| Outside services                         | 777,286          | 885,471          | 746,150          | 139,321        |
| Materials and supplies                   | 21,550           | 21,550           | 10,574           | 10,976         |
| Intrafund/interfund services             | 6,396            | 6,396            | 6,396            | 0              |
| Capital outlay                           | 250,000          | 250,000          | 250,802          | (802)          |
|  | <u>2,230,021</u> | <u>2,119,095</u> | <u>1,768,389</u> | <u>350,706</u> |
| Grants                                   |                  |                  |                  |                |
| Employee salaries and benefits           | 0                | 9,500            | 7,913            | 1,587          |
| Outside services                         | 147,567          | 192,527          | 154,593          | 37,934         |
|  | <u>147,567</u>   | <u>202,027</u>   | <u>162,506</u>   | <u>39,521</u>  |
| <b>Total Community Services-Admin.</b>   | <b>2,377,588</b> | <b>2,321,122</b> | <b>1,930,895</b> | <b>390,227</b> |
| <b>Community Services-Library</b>        |                  |                  |                  |                |
| Library operations                       |                  |                  |                  |                |
| Employee salaries and benefits           | 2,461,691        | 2,503,691        | 1,922,222        | 581,469        |
| Outside services                         | 153,605          | 153,613          | 146,205          | 7,408          |
| Materials and supplies                   | 53,176           | 53,176           | 62,948           | (9,772)        |
| Intrafund/interfund services             | 30,876           | 30,876           | 30,916           | (40)           |
| Capital outlay                           | 0                | 6,699            | 0                | 6,699          |
|  | <u>2,699,348</u> | <u>2,748,055</u> | <u>2,162,291</u> | <u>585,764</u> |
| Collection development                   |                  |                  |                  |                |
| Outside services                         | 0                | 0                | 662              | (662)          |
| Materials and supplies                   | 296,500          | 306,620          | 295,993          | 10,627         |
|  | <u>296,500</u>   | <u>306,620</u>   | <u>296,655</u>   | <u>9,965</u>   |
| Outside funding sources                  |                  |                  |                  |                |
| Outside services                         | 0                | 14,570           | 524              | 14,046         |
| Materials and supplies                   | 0                | 178,086          | 85,313           | 92,773         |
| Capital outlay                           | 0                | 0                | 27,748           | (27,748)       |
|  | <u>0</u>         | <u>192,656</u>   | <u>113,585</u>   | <u>79,071</u>  |
| <b>Total Community Services-Library</b>  | <b>2,995,848</b> | <b>3,247,331</b> | <b>2,572,531</b> | <b>674,800</b> |
| <b>Community Services-Parks</b>          |                  |                  |                  |                |
| Parks Maintenance                        |                  |                  |                  |                |
| Employee salaries and benefits           | 1,792,112        | 1,877,902        | 1,341,034        | 536,868        |
| Outside services                         | 306,229          | 406,108          | 231,576          | 174,532        |
| Materials and supplies                   | 215,200          | 223,035          | 221,795          | 1,240          |
| Intrafund/interfund services             | 795,044          | 795,044          | 736,346          | 58,698         |
| Capital outlay                           | 0                | 98,351           | 97,073           | 1,278          |
| Debt and fiscal charges                  | 2,100            | 2,100            | 3,062            | (962)          |
|  | <u>3,110,685</u> | <u>3,402,540</u> | <u>2,630,886</u> | <u>771,654</u> |
| Parks Maintenance Projects               |                  |                  |                  |                |
| Cemetery                                 |                  |                  |                  |                |
| Materials and supplies                   | 22,200           | 22,200           | 22,404           | (204)          |
| Intrafund/interfund services             | 37,000           | 37,000           | 6,054            | 30,946         |
| Debt and fiscal charges                  | 0                | 0                | 3,424            | (3,424)        |
|  | <u>59,200</u>    | <u>59,200</u>    | <u>31,882</u>    | <u>27,318</u>  |
| <b>Total Community Svcs.-Parks</b>       | <b>3,169,885</b> | <b>3,461,740</b> | <b>2,662,768</b> | <b>798,972</b> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|  | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>    | <u>VARIANCE<br/>(NEGATIVE)</u> |
|--|----------------------|-----------------------|-------------------|--------------------------------|
| Recreation                                   |                      |                       |                   |                                |
| Employee salaries and benefits               | 144,607              | 522,667               | 442,025           | 80,642                         |
| Outside services                             | 148,961              | 171,146               | 103,556           | 67,590                         |
| Materials and supplies                       | 33,998               | 33,998                | 37,877            | (3,879)                        |
| Intrafund/interfund services                 | 17,624               | 17,804                | 17,804            | 0                              |
|  | <u>345,190</u>       | <u>745,615</u>        | <u>601,262</u>    | <u>144,353</u>                 |
| Recreation -Aquatic Center                   |                      |                       |                   |                                |
| Employee salaries and benefits               | 1,181,294            | 1,250,664             | 780,340           | 470,324                        |
| Outside services                             | 113,333              | 136,270               | 111,388           | 24,882                         |
| Materials and supplies                       | 103,637              | 93,637                | 95,591            | (1,954)                        |
| Intrafund/interfund services                 | 271,178              | 271,178               | 283,506           | (12,328)                       |
| Capital outlay                               | 0                    | 80,000                | 74,039            | 5,961                          |
| Debt and fiscal charges                      | 7,560                | 7,560                 | 10,761            | (3,201)                        |
|  | <u>1,677,002</u>     | <u>1,839,309</u>      | <u>1,355,625</u>  | <u>483,684</u>                 |
| Recreation - Ice Rink                        |                      |                       |                   |                                |
| Employee salaries and benefits               | 145,903              | 164,083               | 166,659           | (2,576)                        |
| Outside services                             | 4,960                | 175,461               | 170,834           | 4,627                          |
| Materials and supplies                       | 19,280               | 34,795                | 30,007            | 4,788                          |
| Intrafund/interfund services                 | 38,583               | 38,583                | 38,583            | 0                              |
| Capital outlay                               | 0                    | 8,485                 | 4,630             | 3,855                          |
| Debt and fiscal charges                      | 1,500                | 1,500                 | 2,802             | (1,302)                        |
|  | <u>210,226</u>       | <u>422,907</u>        | <u>413,515</u>    | <u>9,392</u>                   |
| Recreation -Golf Course                      |                      |                       |                   |                                |
| Employee salaries and benefits               | 643,363              | 670,993               | 648,582           | 22,411                         |
| Outside services                             | 74,113               | 102,394               | 56,531            | 45,863                         |
| Materials and supplies                       | 144,550              | 144,550               | 159,118           | (14,568)                       |
| Intrafund/interfund services                 | 301,726              | 301,726               | 271,335           | 30,391                         |
| Capital outlay                               | 0                    | 11,728                | 70,067            | (58,339)                       |
| Debt and fiscal charges                      | 11,000               | 11,000                | 15,716            | (4,716)                        |
|  | <u>1,174,752</u>     | <u>1,242,390</u>      | <u>1,221,349</u>  | <u>21,041</u>                  |
| <b>Total Community Svcs.-Recreation</b>      | <b>3,407,170</b>     | <b>4,250,221</b>      | <b>3,591,751</b>  | <b>658,470</b>                 |
| <b>Community Services-Social Services</b>    |                      |                       |                   |                                |
| Employee salaries and benefits               | 144,140              | 167,790               | 149,888           | 17,902                         |
| Outside services                             | 2,209,336            | 2,143,035             | 2,005,118         | 137,917                        |
| Materials and supplies                       | 1,750                | 1,750                 | 715               | 1,035                          |
| Intrafund/interfund services                 | 80,607               | 80,607                | 80,940            | (333)                          |
| Capital outlay                               | 0                    | 66,301                | 49,126            | 17,175                         |
| <b>Total Community Svcs.-Social Services</b> | <b>2,435,833</b>     | <b>2,459,483</b>      | <b>2,285,787</b>  | <b>173,696</b>                 |
| <b>Total Community Svcs. Department</b>      | <b>14,386,324</b>    | <b>15,739,897</b>     | <b>13,043,732</b> | <b>2,696,165</b>               |

**Police**

## Operations

|                                |                   |                   |                   |                  |
|--------------------------------|-------------------|-------------------|-------------------|------------------|
| Employee salaries and benefits | 9,380,713         | 9,779,704         | 9,082,224         | 697,480          |
| Outside services               | 758,457           | 1,268,812         | 513,320           | 755,492          |
| Materials and supplies         | 379,349           | 553,425           | 562,143           | (8,718)          |
| Intrafund/interfund services   | 769,362           | 679,550           | 683,093           | (3,543)          |
| Capital outlay                 | 270,000           | 1,011,850         | 1,195,933         | (184,083)        |
| Debt and fiscal charges        | 0                 | 0                 | 898               | (898)            |
|                                | <u>11,557,881</u> | <u>13,293,341</u> | <u>12,037,611</u> | <u>1,255,730</u> |

## Emergency Management

|                                |                |                |                |               |
|--------------------------------|----------------|----------------|----------------|---------------|
| Employee salaries and benefits | 256,600        | 275,940        | 295,139        | (19,199)      |
| Outside services               | 64,080         | 108,851        | 73,503         | 35,348        |
| Materials and supplies         | 16,300         | 16,300         | 14,633         | 1,667         |
| Intrafund/interfund services   | 0              | 1,303          | 1,303          | 0             |
|                                | <u>336,980</u> | <u>402,394</u> | <u>384,578</u> | <u>17,816</u> |

## Police Grants

|                                |          |                |                |                |
|--------------------------------|----------|----------------|----------------|----------------|
| Employee salaries and benefits | 0        | 25,785         | 26,384         | (599)          |
| Outside services               | 0        | 519,581        | 213,706        | 305,875        |
| Materials and supplies         | 0        | 5,300          | 89,156         | (83,856)       |
| Capital outlay                 | 0        | 182,087        | 75,347         | 106,740        |
|                                | <u>0</u> | <u>732,753</u> | <u>404,593</u> | <u>328,160</u> |

|                     |                   |                   |                   |                  |
|---------------------|-------------------|-------------------|-------------------|------------------|
| <b>Total Police</b> | <b>11,894,861</b> | <b>14,428,488</b> | <b>12,826,782</b> | <b>1,601,706</b> |
|---------------------|-------------------|-------------------|-------------------|------------------|

**INCORPORATED COUNTY OF LOS ALAMOS  
GENERAL FUND**

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|                                  | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>   | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|----------------------------------|----------------------|-----------------------|------------------|---|
| <b>Public Works</b>              |                      |                       |                  |   |
| Administration                   |                      |                       |                  |   |
| Employee salaries and benefits   | 457,969              | 499,729               | 543,980          | (44,251)                                    |
| Outside services                 | 11,666               | 11,666                | 10,303           | 1,363                                       |
| Materials and supplies           | 4,440                | 4,440                 | 3,794            | 646   |
| Intrafund/interfund services     | 8,065                | 8,065                 | 8,065            | 0   |
|                                  | <u>482,140</u>       | <u>523,900</u>        | <u>566,142</u>   | <u>(42,242)</u>                             |
| Engineering & Project Management |                      |                       |                  |   |
| Employee salaries and benefits   | 1,747,652            | 1,862,282             | 1,683,100        | 179,182                                     |
| Outside services                 | 32,409               | 1,252,459             | 1,203,179        | 49,280                                      |
| Materials and supplies           | 24,770               | 24,770                | 13,892           | 10,878                                      |
| Intrafund/interfund services     | 56,258               | 56,258                | 56,258           | 0   |
| Capital outlay                   | 35,000               | 35,000                | 28,861           | 6,139                                       |
|                                  | <u>1,896,089</u>     | <u>3,230,769</u>      | <u>2,985,290</u> | <u>245,479</u>                              |
| Traffic and Streets              |                      |                       |                  |   |
| Employee salaries and benefits   | 2,397,702            | 2,462,152             | 1,904,977        | 557,175                                     |
| Outside services                 | 388,792              | 393,799               | 311,196          | 82,603                                      |
| Materials and supplies           | 457,913              | 618,252               | 566,028          | 52,224                                      |
| Intrafund/interfund services     | 1,092,179            | 1,092,179             | 1,102,174        | (9,995)                                     |
| Capital outlay                   | 14,729               | 47,529                | 44,360           | 3,169                                       |
| Debt and fiscal charges          | 0                    | 0                     | 19               | (19)  |
|                                  | <u>4,351,315</u>     | <u>4,613,911</u>      | <u>3,928,754</u> | <u>685,157</u>                              |
| Pavement management              |                      |                       |                  |   |
| Outside services                 | 1,012,366            | 2,653,434             | 1,884,498        | 768,936                                     |
| Materials and supplies           | 0                    | 15,390                | 49,346           | (33,956)                                    |
|                                  | <u>1,012,366</u>     | <u>2,668,824</u>      | <u>1,933,844</u> | <u>734,980</u>                              |
| Custodial                        |                      |                       |                  |   |
| Employee salaries and benefits   | 1,281,523            | 1,349,033             | 1,157,966        | 191,067                                     |
| Outside services                 | 93,050               | 93,050                | 40,400           | 52,650                                      |
| Materials and supplies           | 160,165              | 160,165               | 172,340          | (12,175)                                    |
| Intrafund/interfund services     | 52,201               | 52,201                | 52,201           | 0   |
|                                  | <u>1,586,939</u>     | <u>1,654,449</u>      | <u>1,422,907</u> | <u>231,542</u>                              |

|   |                   |                    |                   |                   |
|---|-------------------|--------------------|-------------------|-------------------|
| Capital Projects and Facilities maintenance                       |                   |                    |                   |                   |
| Employee salaries and benefits                                    | 1,569,004         | 1,648,994          | 1,735,253         | (86,259)          |
| Outside services  | 476,816           | 561,715            | 646,229           | (84,514)          |
| Materials and supplies  | 448,076           | 448,076            | 275,176           | 172,900           |
| Intrafund/interfund services                                      | 1,107,072         | 1,107,072          | 1,130,305         | (23,233)          |
| Debt and fiscal charges   | 530               | 530                | 0                 | 530               |
|   | <u>3,601,498</u>  | <u>3,766,387</u>   | <u>3,786,963</u>  | <u>(20,576)</u>   |
| Facilities maintenance projects                                   |                   |                    |                   |                   |
| Employee salaries and benefits                                    | 475,840           | 992,212            | 0                 | 992,212           |
| Outside services  | 2,573,247         | 5,132,232          | 3,373,824         | 1,758,408         |
| Materials and supplies  | 0                 | 0                  | 429               | (429)             |
| Capital outlay  | 0                 | 75,000             | 90,728            | (15,728)          |
|   | <u>3,049,087</u>  | <u>6,199,444</u>   | <u>3,464,981</u>  | <u>2,734,463</u>  |
| <b>Total Public Works</b>   | <b>15,979,434</b> | <b>22,657,684</b>  | <b>18,088,881</b> | <b>4,568,803</b>  |
| <b>Community Development (CDD)</b>                                |                   |                    |                   |                   |
| CDD - Administration  |                   |                    |                   |                   |
| Employee salaries and benefits                                    | 836,950           | 879,150            | 690,095           | 189,055           |
| Outside services  | 77,564            | 227,567            | 29,048            | 198,519           |
| Materials and supplies  | 7,660             | 7,660              | 8,158             | (498)             |
| Intrafund/interfund services                                      | 15,473            | 15,473             | 15,473            | 0                 |
| Debt and fiscal charges   | 13,000            | 13,000             | 12,808            | 192               |
|   | <u>950,647</u>    | <u>1,142,850</u>   | <u>755,582</u>    | <u>387,268</u>    |
| CDD - Community Development                                       |                   |                    |                   |                   |
| Employee salaries and benefits                                    | 1,458,187         | 1,580,747          | 1,378,192         | 202,555           |
| Outside services  | 2,501,364         | 2,909,276          | 1,177,600         | 1,731,676         |
| Materials and supplies  | 30,625            | 30,625             | 12,360            | 18,265            |
| Intrafund/interfund services                                      | 26,230            | 26,230             | 26,230            | 0                 |
| Capital outlay  | 0                 | 11,559             | 11,559            | 0                 |
|   | <u>4,016,406</u>  | <u>4,558,437</u>   | <u>2,605,941</u>  | <u>1,952,496</u>  |
| <b>Total Community Development</b>                                | <b>4,967,053</b>  | <b>5,701,287</b>   | <b>3,361,523</b>  | <b>2,339,764</b>  |
| <b>TOTAL EXPENDITURES AND ENCUMBRANCES</b>                        | <b>73,933,331</b> | <b>92,578,651</b>  | <b>77,078,437</b> | <b>15,500,214</b> |
| <b>EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES</b> | <b>15,021,004</b> | <b>(3,142,490)</b> | <b>36,310,769</b> | <b>39,453,259</b> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
GENERAL FUND**

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u>         | <u>REVISED BUDGET</u>      | <u>ACTUALS</u>              | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|------------------------------|----------------------------|-----------------------------|---|
| <b>OTHER FINANCING SOURCES (USES)</b>       |                              |                            |                             |   |
| <b>Transfers in from:</b>                   |                              |                            |                             |   |
| Emergency Declarations Fund                 | 0                            | 387,236                    | 387,235                     | (1)   |
| Joint Utility System Fund-Electric          | 654,033                      | 80,416                     | 654,033                     | 573,617                                     |
| Joint Utility System Fund-Gas               | 345,845                      | 20,962                     | 345,845                     | 324,883                                     |
| Fire Fund                                   | 2,659,000                    | 2,659,000                  | 2,659,000                   | 0   |
|   | <u>3,658,878</u>             | <u>3,147,614</u>           | <u>4,046,113</u>            | <u>898,499</u>                              |
| <b>Transfers out to:</b>                    |                              |                            |                             |   |
| State/Other Grants Fund                     | (11,700)                     | (11,700)                   | (11,700)                    | 0   |
| Health Care Assistance Fund                 | (650,000)                    | (650,000)                  | (650,000)                   | 0   |
| Economic Development Fund                   | (1,600,000)                  | (1,600,000)                | (1,600,000)                 | 0   |
| Other Special Revenues Fund                 | (30,000)                     | (30,000)                   | (30,000)                    | 0   |
| Gross Receipts Tax Revenue Bonds Fund       | (4,552,409)                  | (4,552,409)                | (4,552,409)                 | 0   |
| Capital Improvement Projects Fund           | (18,989,799)                 | (19,439,799)               | (19,441,299)                | (1,500)                                     |
| Transit Fund                                | (1,050,000)                  | (1,050,000)                | (1,050,000)                 | 0   |
| Airport Fund                                | (1,217,555)                  | (1,217,555)                | (1,217,555)                 | 0   |
| Risk Management Fund                        | 0                            | (78,000)                   | (78,000)                    | 0   |
| MFM   | 0                            | (1,500)                    | 0                           | 1,500                                       |
|   | <u>(28,101,463)</u>          | <u>(28,630,963)</u>        | <u>(28,630,963)</u>         | <u>0</u>                                    |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <b><u>(24,442,585)</u></b>   | <b><u>(25,483,349)</u></b> | <b><u>(24,584,850)</u></b>  | <b><u>898,499</u></b>                       |
| <b>NET CHANGE IN FUND BALANCE</b>           | <b>\$ <u>(9,421,581)</u></b> | <b><u>(28,625,839)</u></b> | <b>11,735,057</b>           | <b><u>40,360,896</u></b>                    |
| <b>ADJUSTMENTS TO GAAP</b>                  |                              |                            |                             |   |
| Encumbrances                                |                              |                            | 7,121,683                   |   |
| Bad debt expense                            |                              |                            | (1,861)                     |   |
| Adjustments to inventory                    |                              |                            | (12,180)                    |   |
|   |                              |                            | <u>7,107,642</u>            |   |
| <b>GAAP BASIS</b>                           |                              |                            | <b>18,842,699</b>           |   |
| <b>FUND BALANCE</b>                         |                              |                            |                             |   |
| Beginning of fiscal year                    |                              |                            | 59,500,343                  |   |
| Prior period restatement GASB Statement 87  |                              |                            | 258,675                     |   |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>    |                              |                            | <b>\$ <u>78,601,717</u></b> |   |

See accompanying notes to financial statements

**L**  **S** **A** **L** **A** **M**  **S**  
where discoveries are made

**INCORPORATED COUNTY OF LOS ALAMOS  
ECONOMIC DEVELOPMENT FUND**

**STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u>  | <u>REVISED BUDGET</u> | <u>ACTUALS</u>     | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|-----------------------|-----------------------|--------------------|---|
| <b>REVENUES</b>   |                       |                       |                    |   |
| State grants-other  | \$ 105,000            | 105,000               | 0                  | (105,000)                                   |
| <b>Miscellaneous revenues</b>   |                       |                       |                    |   |
| Investment income   | 0                     | 0                     | 148,302            | 148,302                                     |
| Economic development loan repayment (principal)                       | 46,428                | 46,428                | 115,588            | 69,160                                      |
| Economic development loan repayment (interest)                        | 0                     | 0                     | 2,075              | 2,075                                       |
|   | <u>46,428</u>         | <u>46,428</u>         | <u>265,965</u>     | <u>219,537</u>                              |
| <b>TOTAL REVENUES</b>   | <b>151,428</b>        | <b>151,428</b>        | <b>265,965</b>     | <b>114,537</b>                              |
| <b>EXPENDITURES AND ENCUMBRANCES</b>                                  |                       |                       |                    |   |
| <b>Community and Economic Development</b>                             |                       |                       |                    |   |
| Outside services  | 3,633,750             | 3,633,750             | 104,113            | 3,529,637                                   |
| Capital outlay  | 0                     | 0                     | 729,536            | (729,536)                                   |
| Economic development and housing loans                                | 400,000               | 823,351               | 277,211            | 546,140                                     |
| Debt and fiscal charges   | 400,000               | 400,000               | 0                  | 400,000                                     |
|   | <u>4,433,750</u>      | <u>4,857,101</u>      | <u>1,110,860</u>   | <u>3,746,241</u>                            |
| <b>TOTAL EXPENDITURES<br/>AND ENCUMBRANCES</b>                        | <b>4,433,750</b>      | <b>4,857,101</b>      | <b>1,110,860</b>   | <b>3,746,241</b>                            |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENDITURES AND ENCUMBRANCES</b> | <b>(4,282,322)</b>    | <b>(4,705,673)</b>    | <b>(844,895)</b>   | <b>3,860,778</b>                            |
| <b>OTHER FINANCING SOURCES (USES)</b>                                 |                       |                       |                    |   |
| <b>Transfer in from:</b>  |                       |                       |                    |   |
| General Fund  | 1,600,000             | 1,600,000             | 1,600,000          | 0   |
| <b>Transfers out to:</b>  |                       |                       |                    |   |
| Joint Utilities Fund  | (2,000,000)           | (2,000,000)           | (2,000,000)        | 0   |
|   | <u>(2,000,000)</u>    | <u>(2,000,000)</u>    | <u>(2,000,000)</u> | <u>0</u>                                    |
| <b>NET CHANGE IN FUND BALANCE</b>                                     | <b>\$ (4,682,322)</b> | <b>(5,105,673)</b>    | <b>(1,244,895)</b> | <b>3,860,778</b>                            |



**ADJUSTMENTS TO GAAP**

0

**GAAP BASIS**

(1,244,895)

**FUND BALANCE**

Beginning of fiscal year

5,522,850

**FUND BALANCE - END OF FISCAL YEAR**

\$ 4,277,955

**INCORPORATED COUNTY OF LOS ALAMOS  
EMERGENCY DECLARATIONS FUND**

**STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>    | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|-------------------|---|
| <b>REVENUES</b>   |                      |                       |                   |   |
| <b>Intergovernmental</b>  |                      |                       |                   |   |
| Federal direct  | \$ 0                 | 50,000                | 819,892           | 769,892                                     |
| Federal indirect  | 0                    | 0                     | 115,600           | 115,600                                     |
|   | <u>0</u>             | <u>50,000</u>         | <u>935,492</u>    | <u>885,492</u>                              |
| <b>EXPENDITURES AND ENCUMBRANCES</b>                                  |                      |                       |                   |   |
| <b>Administrative Services - Finance Office</b>                       |                      |                       |                   |   |
| Employee salaries and benefits  | 0                    | 130,600               | 25,351            | 105,249                                     |
| Outside services  | 0                    | 2,902,347             | 813,884           | 2,088,463                                   |
| Materials and supplies  | 0                    | 23,778                | 19,250            | 4,528                                       |
|   | <u>0</u>             | <u>3,056,725</u>      | <u>858,485</u>    | <u>2,198,240</u>                            |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENDITURES AND ENCUMBRANCES</b> | <b>0</b>             | <b>(3,006,725)</b>    | <b>77,007</b>     | <b>3,083,732</b>                            |
| <b>OTHER FINANCING SOURCES (USES)</b>                                 |                      |                       |                   |   |
| <b>Transfers out to:</b>  |                      |                       |                   |   |
| General Fund  | 0                    | (387,236)             | (387,235)         | 1   |
| <b>NET CHANGE IN FUND BALANCE</b>                                     | <b>\$ 0</b>          | <b>(3,393,961)</b>    | <b>(310,228)</b>  | <b>3,083,733</b>                            |
| <b>ADJUSTMENTS TO GAAP</b>  |                      |                       |                   |   |
| Encumbrances  |                      |                       | 694               |   |
| <b>GAAP BASIS</b>   |                      |                       | <b>(309,534)</b>  |   |
| <b>FUND BALANCE</b>   |                      |                       |                   |   |
| Beginning of fiscal year  |                      |                       | 3,418,670         |   |
| Prior period adjustment GASB Statement 33                             |                      |                       | (2,633,541)       |   |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>                              |                      |                       | <b>\$ 475,595</b> |   |



## Major Proprietary Funds

**Joint Utility System Fund 500** - accounts for the provision of electric, gas, water, and wastewater utility services to the county. Combining subfund financial statements are provided for each utility service following the notes to financial statements.

**Environmental Services Fund 611** - accounts for the provision of refuse collection, recycling and reuse, and landfill services to the county.

**Transit Fund 651** - accounts for the operation of the Atomic City Transit (ACT) public transportation system.

**Fire Fund 660** - accounts for fire protection services provided to Los Alamos National Laboratory and the community through a cooperative agreement with the National Nuclear Security Administration.

**Airport Fund 681** - accounts for the operation and maintenance of the Los Alamos Airport.



**INCORPORATED COUNTY OF LOS ALAMOS**  
**Proprietary Funds**  
Statement of Net Position  
June 30, 2023

|   | ENTERPRISE FUNDS        |                           |                  |                   |                   |                    | BUSINESS-<br>TYPE<br>ACTIVITIES -<br>INTERNAL<br>SERVICE FUNDS |
|---|-------------------------|---------------------------|------------------|-------------------|-------------------|--------------------|--|
|   | JOINT UTILITY<br>SYSTEM | ENVIRONMENTAL<br>SERVICES | TRANSIT          | FIRE              | AIRPORT           | TOTAL              |  |
| <b>ASSETS</b>   |                         |                           |                  |                   |                   |                    |  |
| <b>Current Assets:</b>                                  |                         |                           |                  |                   |                   |                    |  |
| Equity in pooled cash and investments                   | \$ 13,852,295           | 3,589,332                 | 2,701,145        | 508,301           | 2,070,221         | 22,721,294         | 19,685,294   |
| Receivables, net of allowance for uncollectibles        |                         |                           |                  |                   |                   |                    |  |
| Accounts  | 7,223,154               | 333,948                   | 0                | 735,919           | 5,268             | 8,298,289          | 23,559   |
| Interest  | 462                     | 0                         | 0                | 0                 | 0                 | 462                | 0  |
| Unbilled  | 1,587,082               | 141,735                   | 0                | 0                 | 0                 | 1,728,817          | 0  |
| Leases  | 210,086                 | 0                         | 0                | 0                 | 0                 | 210,086            | 0  |
| Due from other governments                              | 151,319                 | 427,399                   | 596,055          | 4,906,405         | 106,451           | 6,187,629          | 0  |
| Inventories and prepayments                             |                         |                           |                  |                   |                   |                    |  |
| Inventories   | 2,243,694               | 0                         | 0                | 0                 | 0                 | 2,243,694          | 0  |
| Prepayments   | 663,446                 | 0                         | 0                | 0                 | 0                 | 663,446            | 0  |
| <b>Total Current Assets</b>                             | <b>25,931,538</b>       | <b>4,492,414</b>          | <b>3,297,200</b> | <b>6,150,625</b>  | <b>2,181,940</b>  | <b>42,053,717</b>  | <b>19,708,853</b>  |
| <b>Non-current assets:</b>                              |                         |                           |                  |                   |                   |                    |  |
| Restricted assets                                       |                         |                           |                  |                   |                   |                    |  |
| Cash and cash equivalents                               |                         |                           |                  |                   |                   |                    |  |
| Debt reserves and debt service                          | 3,273,344               | 553,686                   | 0                | 0                 | 0                 | 3,827,030          | 0  |
| Operations and maintenance                              | 12,469,347              | 360,473                   | 0                | 0                 | 0                 | 12,829,820         | 0  |
| Investments   |                         |                           |                  |                   |                   |                    |  |
| Debt reserves and debt service                          | 0                       | 0                         | 0                | 0                 | 0                 | 0                  | 0  |
| Capital assets  |                         |                           |                  |                   |                   |                    |  |
| Land  | 2,959,328               | 0                         | 0                | 1,081,176         | 4,387,040         | 8,427,544          | 0  |
| Utility plant in service                                | 296,489,229             | 0                         | 0                | 0                 | 0                 | 296,489,229        | 0  |
| Buildings   | 0                       | 6,112,038                 | 63,147           | 17,336,040        | 1,583,330         | 25,094,555         | 0  |
| Improvements other than buildings                       | 0                       | 1,683,448                 | 929,533          | 143,285           | 15,454,705        | 18,210,971         | 0  |
| Machinery and equipment                                 | 3,667,875               | 133,357                   | 1,106,140        | 2,876,784         | 21,316            | 7,805,472          | 30,514,946   |
| Less accumulated depreciation                           | (152,231,970)           | (2,821,486)               | (1,776,908)      | (8,623,685)       | (10,181,064)      | (175,635,113)      | (21,477,465)   |
| Construction in progress                                | 24,335,498              | 0                         | 0                | 0                 | 0                 | 24,335,498         | 0  |
| Right-to-use assets                                     |                         |                           |                  |                   |                   |                    |  |
| Buildings and structures-lease, net of amortization     | 0                       | 0                         | 0                | 691,932           | 0                 | 691,932            | 0  |
| Subscription based IT arrangements, net of amortization | 102,068                 | 0                         | 2,322            | 324,077           | 0                 | 428,467            | 0  |
| <b>Total Non-current Assets</b>                         | <b>191,064,719</b>      | <b>6,021,516</b>          | <b>324,234</b>   | <b>13,829,609</b> | <b>11,265,327</b> | <b>222,505,405</b> | <b>9,037,481</b>   |
| <b>TOTAL ASSETS</b>                                     | <b>216,996,257</b>      | <b>10,513,930</b>         | <b>3,621,434</b> | <b>19,980,234</b> | <b>13,447,267</b> | <b>264,559,122</b> | <b>28,746,334</b>  |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>                  |                         |                           |                  |                   |                   |                    |  |
| Deferred amounts (debits) from refunding of debt        | 198,081                 | 0                         | 0                | 0                 | 0                 | 198,081            | 0  |
| Deferred other post employment benefits                 | 1,042,223               | 138,417                   | 244,468          | 2,037,857         | 12,501            | 3,475,466          | 121,188  |
| Deferred pensions                                       | 2,062,226               | 221,493                   | 474,169          | 7,790,795         | 68,956            | 10,617,639         | 252,975  |
| Deferred decommissioning cost                           | 2,474,890               | 0                         | 0                | 0                 | 0                 | 2,474,890          | 0  |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>             | <b>5,777,420</b>        | <b>359,910</b>            | <b>718,637</b>   | <b>9,828,652</b>  | <b>81,457</b>     | <b>16,766,076</b>  | <b>374,163</b>   |

## LIABILITIES

### Current Liabilities:

|  |                  |                |                |                  |               |                   |                  |
|--|------------------|----------------|----------------|------------------|---------------|-------------------|------------------|
| Accounts payable   | 5,413,404        | 283,413        | 0              | 286,033          | 10,149        | 5,992,999         | 875,847          |
| Claims and judgments payable                                     | 0                | 0              | 0              | 0                | 0             | 0                 | 544,236          |
| Accrued salaries and benefits payable                            | 172,240          | 20,021         | 34,604         | 237,050          | 1,982         | 465,897           | 20,573           |
| Customer deposits payable  | 569,010          | 15,200         | 0              | 0                | 0             | 584,210           | 0                |
| Due to other governments   | 126,080          | 10,711         | 0              | 0                | 0             | 136,791           | 0                |
| Unearned revenue   | 317,313          | 0              | 0              | 0                | 0             | 317,313           | 0                |
| Current portion of long-term liabilities                         |                  |                |                |                  |               |                   |                  |
| Accrued compensated absences                                     | 802,591          | 133,692        | 175,995        | 2,150,070        | 1,396         | 3,263,744         | 141,136          |
| Revenue bonds payable  | 1,360,000        | 0              | 0              | 0                | 0             | 1,360,000         | 0                |
| Contracts and intergovernmental debt payable                     | 845,539          | 248,114        | 0              | 0                | 0             | 1,093,653         | 0                |
| Special closure costs  | 0                | 58,077         | 0              | 0                | 0             | 58,077            | 0                |
| Subscription based IT arrangements liability                     | 7,614            | 0              | 0              | 37,172           | 0             | 44,786            | 0                |
| Lease liability  | 0                | 0              | 0              | 173,257          | 0             | 173,257           | 0                |
| Interest payable on revenue bonds and other debt                 | 64,120           | 12,965         | 0              | 0                | 0             | 77,085            | 0                |
| Interest payable on subscription based IT arrangements liability | 369              | 0              | 0              | 6,058            | 0             | 6,427             | 0                |
| Interest payable on leases                                       | 0                | 0              | 0              | 668              | 0             | 668               | 0                |
| <b>Total Current Liabilities</b>                                 | <b>9,678,280</b> | <b>782,193</b> | <b>210,599</b> | <b>2,890,308</b> | <b>13,527</b> | <b>13,574,907</b> | <b>1,581,792</b> |

### Noncurrent Liabilities:

|  |                   |                  |                  |                   |                |                    |                  |
|--|-------------------|------------------|------------------|-------------------|----------------|--------------------|------------------|
| Due in more than one year                    |                   |                  |                  |                   |                |                    |                  |
| Accrued compensated absences                 | 435,583           | 60,661           | 100,767          | 1,576,316         | 136            | 2,173,463          | 61,015           |
| Claims and judgments payable                 | 0                 | 0                | 0                | 0                 | 0              | 0                  | 29,389           |
| Revenue bonds payable                        | 11,311,361        | 0                | 0                | 0                 | 0              | 11,311,361         | 0                |
| Contracts and intergovernmental debt payable | 26,243,540        | 2,801,518        | 0                | 0                 | 0              | 29,045,058         | 0                |
| Advances from other funds                    | 0                 | 0                | 0                | 0                 | 146,799        | 146,799            | 0                |
| Special closure costs                        | 11,397,852        | 1,045,391        | 0                | 0                 | 0              | 12,443,243         | 0                |
| Net other post employment benefits liability | 2,810,518         | 325,583          | 637,900          | 5,293,185         | 54,862         | 9,122,048          | 390,658          |
| Net pension liability                        | 12,464,936        | 1,423,313        | 2,825,948        | 52,407,076        | 268,912        | 69,390,185         | 1,508,297        |
| Subscription based IT arrangements liability | 56,161            | 0                | 0                | 271,665           | 0              | 327,826            | 0                |
| Lease liability                              | 0                 | 0                | 0                | 531,753           | 0              | 531,753            | 0                |
| <b>Total Noncurrent Liabilities</b>          | <b>64,719,951</b> | <b>5,656,466</b> | <b>3,564,615</b> | <b>60,079,995</b> | <b>470,709</b> | <b>134,491,736</b> | <b>1,989,359</b> |
| <b>TOTAL LIABILITIES</b>                     | <b>74,398,231</b> | <b>6,438,659</b> | <b>3,775,214</b> | <b>62,970,303</b> | <b>484,236</b> | <b>148,066,643</b> | <b>3,571,151</b> |

### DEFERRED INFLOWS OF RESOURCES:

|  |                  |                |                |                  |               |                   |                |
|--|------------------|----------------|----------------|------------------|---------------|-------------------|----------------|
| Deferred other post employment benefits    | 2,726,810        | 335,846        | 596,491        | 7,042,294        | 36,396        | 10,737,837        | 347,633        |
| Deferred pensions                          | 142,020          | 27,546         | 70,844         | 2,714,800        | 0             | 2,955,210         | 0              |
| Deferred leases                            | 207,133          | 0              | 0              | 0                | 0             | 207,133           | 0              |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b> | <b>3,075,963</b> | <b>363,392</b> | <b>667,335</b> | <b>9,757,094</b> | <b>36,396</b> | <b>13,900,180</b> | <b>347,633</b> |

### NET POSITION

|  |                       |                  |                  |                     |                   |                    |                   |
|--|-----------------------|------------------|------------------|---------------------|-------------------|--------------------|-------------------|
| Net investment in capital assets             | 135,823,444           | 2,057,725        | 324,234          | 12,815,762          | 11,265,327        | 162,286,492        | 9,037,481         |
| Restricted, net of related liabilities, for: |                       |                  |                  |                     |                   |                    |                   |
| Debt service                                 | 4,280,719             | 540,721          | 0                | 0                   | 0                 | 4,821,440          | 0                 |
| Unrestricted                                 | 5,195,320             | 1,473,343        | (426,712)        | (55,734,273)        | 1,742,765         | (47,749,557)       | 16,164,232        |
| <b>TOTAL NET POSITION</b>                    | <b>\$ 145,299,483</b> | <b>4,071,789</b> | <b>(102,478)</b> | <b>(42,918,511)</b> | <b>13,008,092</b> | <b>119,358,375</b> | <b>25,201,713</b> |

Net position of business-type internal service funds  
Net activity of internal service funds

25,201,713  
1,077,315  
\$ **145,637,403**

**INCORPORATED COUNTY OF LOS ALAMOS**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Year ended June 30, 2023**

|   | ENTERPRISE FUNDS        |                           |                    |                     |                    |                     | BUSINESS-<br>TYPE<br>ACTIVITIES -<br>INTERNAL<br>SERVICE FUNDS |
|---|-------------------------|---------------------------|--------------------|---------------------|--------------------|---------------------|--|
|   | JOINT UTILITY<br>SYSTEM | ENVIRONMENTAL<br>SERVICES | TRANSIT            | FIRE                | AIRPORT            | TOTAL               |  |
| <b>OPERATING REVENUES</b>                               |                         |                           |                    |                     |                    |                     |  |
| Utility sales and other services                        | \$ 81,420,486           | 3,263,062                 | 0                  | 723,379             | 76,846             | 85,483,773          | 0  |
| Sales of food or merchandise                            | 0                       | 1,708                     | 0                  | 0                   | 0                  | 1,708               | 0  |
| Interfund charges for services                          | 0                       | 51,862                    | 0                  | 7,679,815           | 0                  | 7,731,677           | 5,364,237  |
| Insurance and pension contributions                     |                         |                           |                    |                     |                    |                     |  |
| County  | 0                       | 0                         | 0                  | 0                   | 0                  | 0                   | 8,508,971  |
| Employees and retirees                                  | 0                       | 0                         | 0                  | 0                   | 0                  | 0                   | 1,755,891  |
| Rentals   | 13,942                  | 0                         | 0                  | 0                   | 0                  | 13,942              | 0  |
| Intergovernmental - charges for services                | 1,306,109               | 0                         | 0                  | 22,648,555          | 0                  | 23,954,664          | 0  |
| Miscellaneous operating revenue                         | 199,610                 | 163,858                   | 0                  | 666                 | 0                  | 364,134             | 180,617  |
|   | <b>82,940,147</b>       | <b>3,480,490</b>          | <b>0</b>           | <b>31,052,415</b>   | <b>76,846</b>      | <b>117,549,898</b>  | <b>15,809,716</b>  |
| <b>OPERATING EXPENSES</b>                               |                         |                           |                    |                     |                    |                     |  |
| Employee salaries and benefits                          | 11,614,051              | 1,460,371                 | 2,336,273          | 21,438,192          | 107,766            | 36,956,653          | 1,431,402  |
| Contractual services                                    | 64,520,341              | 2,858,517                 | 1,957,744          | 5,830,229           | 1,436,390          | 76,603,221          | 9,447,046  |
| Materials and supplies                                  | 1,022,445               | 1,201,168                 | 20,387             | 1,344,553           | 24,295             | 3,612,848           | 1,648,274  |
| Depreciation and amortization                           | 5,794,498               | 187,170                   | 176,954            | 1,001,196           | 589,834            | 7,749,652           | 2,198,678  |
| Special closure costs                                   | 1,916,112               | 0                         | 0                  | 0                   | 0                  | 1,916,112           | 0  |
| Other   | 162,726                 | 339                       | 0                  | 38,787              | 238                | 202,090             | 252  |
|   | <b>85,030,173</b>       | <b>5,707,565</b>          | <b>4,491,358</b>   | <b>29,652,957</b>   | <b>2,158,523</b>   | <b>127,040,576</b>  | <b>14,725,652</b>  |
| <b>OPERATING INCOME (LOSS)</b>                          | <b>(2,090,026)</b>      | <b>(2,227,075)</b>        | <b>(4,491,358)</b> | <b>1,399,458</b>    | <b>(2,081,677)</b> | <b>(9,490,678)</b>  | <b>1,084,064</b>   |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                 |                         |                           |                    |                     |                    |                     |  |
| Gross receipts taxes for solid waste recycling          | 0                       | 1,638,009                 | 0                  | 0                   | 0                  | 1,638,009           | 0  |
| Fire excise tax   | 0                       | 0                         | 0                  | 3,276,049           | 0                  | 3,276,049           | 0  |
| Gain (loss) on disposition of capital assets            | (23,568,163)            | 0                         | 0                  | 0                   | (6,093)            | (23,574,256)        | 194,672  |
| Investment income (loss)                                | 1,308,164               | 138,600                   | 67,097             | 0                   | 34,659             | 1,548,520           | 596,752  |
| Interest on long-term debt                              | (806,954)               | (81,754)                  | 0                  | 0                   | 0                  | (888,708)           | 0  |
| Interest on long-term lease liability                   | 0                       | 0                         | 0                  | (8,945)             | 0                  | (8,945)             | 0  |
| Interest on long-term subscription liability            | 0                       | 0                         | (43)               | (8,521)             | 0                  | (8,564)             | 0  |
| Inventory adjustment                                    | 417,426                 | 0                         | 0                  | 0                   | 0                  | 417,426             | 0  |
| Intergovernmental - non-capital grants                  | 0                       | 74,125                    | 3,402,447          | 2,086               | 1,180,315          | 4,658,973           | 0  |
|   | <b>(22,649,527)</b>     | <b>1,768,980</b>          | <b>3,469,501</b>   | <b>3,260,669</b>    | <b>1,208,881</b>   | <b>(12,941,496)</b> | <b>791,424</b>   |
| <b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b> | <b>(24,739,553)</b>     | <b>(458,095)</b>          | <b>(1,021,857)</b> | <b>4,660,127</b>    | <b>(872,796)</b>   | <b>(22,432,174)</b> | <b>1,875,488</b>   |
| <b>TRANSFERS AND CONTRIBUTIONS</b>                      |                         |                           |                    |                     |                    |                     |  |
| Transfers in  | 2,000,000               | 0                         | 1,050,000          | 0                   | 1,217,555          | 4,267,555           | 266,425  |
| Transfers out   | (1,130,480)             | (57,823)                  | 0                  | (2,659,000)         | 0                  | (3,847,303)         | 0  |
| Intergovernmental - capital grants                      | 129,502                 | 0                         | 0                  | 0                   | 134,145            | 263,647             | 0  |
| Contributed capital assets - governmental activities    | 0                       | 0                         | 0                  | 0                   | 0                  | 0                   | 413,038  |
|   | <b>999,022</b>          | <b>(57,823)</b>           | <b>1,050,000</b>   | <b>(2,659,000)</b>  | <b>1,351,700</b>   | <b>683,899</b>      | <b>679,463</b>   |
| <b>CHANGE IN NET POSITION</b>                           | <b>(23,740,531)</b>     | <b>(515,918)</b>          | <b>28,143</b>      | <b>2,001,127</b>    | <b>478,904</b>     | <b>(21,748,275)</b> | <b>2,554,951</b>   |
| <b>NET POSITION</b>                                     |                         |                           |                    |                     |                    |                     |  |
| Beginning of fiscal year                                | 170,114,197             | 4,587,707                 | (130,621)          | (44,919,638)        | 12,529,188         | 142,180,833         | 22,646,762   |
| Prior period restatement GASB Statement 33 (Note 25)    | (1,074,183)             | 0                         | 0                  | 0                   | 0                  | (1,074,183)         | 0  |
| Beginning of fiscal year, as restated                   | 169,040,014             | 4,587,707                 | (130,621)          | (44,919,638)        | 12,529,188         | 141,106,650         | 22,646,762   |
| <b>NET POSITION - END OF FISCAL YEAR</b>                | <b>\$ 145,299,483</b>   | <b>4,071,789</b>          | <b>(102,478)</b>   | <b>(42,918,511)</b> | <b>13,008,092</b>  | <b>119,358,375</b>  | <b>25,201,713</b>  |

See accompanying notes to financial statements

# INCORPORATED COUNTY OF LOS ALAMOS

## Proprietary Funds

### Reconciliation of Statement of Revenues, Expenses and Changes in Net Position to the Statement of Activities Year ended June 30, 2023

---

Amounts reported for business-type activities in the statement of activities are different from those reflected in the proprietary funds statement of revenues, expenses, and changes in net position because:

|  |    |                            |
|--|----|----------------------------|
| Total change in net position for enterprise funds as reported in the proprietary funds statement of revenues, expenses, and changes in net position:   | \$ | (21,748,275)               |
| Total change in net position for business-type internal service funds as reported in the proprietary funds statement of revenues, expenses, and changes in net position.   |    | 2,554,951                  |
| Internal service funds are used by the County to charge the costs of equipment and risk management functions to individual funds. The net gain or loss of certain activities in internal service funds is reported with governmental activities. |    | (918,422)                  |
| Change in net position of business-type activities   | \$ | <u><u>(20,111,746)</u></u> |



**INCORPORATED COUNTY OF LOS ALAMOS**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
Year ended June 30, 2023

|   | <b>JOINT UTILITY<br/>SYSTEM</b> | <b>ENVIRONMENTAL<br/>SERVICES</b> | <b>TRANSIT</b>     | <b>FIRE</b>         | <b>AIRPORT</b>     | <b>TOTAL</b>        | <b>BUSINESS-TYPE<br/>ACTIVITIES INTERNAL<br/>SERVICE FUNDS</b> |
|---|---------------------------------|-----------------------------------|--------------------|---------------------|--------------------|---------------------|--|
| <b>CASH FLOWS - OPERATING ACTIVITIES</b>                                |                                 |                                   |                    |                     |                    |                     |  |
| Cash received from customers and users                                  | \$ 82,907,845                   | 3,487,803                         | 0                  | 8,265,947           | 77,770             | 94,739,365          | 5,533,361  |
| Cash received from contributions-employer and employees                 | 0                               | 0                                 | 0                  | 0                   | 0                  | 0                   | 10,166,131   |
| Cash paid to suppliers for goods and services                           | (67,062,341)                    | (3,920,485)                       | (2,013,113)        | (6,925,896)         | (1,486,204)        | (81,408,039)        | (12,877,252)   |
| Cash paid to employees  | (11,329,240)                    | (1,489,635)                       | (2,395,483)        | (23,141,727)        | (116,389)          | (38,472,474)        | (1,479,037)  |
| Taxes received from customers and users                                 | 2,106,459                       | 135,019                           | 0                  | 0                   | 0                  | 2,241,478           | 0  |
| Taxes remitted to State (from customers and users)                      | (2,117,202)                     | (127,442)                         | 0                  | 0                   | 0                  | (2,244,644)         | 0  |
| <b>NET CASH FLOWS - OPERATING ACTIVITIES</b>                            | <b>4,505,521</b>                | <b>(1,914,740)</b>                | <b>(4,408,596)</b> | <b>(21,801,676)</b> | <b>(1,524,823)</b> | <b>(25,144,314)</b> | <b>1,343,203</b>   |
| <b>CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES</b>                     |                                 |                                   |                    |                     |                    |                     |  |
| Cash received from grants   | 0                               | 74,125                            | 3,625,937          | 23,241,179          | 1,120,367          | 28,061,608          | 0  |
| Transfers to other funds  | (999,878)                       | 0                                 | 0                  | (2,659,000)         | 0                  | (3,658,878)         | 0  |
| Transfers from other funds  | 2,000,000                       | 0                                 | 1,050,000          | 0                   | 1,217,555          | 4,267,555           | 78,000   |
| Gross receipts taxes received   | 0                               | 1,384,528                         | 0                  | 3,315,584           | 0                  | 4,700,112           | 0  |
| Cash received from short-term interfund loans                           | 179,455                         | 0                                 | 0                  | 0                   | 0                  | 179,455             | 0  |
| Cash paid on short-term interfund loans                                 | (179,454)                       | 0                                 | 0                  | (1,138,094)         | 0                  | (1,317,548)         | 0  |
| <b>NET CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES</b>                 | <b>1,000,123</b>                | <b>1,458,653</b>                  | <b>4,675,937</b>   | <b>22,759,669</b>   | <b>2,337,922</b>   | <b>32,232,304</b>   | <b>78,000</b>  |
| <b>CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES</b>            |                                 |                                   |                    |                     |                    |                     |  |
| Cash received from capital grants                                       | 134,458                         | 0                                 | 0                  | 0                   | 134,145            | 268,603             | 0  |
| Proceeds received from loans  | 14,032,043                      | 0                                 | 0                  | 0                   | 0                  | 14,032,043          | 0  |
| Principal repaid  | (863,270)                       | (244,664)                         | 0                  | 0                   | 0                  | (1,107,934)         | 0  |
| Special closure costs paid  | 3,157,154                       | 0                                 | 0                  | 0                   | 0                  | 3,157,154           | 0  |
| Interest and other debt service paid                                    | (1,149,501)                     | (82,321)                          | 0                  | (17,466)            | 0                  | (1,249,288)         | 0  |
| Cash paid for acquisition of capital assets                             | (26,331,095)                    | (57,823)                          | (16,024)           | (432,226)           | (40,000)           | (26,877,168)        | (1,396,731)  |
| Proceeds from sale of capital assets                                    | (3,313,074)                     | 0                                 | 0                  | 0                   | 0                  | (3,313,074)         | 194,672  |
| <b>NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES</b>        | <b>(14,333,285)</b>             | <b>(384,808)</b>                  | <b>(16,024)</b>    | <b>(449,692)</b>    | <b>94,145</b>      | <b>(15,089,664)</b> | <b>(1,202,059)</b>   |
| <b>CASH FLOWS - INVESTING ACTIVITIES</b>                                |                                 |                                   |                    |                     |                    |                     |  |
| Gain on investments   | 624,644                         | 138,600                           | 67,054             | 0                   | 34,659             | 864,957             | 596,752  |
| <b>NET CASH FLOWS - INVESTING ACTIVITIES</b>                            | <b>624,644</b>                  | <b>138,600</b>                    | <b>67,054</b>      | <b>0</b>            | <b>34,659</b>      | <b>864,957</b>      | <b>596,752</b>   |
| <b>NET INCREASE (DECREASE) IN CASH</b>                                  | <b>(8,202,997)</b>              | <b>(702,295)</b>                  | <b>318,371</b>     | <b>508,301</b>      | <b>941,903</b>     | <b>(7,136,717)</b>  | <b>815,896</b>   |
| <b>EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR</b> | <b>37,797,983</b>               | <b>5,205,786</b>                  | <b>2,382,774</b>   | <b>0</b>            | <b>1,128,318</b>   | <b>46,514,861</b>   | <b>18,869,398</b>  |
| <b>EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR</b>       | <b>\$ 29,594,986</b>            | <b>4,503,491</b>                  | <b>2,701,145</b>   | <b>508,301</b>      | <b>2,070,221</b>   | <b>39,378,144</b>   | <b>19,685,294</b>  |

(Joint Utility System Fund and Environmental Services Fund cash balances are shown in both Equity in Pooled Cash and Investments and Restricted Cash on the Proprietary Funds Statement of Net Position)

**RECONCILIATION OF OPERATING INCOME TO  
NET CASH FLOWS - OPERATING ACTIVITIES**

|   |                     |                    |                    |                     |                    |                     |                  |
|---|---------------------|--------------------|--------------------|---------------------|--------------------|---------------------|------------------|
| <b>OPERATING INCOME(LOSS)</b>   | \$ (2,090,026)      | (2,227,075)        | (4,491,358)        | 1,399,458           | (2,081,677)        | (9,490,678)         | 1,084,064        |
| <b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO<br/>NET CASH FLOWS - OPERATING ACTIVITIES</b> |                     |                    |                    |                     |                    |                     |                  |
| Depreciation and amortization expense   | 5,794,498           | 187,170            | 176,954            | 1,001,196           | 589,834            | 7,749,652           | 2,198,678        |
| Operating grants included in operating revenues   | 0                   | 0                  | 0                  | (22,648,555)        | 0                  | (22,648,555)        | 0                |
| Amortization of special closure costs   | 2,534,835           | 0                  | 0                  | 0                   | 0                  | 2,534,835           | 0                |
| Provision for uncollectible accounts receivable   | 71,145              | 3,355              | 0                  | 38,787              | 0                  | 113,287             | 0                |
| Change in assets and liabilities:   |                     |                    |                    |                     |                    |                     |                  |
| Accounts and other receivables  | (243,586)           | 2,996              | 0                  | (137,913)           | 923                | (377,580)           | (11,241)         |
| Inventories   | (1,641,946)         | 0                  | 0                  | 0                   | 0                  | (1,641,946)         | 0                |
| Prepayments and other   | 3,111               | 0                  | 0                  | 0                   | 0                  | 3,111               | 0                |
| Accounts payable  | 978,387             | 139,200            | (34,982)           | 248,886             | (25,280)           | 1,306,211           | 197,613          |
| Salaries and benefits payable   | 276,671             | (29,263)           | (59,210)           | (1,703,535)         | (8,623)            | (1,523,960)         | (47,635)         |
| Other current liabilities   | (1,166,825)         | 1,300              | 0                  | 0                   | 0                  | (1,165,525)         | 0                |
| Claims and judgements payable   | 0                   | 0                  | 0                  | 0                   | 0                  | 0                   | (2,078,276)      |
| Due to other governments  | (10,743)            | 7,577              | 0                  | 0                   | 0                  | (3,166)             | 0                |
| <b>Total adjustments</b>  | <b>6,595,547</b>    | <b>312,335</b>     | <b>82,762</b>      | <b>(23,201,134)</b> | <b>556,854</b>     | <b>(15,653,636)</b> | <b>259,139</b>   |
| <b>NET CASH FLOWS - OPERATING ACTIVITIES</b>  | <b>\$ 4,505,521</b> | <b>(1,914,740)</b> | <b>(4,408,596)</b> | <b>(21,801,676)</b> | <b>(1,524,823)</b> | <b>(25,144,314)</b> | <b>1,343,203</b> |

0

**SCHEDULE OF NON CASH CAPITAL AND  
RELATED FINANCING ACTIVITIES**

**NON CASH TRANSACTIONS:**

|  |                    |                 |          |          |          |                  |                |
|--|--------------------|-----------------|----------|----------|----------|------------------|----------------|
| Asset transfers - proprietary funds                  | \$ (72,950)        | (57,823)        | 0        | 0        | 0        | (130,773)        | 188,425        |
| Contributed capital assets - governmental activities | 0                  | 0               | 0        | 0        | 0        | 0                | 413,038        |
| <b>TOTAL NON CASH TRANSACTIONS</b>                   | <b>\$ (72,950)</b> | <b>(57,823)</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(130,773)</b> | <b>601,463</b> |



LOS ALAMOS

where discoveries are made



## Fiduciary Funds

Trust Funds are used to account for assets held by the government in a trustee capacity. Custodial Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

**Pension Trust Fund 811** - accounts for the accumulation of resources for pension benefit payments to qualified County employees.

**Custodial Fund 871** - accounts for the collection and payment to the State and local School District of property taxes billed and collected by the County.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**FIDUCIARY FUNDS**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

|   | <u>PENSION<br/>TRUST FUNDS</u> | <u>CUSTODIAL<br/>FUNDS</u> |
|---|--------------------------------|----------------------------|
| <b>ASSETS</b>                                     |                                |                            |
| Cash and cash equivalents                         | \$ 0                           | 147,207                    |
| Receivables, net of allowance for uncollectibles: |                                |                            |
| Employee loans                                    | 1,671,752                      | 0                          |
| Property taxes                                    | 0                              | 375,921                    |
| Others  | 0                              | 313                        |
| Total receivables                                 | <u>1,671,752</u>               | <u>376,234</u>             |
| Investments at fair value:                        |                                |                            |
| Participant directed mutual funds                 | 63,197,986                     | 0                          |
| Total investments                                 | <u>63,197,986</u>              | <u>0</u>                   |
| Due from other funds                              | 79,649                         | 0                          |
| <b>TOTAL ASSETS</b>                               | <u>\$ 64,949,387</u>           | <u>523,441</u>             |
| <b>LIABILITIES</b>                                |                                |                            |
| Accounts payable and other liabilities            | \$ 33,637                      | 445,995                    |
| Due to other funds                                | 40,818                         | 0                          |
| <b>TOTAL LIABILITIES</b>                          | <u>74,455</u>                  | <u>445,995</u>             |
| <b>NET POSITION</b>                               |                                |                            |
| Restricted for:                                   |                                |                            |
| Pensions  | 64,874,932                     | 0                          |
| Employee fund                                     | 0                              | 18,476                     |
| Recreation programs                               | 0                              | 44,289                     |
| Utility assistance program                        | 0                              | 14,681                     |
| <b>TOTAL NET POSITION</b>                         | <u>\$ 64,874,932</u>           | <u>77,446</u>              |

**INCORPORATED COUNTY OF LOS ALAMOS**  
**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN NET POSITION**  
**Year Ended June 30, 2023**

|   | <b>PENSION TRUST<br/>FUNDS</b> | <b>CUSTODIAL<br/>FUNDS</b> |
|---|--------------------------------|----------------------------|
| <b>ADDITIONS</b>                                  |                                |                            |
| Contributions:                                    |                                |                            |
| Employer, net of forfeitures                      | \$ 4,049,925                   | 0                          |
| Employees (plan member)                           | 485,107                        | 0                          |
| Customers   | 0                              | 11,434                     |
| Property tax received                             | 0                              | 38,041,306                 |
| Donations for recreation programs                 | 0                              | 1,180                      |
| Employee fund                                     | 0                              | 18,476                     |
| Total contributions                               | <u>4,535,032</u>               | <u>38,072,396</u>          |
| Investment earnings:                              |                                |                            |
| Net increase in fair value of investments         | 6,662,765                      | 0                          |
| Sales tax collections for other governments       | 0                              | 2,557,013                  |
| Fee collections for other governments             | 0                              | 5,911                      |
| <b>TOTAL ADDITIONS</b>                            | <u><b>11,197,797</b></u>       | <u><b>40,635,320</b></u>   |
| <b>DEDUCTIONS</b>                                 |                                |                            |
| Benefits paid to participants or beneficiaries    | 4,962,469                      | 23,534                     |
| Administrative expense                            | 64,491                         | 0                          |
| Payment to State                                  | 0                              | 2,579,031                  |
| Property tax payment                              | 0                              | 38,025,199                 |
| Employee fund                                     | 0                              | 22,573                     |
| <b>TOTAL DEDUCTIONS</b>                           | <u><b>5,026,960</b></u>        | <u><b>40,650,337</b></u>   |
| Net increase (decrease) in fiduciary net position | 6,170,837                      | (15,017)                   |
| <b>NET POSITION</b>                               |                                |                            |
| Beginning of fiscal year                          | 58,704,095                     | 523,501                    |
| Prior period restatement (Note 25)                | 0                              | (431,038)                  |
| Beginning of fiscal year, as restated             | <u>58,704,095</u>              | <u>92,463</u>              |
| <b>NET POSITION - END OF FISCAL YEAR</b>          | <u><b>\$ 64,874,932</b></u>    | <u><b>77,446</b></u>       |

# Index to Notes to Financial Statements

|  | <b>Page Number</b> |
|--|--------------------|
| (1) Summary of Significant Accounting Policies   | 67-79              |
| (2) Stewardship, Compliance and Accountability   | 79-80              |
| (3) Pooled Cash and Investments  | 80-84              |
| (4) Accounts Receivable and Short-Term Leases  | 84-85              |
| (5) Loans Receivable   | 85-87              |
| (6) Interfund Transfers, Assets, and Liabilities   | 88-89              |
| (7) Capital Assets   | 89-92              |
| (8) Retirement and Deferred Compensation Plans   | 93-106             |
| (9) Long-term Obligations  | 106-112            |
| (10) Power Supply  | 112-113            |
| (11) Resource Pool   | 113-114            |
| (12) Special Closure Costs   | 114-116            |
| (13) Risk Management   | 116-118            |
| (14) Financial Assistance  | 118-119            |
| (15) Commitments and Contingencies   | 119-120            |
| (16) Economic Dependency   | 121                |
| (17) Certain Asset Retirement Obligations  | 121                |
| (18) Tax Abatements  | 121                |
| (19) Conduit Debt  | 121                |
| (20) Leases Receivable   | 121-125            |
| (21) Leases Payable  | 126-132            |
| (22) Regulated Leases  | 132-133            |
| (23) Subscription Based Information Technology Arrangements                              | 133-147            |
| (24) Public-Private and Public-Public Partnerships and Availability Payment Arrangements | 147-148            |
| (25) Prior Period Restatement  | 148                |

# INCORPORATED COUNTY OF LOS ALAMOS

## NOTES TO FINANCIAL STATEMENTS

June 30, 2023

---

### (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. General Statement

The County of Los Alamos (County) was incorporated on December 10, 1968. Under the County Charter and State statutes, the County has all the rights and responsibilities of both a county and a municipality. The County provides traditional city and county services, operating under a council-manager form of government, in which the County Manager is the chief administrative officer.

The accounting and reporting policies of the County relating to the government-wide financial statements and governmental funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB).

The more significant accounting policies of the County are described as follows.

#### B. Financial Reporting Entity

The County's basic financial statements include the accounts of all County operations. To include organizations as component units within the County's reporting entity, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units—an amendment of GASB Statement No. 14*, and most recently, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and Statement No. 34*, the following criteria would need to be met:

- the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the County, its component units, or its constituents; and
- the County is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; and
- the economic resources received or held by an individual organization that the County or its component units is entitled to or has the ability to otherwise access are significant to the County; and
- for organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the County and that organization for it to be included in the reporting entity as a component unit.

Based on the aforementioned criteria, the County of Los Alamos has no component units.

The County's Joint Utility System was established by Chapter 5 of the County Charter as a specific department of the County. The Joint Utility System is not a legally separate organization from the County. Therefore, it is included in these financial statements as an enterprise fund of the County.



### **C. Implementation of New Accounting Standards**

#### **New Accounting Standards**

In fiscal year 2023, the County analyzed and reviewed the need for adoption of the following new accounting standards issued by the Governmental Accounting Standards Board (GASB) related to leases, interest cost incurred during construction and interbank offered rates:

- GASB Statement No. 94 (GASBS 94), “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”
- GASB Statement No. 96 (GASBS 96), “Subscription-Based Information Technology Arrangements”

GASBS 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. GASBS 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The County has implemented GASBS 94 as it is effective in fiscal year 2023.

In fiscal year 2023, the County identified six APAs, which are accounted for as outflows of resources and recorded as expense in the period in which the payment is made as required in GASBS 94, paragraph 78. There is no impact to the balance sheet. The total outflows of resources for the six APAs is \$1,397,329, which is recorded as expense for the year ended June 30, 2023. The total remaining outflows of resources, which will be recorded as expense in the future periods in which the payments will be made as required in GASB 94, paragraph 78, is \$6,534,756.

GASBS 96 enhances the relevance and consistency of information about governments' subscription activities. GASBS 96 establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right-to-use an underlying asset. Under this Statement, an organization is required to recognize subscription liability and an intangible right-to-use subscription asset.

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. In fiscal year 2023, the County has reported subscription liability of \$2,800,949 in the governmental activities and \$372,612 in the business-type activities. The County has also reported right-to-use assets for subscriptions, net of amortization, of \$3,275,741 in the governmental activities and \$428,467 in the business-type activities.

### **D. Basic Financial Statements**

Basic financial statements consist of the following:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the basic financial statements.

The government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all of the non-fiduciary activities of the County. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial

statements. All internal balances in the statement of net position have been eliminated, with the exception of those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total government column.

In the statement of activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. Exceptions to this general rule are charges between the Joint Utility System Fund and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The statement of activities displays the extent to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment, while program revenues are those items that are applicable to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment are also included.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds, however, are excluded from the government-wide financial statements. Major individual governmental funds and major enterprise funds are reported as separate columns in the fund financial statements.

## **E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

### **Measurement Focus and Basis of Accounting**

The Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

**It is important to note that the Internal Service Funds of the County are unusual in nature, since they predominantly serve enterprise funds (55% of interfund revenues). As such, the net position of these funds is reflected in the government-wide financial statements in the business-type activities.**

The Governmental Fund Types (General, Special Revenue, Debt Service, Capital Project, and Permanent Funds) use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter (2 months) to be used to pay liabilities of the current period. Revenues, which are recognized when they become both measurable and available, include intergovernmental revenues and interest earnings. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: principal and interest on general long-term debt, which are recorded when fund liabilities are due; and accrued vacation and sick leave which are recorded when payable from current available financial resources.

Property taxes are recognized as revenue when levied. Derived tax revenues (gross receipts taxes, cigarette taxes, gasoline taxes, etc.) are recognized when the underlying exchange transaction takes place. Revenues from fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. Revenues, if available, from federal and state grants are recognized as soon as all eligibility requirements imposed by the individual grant provider and agreement have been met.

The Proprietary Fund Types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when they are earned. Expenses are recorded at the time liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Fiduciary Fund Types (Pension and Custodial Funds) use the accrual basis of accounting. The Pension Trust Fund and the Custodial Funds are accounted for on an economic measurement focus.

### **Presentation of Funds**

The accounts of the County are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. The transactions of each fund are summarized in a separate set of self-balancing accounts, which include its assets, liabilities, fund balance, revenues, and expenses/expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Governmental funds are reported as major funds in the accompanying financial statements if they meet both of the following criteria:

- *Ten percent criterion* – An individual governmental fund reports at least 10 percent of any of the following: a) total governmental fund assets and deferred outflows, b) total governmental fund liabilities and deferred inflows, c) total governmental fund revenues, or d) total governmental fund expenditures.
- *Five percent criterion* – An individual governmental fund reports at least 5 percent of the total for both governmental and enterprise funds of any of the items for which it met the 10 percent criterion.

The County has elected to report the following governmental funds as major, although only the General, Capital Improvements Project Fund, and Capital Projects Permanent Fund would qualify using the basic criteria established by GASB 34. The major governmental funds are as follows:

- **General Fund** – The General Fund is the principal operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. For the County, the General Fund includes most basic services, such as police, parks, recreation facilities and programs, library, and general administration.
- **Economic Development Fund** – The Economic Development Fund (special revenue fund) accounts for receipt, management, investment, and expenditure of the buyout payment received from the Department of Energy under the Atomic Energy Communities Act.
- **Emergency Declarations Fund** – The Emergency Declarations Fund (special revenue fund) accounts for revenues and expenditures associated with response to and recovery from the Las Conchas Fire which began June 26, 2011 and subsequent flooding events within the community in

September 2013. In addition, the COVID-19 and American Rescue Plan Act are also included in this fund. This special revenue fund was established by County Council.

- **Capital Improvement Projects Fund** – The Capital Improvement Projects Fund (capital projects fund) accounts for the financing and construction of structures and improvements approved by the County Council.
- **Capital Projects Permanent Fund** – The Capital Projects Permanent Fund accounts for amounts received under a settlement of prior year’s gross receipts taxes, set aside by the County Council and the County Charter for capital projects. The original principal of this fund, adjusted for inflation, is restricted and non-expendable.

The County also reports the following non-major governmental funds: State Shared Revenue, Lodgers’ Tax, State Grants/Other, Health Care Assistance, Other Special Revenues, and Gross Receipts Tax Revenue Bond Fund.

The County has elected to report all enterprise funds as major, although only the Joint Utility System and Fire Fund would qualify using the basic criteria established by GASB 34. The major enterprise funds are as follows:

- **Joint Utility System** – The Joint Utility System Fund accounts for the provision of electric, gas, water, and wastewater utility services to the community.
- **Environmental Services Fund** – The Environmental Services Fund accounts for the closure and monitoring of the County landfill, commercial and residential refuse collection, curbside and drop off recycling, and composting of yard waste.
- **Transit Fund** – The Transit Fund accounts for public transportation services provided to the community under the name Atomic City Transit (ACT).
- **Fire Fund** – The Fire Fund accounts for fire protective services primarily provided under a cooperative agreement between the County and the National Nuclear Security Administration, an agency of the U.S. Department of Energy (DOE).
- **Airport Fund** – The Airport Fund accounts for the operation and maintenance of the Los Alamos Airport.

The County has the following additional fund types:

- **Internal Service Funds** – The Internal Service Funds are used to account for vehicle maintenance and replacement, and risk management operations that provide services to other funds and departments of the County. As previously mentioned, the Internal Service Funds of the County are unusual in nature, since they predominantly serve enterprise funds.
- **Fiduciary Funds** – The Fiduciary Funds of the County consist of a Pension Trust Fund and a Custodial Fund. The Pension Trust Fund is used to account for the Los Alamos County Employees Pension Plan, which is administered by the County. The Custodial Fund primarily is used to account for property taxes and other fees and assessments collected for and distributed to other government entities.

## **F. Budgetary Control**

Annual appropriated budgets are adopted for all funds using the modified accrual basis, including encumbrances, except as follows: capital projects funds are budgeted over the life of the projects and not on an annual basis; budgets are not adopted for the Pension Trust Fund nor for the Custodial Fund. All annual appropriations lapse at the end of the fiscal year, except as approved by Council as “Assigned for Continuing Appropriations” prior to the end of the fiscal year.

Actual expenditures and encumbrances may not exceed the budget at the department level within a fund, which is the legal level of budgetary control. Increases of appropriations within a fund or department and transfers between departments within a fund require approval of the County Council. Management may make transfers of appropriations within departments.

The budget process for the County is an on-going, year-round process. It formally begins in December when the Department Directors, the County Manager, and the County Council hold strategy meetings. Following these preliminary meetings, departments begin to prepare plans for maintaining, reducing, or deleting current services, and planning for new or enhanced services. The Office of the County Manager provides detailed budget guidelines to the departments in December or January. From these guidelines, the departments develop their preliminary budgets. Budget review meetings are conducted by Finance with departments and the Office of the County Manager. The County Council holds public hearings in April to consider the proposed budget and budget options. The County Council adopts the annual operating budget and capital improvement program at the budget hearings. Finally, the budget is submitted to the State of New Mexico Department of Finance and Administration (DFA) for its review and approval.

The Statements (or Schedules) of Revenues, Expenditures (or Expenses), Encumbrances, and Changes in Fund Balance (or Net Position) - Budget and Actual present comparisons of actual results of operations to budgetary data for those funds for which annual operating budgets are legally adopted. The effect of encumbrances is added to actual results for these comparisons.

Because the modified accrual basis is not the generally accepted accounting method for proprietary funds, differences result from budgeting for items such as encumbrances, capital outlay, and principal on debt repayments, and from not budgeting for items such as changes in compensated absences, bad debt expense, depreciation and amortization, inventory adjustments, special closure costs, and gains or losses on disposition of capital assets.

Reconciliations between the budget basis and GAAP basis are provided in the budgetary schedules.

### **G. Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in all funds. Encumbrances are re-appropriated through a revision of the subsequent year's budget.

### **H. Cash, Investments, and Equity in Pooled Cash and Investments**

Most cash belonging to all funds (excluding certain segregated and restricted cash and investment balances) is pooled into one common account in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash account has equity therein, and interest earned on the investment of these monies is allocated to substantially all of the County's funds based upon relative equity at month-end. An individual fund's equity in pooled cash and investments is available upon demand and is considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities that are owned by a specific fund and that are purchased with an average maturity of ninety days or less also are considered to be "cash equivalents." Significant negative balances incurred in pooled cash at year-end are treated as interfund receivables of the General Fund and interfund payables of the deficit fund, except where the deficit fund has liquid investments to offset the deficit in pooled cash. In such cases, the investments are shown net of the pooled cash deficit.

The County invests in securities authorized by State statutes and in accordance with County ordinances. See Note (3) for a comprehensive listing of allowable investments. When held as an investment, repurchase agreements are secured in accordance with state law, which requires collateral with a market value greater than 105% of the value of the agreement.

All of the County's investments are stated at fair value, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. In the proprietary funds, there were no investments that required a fair value adjustment at June 30, 2023. The County does not have investments that are reported at amortized cost.

#### **I. Accounts and Loans Receivable – Allowance for Doubtful Accounts**

Where collection of trade and loan receivables is uncertain, the County provides an allowance for doubtful accounts. See item L. below for interfund receivables.

#### **J. Property Taxes Receivable**

Unpaid property taxes attach as an enforceable lien on property as of January 1, annually. Taxes are levied on Oct 31st and are payable in two installments no later than December 10 and May 10. Property taxes receivables are recorded as of the date levied. No significant amounts, which have been recognized as revenue under GAAP, remain unpaid at fiscal year-end. Property tax receivable balances are included in the accounts receivable balance in the general fund.

#### **K. Lease Receivables**

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the County may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

#### **L. Prepaid Items**

Prepaid balances are for payments made by the County in a current year to provide services occurring in subsequent fiscal years. Since these assets are not available for other subsequent expenditures they are categorized as a nonspendable component of fund balance. In the County's governmental funds, prepaid items are recorded under the purchase method and treated as expenditures rather than assets.

#### **M. Interfund Receivables and Payables**

Current amounts owed between funds are classified as "Due from/to other funds" in the governmental fund financial statements. Any non-current balance of interfund loans would be reported in the fund financial statements, classified as "Advances to/from other funds" and offset by a nonspendable component

of fund balance in governmental funds. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

#### **N. Inventories**

Inventories in the General Fund consist of expendable supplies held for consumption and are valued at average cost. The average cost of inventory is recorded as an expenditure at the time of consumption. Inventories reported in the General Fund financial statement are offset by a *nonspendable* segregation of fund balance, which indicates that it does not constitute “available expendable resources” even though it is a component of net current assets.

The inventories in the proprietary funds consist of supplies that are recorded at average cost, which approximates lower of cost or market value.

#### **O. Restricted Assets**

Certain proceeds of Joint Utility revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Certain loan proceeds and related cash equivalents balances are restricted assets in the Joint Utility Fund because their use is restricted for project expenses and debt reserve requirements. Certain cash balances are classified as restricted assets in the Joint Utility Fund because they are set aside for estimated closure and reclamation costs related to the San Juan Electric Generating Station and coalmine. There are also additional restricted assets related to the Laramie River reclamation. Additionally, certain cash balances are classified as restricted assets in the Environmental Services Fund because they are set aside for estimated landfill closure and post-closure costs. Certain cash balances are classified as restricted assets in the GRT Revenue Bond Debt Service Fund because their use is limited by applicable bond covenants. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, and then use unrestricted resources as they are needed.

#### **P. Capital Assets**

Capital assets, which include property, plant, equipment (includes externally developed software), and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are recorded in the applicable governmental or business-type activities columns in the government-wide financial statements. County policy requires capitalization of assets with an initial, individual cost of \$10,000 or more with an estimated useful life greater than a year. All capital assets are recorded at cost or, if contributed property, at their estimated acquisition cost at the time of contribution. Repairs and maintenance that do not add to the value of the asset or materially extend the life are recorded as expenses; improvements are capitalized. The County does not capitalize or depreciate the cost of library books. Additionally, the County is not internally developing computer software, which would require capitalization or depreciation.

Construction work-in-progress consists of labor costs, including related taxes, and material costs.

Most automotive and similar multi-use capital assets, other than those owned by and recorded in the proprietary funds, are the property of the County as a whole and are owned by the Equipment Fund, an internal service fund. Other funds rent these assets as needed. The interdepartmental charges (IDC) charged to the individual budget activities consists of two amounts, an equipment replacement IDC and a maintenance IDC. Both of these charges are recorded in the Equipment Fund as revenue. The equipment replacement IDC is calculated using replacement cost and estimated useful lives of the equipment. The maintenance IDC is recovering the total cost of Fleet Maintenance including fuel on a proration basis for all vehicles in the fleet.

Property, plant, and equipment is depreciated using the straight-line method over the estimated useful lives of the related assets, except for Electric Utility Fund assets financed by certain long-term debt. An adjustment is made to the annual depreciation, based on annual debt service requirements to smooth annual expenditures for ratemaking purposes. This resulted in a decrease in depreciation expense of \$1.3 million in the year ended June 30, 2023.

The County has elected to depreciate its infrastructure assets consistent with its other assets, using the straight-line method. The purpose of depreciation is to spread the cost of capital assets equitably over the life of the assets. The amount charged as depreciation each year represents that year's pro rata share of the original cost of the capital assets. Depreciation on proprietary fund capital assets is charged as an expense against operations each year, and accumulated depreciation is reported on the statement of net position as a reduction in the book value of capital assets. Depreciation and accumulated depreciation of capital assets used in the operation of governmental funds are recorded and included in the government-wide financial statements.

Estimated useful lives used to compute depreciation are summarized in the following table:

| Asset Category                    | Estimated Useful Life in Years |
|-----------------------------------|--------------------------------|
| Buildings                         | 30 - 50                        |
| Improvements other than buildings | 10 - 20                        |
| Infrastructure                    | 15 - 50                        |
| Equipment                         | 5 - 10                         |
| Automotive equipment              | 7 - 20                         |
| Utility plant in service:         |                                |
| Electric                          | 10 - 50                        |
| Gas                               | 10 - 50                        |
| Water                             | 10 - 50                        |
| Wastewater                        | 10 - 50                        |

**Q. Right-to-Use Leased Assets**

The County has recorded right-to-use leased assets as a result of implementing GASB 87. Lease payables are capitalized as a right-to-use asset when the leased asset has a calculated present value of \$10,000 or greater and an estimated useful life of more than one year. Right-to-use leased assets are recorded at the present value of payments expected to be made during the lease term plus any upfront payments and ancillary charges paid to place the leased asset in service. Amortization for right-to-use leased assets is computed using the straight-line method over the shorter of the lease term or the asset's estimated useful life.

**R. Intangible Assets - Right-to-Use Subscription Asset**

The County has recorded right-to-use subscription assets as a result of implementing GASB 96. Subscription liabilities are capitalized as a right-to-use asset when the subscription asset has a calculated present value of \$10,000 or greater and an estimated useful life of more than one year. Right-to-use subscription assets are recorded at the present value of payments expected to be made during the lease term plus any upfront payments and ancillary charges paid to place the subscription asset in service. Amortization for right-to-use subscription assets is computed using the straight-line method over the shorter of the subscription term or the asset's estimated useful life.



**S. Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred outflows of resources are defined as a consumption of net assets that is applicable to a future period. Deferred inflows of resources are defined as an acquisition of net assets that is applicable to a future period. Deferred outflows of resources increase net position, similar to assets, and deferred inflows of resources decrease net position, similar to liabilities. The components of deferred outflows and inflows are reported on the face of the financial statements.

**T. Compensated Absences**

The County permits employees to accumulate a limited amount of earned but unused vacation, compensatory time, and sick leave. These compensated absences are accrued when they are earned in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*. In proprietary funds and in the government-wide financial statements, the County has recorded liabilities for accumulated vacation leave, compensatory time, termination payments for sick leave, and associated benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Compensated absences are reported in the governmental funds only if they have matured.

The County allows employees to accrue compensatory time up to 60 hours for exempt employees, 120 hours for nonexempt employees, and 240 hours for public safety employees. Sick leave accrues at 8 hours per month for all active regular and limited-term employees. Sick leave expense is recognized as employees utilize it, but the County does provide a termination payment of up to 520 hours (65 days) of sick leave when an employee retires under PERA retirement rules [see Note (8)].

The basis for recording these compensated absences is at the current hourly rate of each employee plus associated employer paid benefits except for termination sick leave which has been accrued based on five years of retiree payment experience and utilizing a composite hourly wage rate. The termination sick leave calculation provided an estimated benefit cost of approximately \$736 per year of service for active Fire Department employees at June 30, 2023, and approximately \$408 for other active County employees.

**U. Pension – Participation in PERA**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Mexico Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**V. Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms.

## **W. Long-term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at issuance. In accordance with GASB Statement No. 23, an unamortized charge, the difference between the reacquisition price and the net carrying amount of old debt, on refunding of debt is deferred and amortized to interest expense using the straight-line method in business-type activities. The unamortized charge is reported as a deferred outflow (debit) or inflow (credit) of resources on the corresponding statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. 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 received, are reported as other expenditures.

## **X. Net Position**

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment capital assets, restricted and unrestricted. *Net investment in capital assets* describes the portion of net position which is represented by the current net book value of the County's assets, less the outstanding debt issued to finance those assets. *Restricted* describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the County cannot unilaterally alter. *Unrestricted* describes the portion of net position which is not restricted as to use.

## **Y. Fund Balance**

In the fund financial statements, governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and investments plus deferred inflows of resources, less its liabilities and deferred outflows of resources.

The County's fund balances are classified in accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which requires the County to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the County prioritizes and expends funds in the following order, Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

*Nonspendable* fund balances represent balances set aside to indicate that certain assets do not represent available, spendable resources even though they are a component of assets. These assets are not expected to be converted to cash or are legally or contractually required to be maintained intact. Nonspendable balances typically include principal on permanent funds, long-term receivables and advances to other funds, inventories, prepaid items, and assets held for resale. Leases under GASB 87 show the portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

*Restricted* fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislations which require the resources to be used only for a specific purpose. This includes balances where the imposition of revenues is restricted by the County Charter.

*Committed* fund balances have constraints imposed by formal action of the County Council which may be altered only by subsequent formal action of the County Council. Committed fund balances are established by ordinance.

*Assigned* fund balances are amounts constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. Via financial policies and formal action at Council meetings held prior to year-end, the County Council identifies certain fund balances to be assigned for future purposes. These amounts are reflected as assigned on the face of the financial statements.

*Unassigned* fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual General Fund balance, if any.

## **Z. Stabilization Arrangement**

The Capital Projects Permanent Fund has a portion of fund balance *Restricted for Income Stabilization* in accordance with County Code Sec. 20-361. This arrangement is in place to establish a cushion in the fund to allow market fluctuations to affect the stabilization balance, without impacting the real value of principal. The income of the Permanent Fund is used in the following priority: 1) first, to make additions to principal in an amount that maintains the real value of the principal, and then if any income remains, 2) second, to make distributions for capital projects in accordance subsection (g) of the Code, and then if any income remains, 3) third, to make additions to the balance Restricted for Income Stabilization.

### **AA. Interfund Transactions**

Interfund transactions are classified as follows:

- **Services provided** – Transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services are similarly treated when they involve other funds. These transactions are not eliminated in the consolidation to the government-wide financial statements.
- **Transfers** – Transactions to support the operations of other funds are recorded as “Transfers out/transfers in” and classified with “Other Financing Sources and Uses” in the fund financial statements. Transfers within governmental or proprietary fund groups are netted as part of the reconciliation to the government-wide financial statements.
- **Contributions** – Contributions to the capital of enterprise or internal service funds, transfers of capital assets between proprietary and governmental funds, transfers to establish or reduce working capital in other funds, and transfers of remaining balances when funds are closed are classified as non-operating revenue.

### **AB. Use of Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates affecting the County's financial statements include management's estimate of the following: estimated useful lives of capital assets, calculations of compensated absences, special closure and post-closure care costs, inputs and methods

related to calculating right-to-use leased and subscription based assets, related liabilities as well as inputs and methods related to pension and OPEB unfunded balances and activity. Actual results could differ from those estimates.

## **(2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **Budgetary Information**

New Mexico State Statute and County Charter requires an annual budget. The budget process for the County is an on-going, year-round process. It formally begins in December when the Department Directors, the County Manager, and the County Council hold strategy meetings. Following these preliminary meetings, departments begin to prepare plans for maintaining, reducing, or deleting current services, and planning for new or enhanced services. The Office of the County Manager provides detailed budget guidelines to the departments in December or January. From these guidelines, the departments develop their preliminary budgets. Budget review meetings are conducted by Finance with departments and the Office of the County Manager. The County Council holds public hearings in April to consider the proposed budget and budget options. The County Council adopts the annual operating budget and capital improvement program at the budget hearings. Finally, the budget is submitted to the State of New Mexico Department of Finance and Administration (DFA) for its review and approval.

### **Budgets**

Annual appropriated budgets are adopted for all County funds except custodial and pension trust funds. All annual operating appropriations lapse at fiscal year-end unless specifically approved by the County Council to carry over to the next fiscal year. In contrast, project-length financial plans are adopted for all capital projects funds.

### **Budget Revisions**

Changes from one expense code to another within a division or between divisions within the same department or fund, excluding charges to salaries, benefits or interdepartmental charges are approved by the Department Director or Utilities Manager.

Changes within a division or between divisions within the same department or fund which involves salaries, benefits or interdepartmental charges must be approved by the County Manager. Transfers from one department to another department within the same fund are approved by County Manager and the County Council for all funds and departments except Utilities. Transfers to or from the Joint Utility System Fund are approved by the Utilities Manager, Utilities board, and Council.

Budget increases to departments or funds and transfers between funds, transfers of cash, both permanent and temporary between funds and any combination of the above are approved by the County Manager, (Utilities Manager/Utilities Board when involving Utilities Department), Council and the State of New Mexico Department of Finance and Administration.

During fiscal year 2023, the County Council and the New Mexico Department of Finance and Administration approved a total of approximately \$60.1 million of budget revisions (transfers and supplemental appropriations) for the General Fund, Capital Improvement Projects (CIP) Fund, Economic Development Fund, Joint Utility System Fund, Equipment and other funds. The budget revisions included the following re-appropriations and carryovers: \$21.9 million for Utilities projects and increases in Other Purchased Power, \$26.9 million in encumbrance carryovers, \$5.1 million in available budget carryovers and \$6.2 million in other budget increases. For the fiscal year ended June 30, 2023 expenditures did not exceed appropriations at the legal level of budgetary control for any County department, project, or fund.

### Individual Deficit Fund Balance and Net Position

At fiscal year end June 30, 2023, the Fire Fund, a major proprietary fund, reported a deficit net position of \$42,918,510. The deficit arose from recording the pension liability, deferred pension inflows, and deferred pension outflows in accordance with GASB Statement No. 68 as well as recording the OPEB liability, deferred OPEB inflows and deferred OPEB outflows in accordance with GASB Statement No. 75. The Transit Fund, a major proprietary fund, reported a deficit net position of \$102,478. The deficit arose from recording the OPEB liability, deferred OPEB inflows and deferred OPEB outflows in accordance with GASB Statement No. 75.

### (3) POOLED CASH AND INVESTMENTS

The County follows the practice of pooling cash and investments of all funds in the General Fund, except for restricted or dedicated accounts. Each fund's portion of pooled cash and investments is summarized in the governmental funds balance sheet and the proprietary funds statement of net position.

#### A. Cash

##### Policies

County of Los Alamos municipal code Sec. 20-401 and rules of the State of New Mexico govern deposits and investing. Pooled cash and investments held by the County may include cash on deposit with financial institutions, money market accounts, certificates of deposit, treasury notes, U.S. agency securities, U.S. Government obligations, municipal bonds, deposits with the New Mexico State Treasurer Local Government Investment Pool (LGIP), investments with the New Mexico State Investment Council (NMSIC), and repurchase agreements.

Cash and investments are presented in the financial statements as shown below:

|   |    |                    |
|---|----|--------------------|
| Petty cash and change funds                     | \$ | 4,400              |
| Carrying amount of deposits                     |    | 25,636,108         |
| Cash equivalents                                |    | 6,832,025          |
| Book value of investments                       |    | <u>251,934,971</u> |
| Total reported in notes to financial statements | \$ | <u>284,407,504</u> |
| Government-wide Statement of Net Position:      |    |                    |
| Equity in pooled cash and investments           | \$ | 167,167,777        |
| Investments                                     |    | 37,190,257         |
| Restricted assets-Cash & Cash Equivalents       |    | 16,704,277         |
| Restricted assets-Investments                   |    |                    |
| Custodial Funds:                                |    |                    |
| Equity in pooled cash and investments           |    | 147,207            |
| Investments (mutual funds), at fair value       |    | <u>63,197,986</u>  |
| Total reported in financial statements          | \$ | <u>284,407,504</u> |

**Custodial Credit Risk - Deposits**

The custodial credit risk for deposits is the risk that in the event of bank failure, the County’s deposits may not be recovered. The County of Los Alamos Investment Policy requires deposits be in a qualified financial institution. The policy defines a qualified depository as one that meets all of the following requirements:

- (1) Equity-to-asset ratio is equal to or greater than the level recommended by the federal deposit insurance corporation,
- (2) A current audited annual financial statement has been submitted to the County,
- (3) No successive losses for two preceding years,
- (4) If not a local financial institution, its assets must be in excess of \$1 billion, and
- (5) Not operating under cease and desist order issued by any regulatory agency.

Under New Mexico law, financial institutions holding public deposits must pledge collateral in an amount not less than 50% of the uninsured balance. On June 30, 2023, the County had deposits with bank balances of \$25,636,108 that were fully insured or collateralized with securities held by the pledging financial institution in the County’s name and therefore not exposed to custodial credit risk under New Mexico law.

**B. Investments**

**Credit Risk**

Credit risk is the risk that an issuer or other counter-party to an investment will not fulfill its obligations. The County’s policy to minimize investment credit risk involves limiting investments to securities authorized in the County Code, pre-qualifying the financial institutions, broker/dealers, intermediaries and advisers and diversifying the investment portfolio so that potential losses on individual securities will be minimized.

The County government’s rated debt investments as of June 30, 2023, are presented below using the Moody’s or Standard and Poor’s rating scales:

| <u>Investment Type</u>                     | <u>Fair Value</u>     | <u>Quality Ratings</u> |            |          |
|--|-----------------------|------------------------|------------|----------|
|  |                       | <u>AAAm</u>            | <u>AA+</u> | <u>A</u> |
| U.S. Government Agencies                   | \$ 33,994,190         | 33,994,190             | 0          | 0        |
| U.S Treasuries                             | 69,492,855            | 69,492,855             | 0          | 0        |
| <u>Unrated investments:</u>                |                       |                        |            |          |
|  | -                     |                        |            |          |
| New Mexico State Investment Council        | 60,749,940            |                        |            |          |
| NM Local Government Investment Pool        | 24,500,000            | 24,500,000             |            |          |
| <u>Exempt from credit risk disclosure:</u> |                       |                        |            |          |
| LAC Pension                                | 63,197,986            |                        |            |          |
| <b>Total Investments</b>                   | <b>\$ 251,934,971</b> |                        |            |          |

### Interest Rate Risk

Interest rate risk is the risk that changes in the interest rates of debt investments will adversely affect the fair value of investment.

The County's policy is to minimize investment interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and also satisfy requirements for cash reserves, thereby avoiding the need to sell securities on the open market prior to maturity.

| Investment Type                     | Fair Value            | Investment Maturities (in years) |                   |          |              |
|-------------------------------------|-----------------------|----------------------------------|-------------------|----------|--------------|
|                                     |                       | Less Than 1                      | 1 to 5            | 6 to 10  | More Than 10 |
| <u>Debt Securities</u>              |                       |                                  |                   |          |              |
| U.S. Agencies                       | \$ 33,994,190         | 3,942,740                        | 30,051,450        | 0        | 0            |
| U.S Treasuries                      | 69,492,855            | 23,492,600                       | 46,000,255        | 0        | 0            |
|                                     | <u>103,487,045</u>    | <u>27,435,340</u>                | <u>76,051,705</u> | <u>0</u> | <u>0</u>     |
| <u>Other Investments</u>            |                       |                                  |                   |          |              |
| New Mexico State Investment Council | 60,749,940            |                                  |                   |          |              |
| NM Local Government Investment Pool | 24,500,000            |                                  |                   |          |              |
| LAC Pension Plan                    | 63,197,986            |                                  |                   |          |              |
|                                     | <u>        </u>       |                                  |                   |          |              |
| Total Investments                   | \$ <u>251,934,971</u> |                                  |                   |          |              |

The County maintains a joint powers agreement with the New Mexico State Investment Council (NMSIC) to provide investment services in accordance with guidelines listed in the County's Investment Policy. NMSIC issues a separate, publicly available financial report that includes financial statements and required supplementary information. These investments are stated at fair value, which is based on the County's share of NMSIC's pooled investments, which are stated at fair value based on the quoted market prices plus accrued interest and dividends.

### Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of a failure of the counter-party, the County will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The County does not have any investments on June 30, 2023 that are exposed to custodial credit risk.

### Concentration of Credit Risk – Investments

Investments in securities of any individual issuers, other than mutual funds and NMSIC, of the total government-wide investments on June 30, 2023 (not inclusive of the pension fund which is disclosed separately) are as follows:

| <u>Issuer</u> | <u>Investment Type</u>    | <u>Amount</u> | <u>% of Total Government-wide Investments</u> |
|---------------|---------------------------|---------------|---|
| FNMA          | Federal agency securities | \$ 9,355,320  | 3.7%  |
| FFCB          | Federal agency securities | 15,676,870    | 6.2%  |
| FHLB          | Federal agency securities | 8,962,000     | 3.6%  |
| U.S TREAS     | U.S Treasuries securities | 69,492,855    | 27.6%   |

The County's policy is not to have more than 20% of the total deposits and investment portfolio invested in securities of a single issuer with the following exceptions:

1. US Government obligations, deposits with the New Mexico State Treasurer's Local Government Investment Pool, and investments with the New Mexico State Investment Council's Long-term Investment Funds;
2. Repurchase agreements associated with required debt service reserves
3. Deposits in a local qualified financial institution that are 100% collateralized in accordance with section 20-403 of the County Code. This exception recognizes the impact of the County's investment program on the local economy.

### Fair Value Measurement - Investments

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1:* Quoted prices for identical investments in active markets;
- Level 2:* Observable inputs other than quoted market prices; and,
- Level 3:* Unobservable inputs

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using a matrix pricing technique. This is based on the securities' relationship to benchmark quoted prices.



Investments by fair value level on June 30, 2023 are as follows:

|   |    | Fair Value Measurements Using |             |            |         |
|---|----|-------------------------------|-------------|------------|---------|
|   |    | 6/30/2023                     | Level 1     | Level 2    | Level 3 |
| <b>Investments by fair value level</b>    |    |                               |             |            |         |
| U.S. Agencies Securities                  | \$ | 33,994,190                    | 33,994,190  | 0          | 0       |
| U.S. Treasuries Securities                |    | 69,492,855                    | 69,492,855  | 0          | 0       |
| New Mexico State Investment Council       |    | 60,749,940                    | 33,491,358  | 27,258,582 | 0       |
| NM Local Government Investment Pool       |    | 24,500,000                    | 24,500,000  | 0          | 0       |
| Alliance Benefit Group - LAC Pension Plan |    | 63,197,986                    | 60,038,087  | 3,159,899  | 0       |
| Total investments by fair value level     | \$ | 251,934,971                   | 221,516,490 | 30,418,481 |         |

#### (4) ACCOUNTS RECEIVABLES

Accounts receivable balances at June 30, 2023, net of applicable allowances for uncollectible accounts, are as follows:

|                                | Accounts<br>Receivable | Allowance for<br>Doubtful Accounts | Net       |
|--------------------------------|------------------------|------------------------------------|-----------|
| Governmental activities:       |                        |                                    |           |
| General                        | \$ 1,590,883           | (30,801)                           | 1,560,082 |
| Economic Development           | 3,869                  | 0                                  | 3,869     |
| Capital Improvement Projects   | 147,329                | (147,329)                          | 0         |
| Other Governmental             | 41,395                 | 0                                  | 41,395    |
| Total governmental activities  | 1,783,476              | (178,130)                          | 1,605,346 |
| Business-type activities:      |                        |                                    |           |
| Joint Utility System           | 7,272,565              | (49,411)                           | 7,223,154 |
| Airport                        | 5,364                  | (96)                               | 5,268     |
| Environmental Services         | 347,897                | (13,949)                           | 333,948   |
| Fire                           | 1,697,043              | (961,124)                          | 735,919   |
| Internal Service               | 27,461                 | (3,902)                            | 23,559    |
| Total business-type activities | 9,350,330              | (1,028,482)                        | 8,321,848 |
| Totals                         | \$ 11,133,806          | (1,206,612)                        | 9,927,194 |

On the Government-wide Statement of Net Position an additional \$40,818 due from the Pension Trust Fund is classified as pension forfeitures receivable.

The County leases land under non-cancelable lease terms ranging from 5 to 99 years to Sombrillo Nursing and Rehabilitation Center, Aspen Ridge Lodge Retirement and Assisted Living Center, Los Alamos School of Gymnastics, Los Alamos Dog Obedience Club, Nectar Properties, Administrative Office of The Courts, and Los Alamos Trinity LP (Smith's). The following is a schedule of future minimum rentals under these leases at June 30, 2023:

| Fiscal Year Ending<br>June 30, 2023 | Amount               |
|-------------------------------------|----------------------|
| 2024                                | \$ 294,134           |
| 2025                                | 296,700              |
| 2026                                | 295,004              |
| 2027                                | 297,240              |
| 2028                                | 226,452              |
| Thereafter                          | 12,562,336           |
|                                     | <u>\$ 13,971,866</u> |

**(5) LOANS RECEIVABLE**

**Economic Development Loans Receivable**

On occasion, the County will provide public support, in the form of loans, for economic development projects pursuant to the County's Economic Development Plan. As of June 30, 2023, the County had three outstanding loans receivable recorded in the Economic Development Special Revenue Fund.

On June 20, 2003, the County entered into a loan agreement with Advanced Realtime Technologies, LLC (name since changed to Elemetric Instruments, Inc.) in the amount of \$75,000. As of June 30, 2010, the County had distributed \$73,027 of the loan amount to Elemetric. The loan bears interest at 5% per annum beginning June 1, 2008. The loan is secured by any and all assets that Elemetric purchases in whole, or in part, constructed or installed prior to December 31, 2005. The loan requires Elemetric to make sixty monthly payments of \$1,415 beginning July 1, 2008 through June 2013. During fiscal year 2010, Elemetric made \$14,303 of payments including interest. No payments have been made since fiscal year 2011. A reserve for loan losses has been recorded for the outstanding balance on the loan.

On July 30, 2003, the County entered into a loan agreement with Avanza Technologies, Inc. in the amount of \$235,000. As of June 30, 2010, the County had distributed the entire \$235,000 loan amount to Avanza. The loan bears interest at 5% per annum beginning July 30, 2006. The loan is secured by any and all assets that Avanza purchases in whole or in part with the loan proceeds constructed or installed prior to December 31, 2004. The loan requires Avanza to make eighty-four monthly payments of \$3,321 beginning July 30, 2006 through January 30, 2012. Over the life of this loan, Avanza has only made three payments totaling \$7,056. On October 17, 2006, Avanza sent a letter notifying the County that it was no longer a viable entity and that it would not be making any further loan payments. A reserve for loan losses has been recorded for the outstanding balance on the loan.

On August 29, 2017, the County entered into a loan agreement with UbiQD in the amount of \$325,000 for the purchase of real property located at 134 Eastgate Drive, Los Alamos, NM to serve as the headquarter property and executed a mortgage/promissory note with the company. The promissory note bears interest at 0% and will be amortized over a 10-year term with the first three years payments being deferred. As of June 30, 2023, the County had

distributed the full amount of the loan amount to UbiQD. The loan requires UbiQD to make eighty-four monthly payments of \$3,869.05 due beginning September 1, 2020, and the first of each month thereafter until paid in full.

As of June 30, 2023, the total reserve for loan losses balance was \$279,114. The reserve was established since these loans are in default and may not prove to be fully, or even partially, collectible. In addition, the total payment from UbiQD in fiscal year 2023 was \$46,429.00.

The details of the economic development loan receivable balances at June 30, 2023, are as follows:

|   |                       |
|---|-----------------------|
| Principal, economic development loans:  |                       |
| UbiQD   | \$ 239,881            |
| Elemetric Instruments Inc (formerly Advanced<br>Realtime Technologies, LLC)                           | 51,170                |
| Avanza Technologies, Inc.   | 227,944               |
| Subtotal economic development loans   | <u>518,995</u>        |
| Less: Reserve for loan losses   | (279,114)             |
| UbiQD principal payment in FY23   | <u>(46,429)</u>       |
| Total loans receivable, net of reserve for loan losses<br>(as reflected in Economic Development Fund) | <u><u>193,452</u></u> |

During fiscal year 2017, the County created a Housing sub-fund of the Economic Development Fund to fund housing program loans. The Home Renewal Program is managed by the Los Alamos Housing Partnership Inc. by agreement with Los Alamos County. It allows selected income-qualified Los Alamos County homeowners to make needed repairs or improvements to their homes to increase comfort, safety, and livability -- without adding to monthly expenses as these loans are deferred based on an affordability period. During fiscal year 2018, the County also issued home buyer assistance loans. The Home Buyer Assistance Program is managed by the Los Alamos Housing Partnership Inc. by agreement with Los Alamos County. It allows selected income-qualified Los Alamos County homeowners to receive down payment assistance -- without adding to monthly expenses as these loans are deferred based on an affordability period.

The details of the housing loan receivable balances at June 30, 2023 is as follows:

|  |         |  |          |
|--|---------|--|----------|
| Principal, home renewal program loans:                 |         | Principal, home buyer assistance program loans:        |          |
| Loan No. FY2016 - 1                                    | \$5,450 | Loan No. FY2018 - 1                                    | \$11,700 |
| Loan No. FY2016 - 2                                    | 16,105  | Loan No. FY2018 - 2                                    | 21,650   |
| Loan No. FY2016 - 4                                    | 12,107  | Loan No. FY2018 - 5                                    | 17,500   |
| Loan No. FY2016 - 10                                   | 15,436  | Loan No. FY2018 - 6                                    | 14,999   |
| Loan No. FY2017 - 3                                    | 22,000  | Loan No. FY2018 - 8                                    | 19,500   |
| Loan No. FY2017 - 4                                    | 42,000  | Loan No. FY2018 - 10                                   | 5,100    |
| Loan No. FY2017 - 5                                    | 6,890   | Loan No. FY2018 - 11                                   | 13,500   |
| Loan No. FY2017 - 6                                    | 37,399  | Loan No. FY2018 - 12                                   | 11,000   |
| Loan No. FY2018 - 1                                    | 26,837  | Loan No. FY2019 - 1                                    | 15,000   |
| Loan No. FY2018 - 2                                    | 35,783  | Loan No. FY2019 - 2                                    | 25,000   |
| Loan No. FY2018 - 3                                    | 24,630  | Loan No. FY2019 - 3                                    | 22,150   |
| Loan No. FY2018 - 4                                    | 34,445  | Loan No. FY2019 - 4                                    | 25,000   |
| Loan No. FY2019 - 1                                    | 25,203  | Loan No. FY2020 - 2                                    | 18,000   |
| Loan No. FY2019 - 2                                    | 14,800  | Loan No. FY2020 - 3                                    | 25,000   |
| Loan No. FY2019 - 3                                    | 10,830  | Loan No. FY2020 - 4                                    | 25,000   |
| Loan No. FY2019 - 4                                    | 17,500  | Loan No. FY2021 - 1                                    | -        |
| Loan No. FY2019 - 5                                    | 9,100   | Loan No. FY2021 - 2                                    | 18,600   |
| Loan No. FY2019 - 6                                    | -       | Loan No. FY2021 - 3                                    | 25,000   |
| Loan No. FY2020 - 1                                    | 13,700  | Loan No. FY2021 - 4                                    | 25,000   |
| Loan No. FY2020 - 2                                    | 14,294  | Loan No. FY2022 - 1                                    | 25,000   |
| Loan No. FY2020 - 3                                    | 25,965  | Loan No. FY2022 - 2                                    | 25,000   |
| Loan No. FY2020 - 4                                    | 23,453  | Loan No. FY2022 - 3                                    | 25,000   |
| Loan No. FY2020 - 5                                    | -       | Loan No. FY2022 - 4                                    | 11,000   |
| Loan No. FY2020 - 6                                    | 21,600  | Loan No. FY2023 - 1                                    | 24,900   |
| Loan No. FY2020 - 7                                    | 19,078  |  |          |
| Loan No. FY2020 - 8                                    | 22,300  | Subtotal economic development loans                    | 449,599  |
| Loan No. FY2020 - 9                                    | 45,000  |  |          |
| Loan No. FY2021 - 1                                    | 17,650  | Less: Discounts on economic development loans          | -        |
| Loan No. FY2021 - 2                                    | 24,800  | Less: Reserve for loan losses                          | -        |
| Loan No. FY2021 - 3                                    | 25,500  |  |          |
| Loan No. FY2021 - 4                                    | 16,600  | Total loans receivable, net of reserve for loan losses | 449,599  |
| Loan No. FY2021 - 5                                    | 22,150  | (as reflected in Economic Development Fund)            |          |
| Loan No. FY2021 - 6                                    | 18,700  |  |          |
| Loan No. FY2022 - 1                                    | 34,100  |  |          |
| Loan No. FY2022 - 2                                    | 30,400  |  |          |
| Loan No. FY2023 - 1                                    | 10,700  |  |          |
| Loan No. FY2023 - 2                                    | 43,000  |  |          |
| Loan No. FY2023 - 3                                    | 35,800  |  |          |
| Loan No. FY2023 - 4                                    | 28,640  |  |          |
| Loan No. FY2023 - 5                                    | 29,970  |  |          |
|  |         |  |          |
| Subtotal economic development loans                    | 879,915 |  |          |
| Less: Discounts on economic development loans          | -       |  |          |
| Less: Reserve for loan losses                          | -       |  |          |
|  |         |  |          |
| Total loans receivable, net of reserve for loan losses |         |  |          |
| (as reflected in Economic Development Fund)            | 879,915 |  |          |

## **(6) INTERFUND TRANSFERS, ASSETS, AND LIABILITIES**

### **Interfund transfers:**

The County records transfers to fund the operations and projects of other funds, to provide for debt service, to record profit transfers from utility funds, record the movement of capital assets between funds, and as otherwise needed and required by GAAP.

The interfund transfers during the year ended June 30, 2023 are:

| Transfers in<br>(from other funds)   | Transfers out (to other funds) |                         |                           |                                  |                            |                           |                  | Total             |
|--|--------------------------------|-------------------------|---------------------------|----------------------------------|----------------------------|---------------------------|------------------|-------------------|
|  | General                        | Economic<br>Development | Emergency<br>Declarations | Capital<br>Projects<br>Permanent | Joint<br>Utility<br>System | Environmental<br>Services | Fire             |                   |
| General  | \$ 0                           | 0                       | 387,235                   | 0                                | 999,878                    | 0                         | 2,659,000        | 4,046,113         |
| Economic Development   | 1,600,000                      | 0                       | 0                         | 0                                | 0                          | 0                         | 0                | 1,600,000         |
| Capital Improvement Projects   | 19,441,299                     | 0                       | 0                         | 1,575,170                        | 0                          | 0                         | 0                | 21,016,469        |
| Joint Utility System   | 0                              | 2,000,000               | 0                         | 0                                | 0                          | 0                         | 0                | 2,000,000         |
| Transit  | 1,050,000                      | 0                       | 0                         | 0                                | 0                          | 0                         | 0                | 1,050,000         |
| Airport  | 1,217,555                      | 0                       | 0                         | 0                                | 0                          | 0                         | 0                | 1,217,555         |
| Internal Service   | 78,000                         | 0                       | 0                         | 0                                | 130,602                    | 57,823                    | 0                | 266,425           |
| Other Governmental   | 5,244,109                      | 0                       | 0                         | 0                                | 0                          | 0                         | 0                | 5,244,109         |
|  | <u>\$ 28,630,963</u>           | <u>2,000,000</u>        | <u>387,235</u>            | <u>1,575,170</u>                 | <u>1,130,480</u>           | <u>57,823</u>             | <u>2,659,000</u> | <u>36,440,671</u> |
| Capital assets were transferred into (out of) the following funds from (to) governmental activities: |                                |                         |                           |                                  |                            |                           |                  |                   |
| Internal Service   | \$ 413,038                     |                         |                           |                                  |                            |                           |                  |                   |
| Total  | <u>\$ 413,038</u>              |                         |                           |                                  |                            |                           |                  |                   |

### **Interfund assets and liabilities:**

An advance from the General Fund to the Airport Fund for construction projects was recorded in fiscal year 2010 in the amount of \$146,799. Since additional advances are expected for other Airport projects, no repayment schedule has been set and the entire balance is considered long-term.

Advance from/to balances at June 30, 2023 are presented below:

| Advances from<br>other funds | Advances to<br>other funds |
|------------------------------|----------------------------|
|                              | General                    |
| Airport                      | \$ 146,799                 |
|                              | <u>\$ 146,799</u>          |

All other interfund balances were expected to be repaid within a year and are classified as due to/due from balances. These balances represent pension contributions payable, pension forfeitures receivable, and the reclassification of negative pooled cash in the Capital Projects Permanent Fund.

Due to/due from balances at June 30, 2023 are presented below:

|                                 | Due from other funds |               |                  |
|---------------------------------|----------------------|---------------|------------------|
|                                 | General              | Pension       | Total            |
| Due to other funds              |                      |               |                  |
| General                         | \$ 0                 | 79,649        | 79,649           |
| Capital Projects Permanent Fund | 2,309,549            | 0             | 2,309,549        |
| Pension Trust                   | 40,818               | 0             | 40,818           |
|                                 | <u>\$ 2,350,367</u>  | <u>79,649</u> | <u>2,430,016</u> |

## **(7) CAPITAL ASSETS AND INTANGIBLE RIGHT-TO-USE ASSETS**

The County capitalized approximately \$74.8 million in capital assets including amounts capitalized from construction work in progress (CWIP), and right-to-use assets from GASBS 87, *Leases*, and GASBS 96, *Subscription Based IT Arrangements [SBITA]*. Of those capital assets, \$30.2 million were additions to governmental activities and \$44.6 million were additions to business-type activities. During fiscal year 2023, the County added approximately \$37.8 million in new construction in progress, \$11.7 million in governmental activities capital assets and \$26.1 million in business-type activities capital assets. Machinery and equipment in the amount of \$465,607 was transferred from governmental activities to business-type activities. This represents vehicles and other machinery and equipment purchased by the General Fund and transferred to the Equipment internal service fund.

In October 2022, the San Juan Electric Generating Station ceased operations; thereby requiring all capital assets remaining for the San Juan location be retired and depreciated. During fiscal year 2023, the disposition amount for utility plant in service was \$55.3 million and accumulated depreciation was \$34.8 million as a result of the plant closure.

Total right-to-use assets, net of amortization, from GASBS 87, *Leases*, and GASBS 96, *SBITA*, recognized by the County on June 30, 2023 is \$5,246,244: \$4,125,845 is for governmental right-to-use assets, and \$1,120,399 is for business-type right-to-use assets.

Capital asset activity for the year ended June 30, 2023 was as follows:

|  | June 30, 2022<br>Balance  | Additions                | Disposals                  | Donations, Transfers<br>and Adjustments | June 30, 2023<br>Balance  |
|--|---------------------------|--------------------------|----------------------------|---|---------------------------|
| <b>Governmental activities capital assets:</b>         |                           |                          |                            |   |                           |
| Capital assets, not being depreciated:                 |                           |                          |                            |   |                           |
| Land   | \$ 40,318,380             | 0                        | 0                          | 0                                       | 40,318,380                |
| Right of way land                                      | 17,993,250                | 0                        | 0                          | 0                                       | 17,993,250                |
| Art and historic treasures                             | 1,704,499                 | 20,000                   | 0                          | 0                                       | 1,724,499                 |
| Construction in progress                               | 10,365,332                | 11,738,113               | (15,363,572)               | 0                                       | 6,739,873                 |
| Total capital assets, not being depreciated            | <u>70,381,461</u>         | <u>11,758,113</u>        | <u>(15,363,572)</u>        | <u>0</u>                                | <u>66,776,002</u>         |
| Capital assets, being depreciated                      |                           |                          |                            |   |                           |
| Buildings  | 143,854,418               | 729,536                  | 0                          | 0                                       | 144,583,954               |
| Improvements other than buildings                      | 31,588,652                | 8,644,524                | 0                          | 0                                       | 40,233,176                |
| Machinery and equipment                                | 21,842,391                | 2,276,193                | (106,947)                  | (413,039)                               | 23,598,598                |
| Infrastructure   | 195,982,739               | 5,306,427                | 0                          | 0                                       | 201,289,166               |
| Capital assets, being depreciated                      | <u>393,268,200</u>        | <u>16,956,680</u>        | <u>(106,947)</u>           | <u>(413,039)</u>                        | <u>409,704,894</u>        |
| Less accumulated depreciation for:                     |                           |                          |                            |   |                           |
| Buildings  | (40,920,178)              | (2,911,155)              | 0                          | 0                                       | (43,831,333)              |
| Improvements other than buildings                      | (12,523,509)              | (1,482,108)              | 0                          | 0                                       | (14,005,617)              |
| Machinery and equipment                                | (12,735,750)              | (1,780,625)              | 106,947                    | 0                                       | (14,409,428)              |
| Infrastructure   | (124,122,157)             | (3,592,257)              | 0                          | 0                                       | (127,714,414)             |
| Total accumulated depreciation                         | <u>(190,301,594)</u>      | <u>(9,766,145)</u>       | <u>106,947</u>             | <u>0</u>                                | <u>(199,960,792)</u>      |
| Total capital assets, being depreciated, net           | <u>202,966,606</u>        | <u>7,190,535</u>         | <u>0</u>                   | <u>(413,039)</u>                        | <u>209,744,102</u>        |
| Right-to-use assets - leases                           |                           |                          |                            |   |                           |
| Buildings  | 356,416                   | 1,729                    | 0                          | 0                                       | 358,145                   |
| Machinery and equipment                                | 173,798                   | 629,875                  | 0                          | 0                                       | 803,673                   |
| Leased assets, being amortized                         | <u>530,214</u>            | <u>631,604</u>           | <u>0</u>                   | <u>0</u>                                | <u>1,161,818</u>          |
| Less accumulated amortization for:                     |                           |                          |                            |   |                           |
| Buildings  | (95,848)                  | (99,401)                 | 0                          | 0                                       | (195,249)                 |
| Machinery and equipment                                | (45,870)                  | (70,595)                 | 0                          | 0                                       | (116,465)                 |
| Total accumulated amortization                         | <u>(141,718)</u>          | <u>(169,996)</u>         | <u>0</u>                   | <u>0</u>                                | <u>(311,714)</u>          |
| Total leased assets, being amortized, net              | <u>388,496</u>            | <u>461,608</u>           | <u>0</u>                   | <u>0</u>                                | <u>850,104</u>            |
| Right-to-use assets - SBITA                            |                           |                          |                            |   |                           |
| IT subscriptions                                       | 3,696,063                 | 857,110                  | 0                          | 0                                       | 4,553,173                 |
| SBITA assets, being amortized                          | <u>3,696,063</u>          | <u>857,110</u>           | <u>0</u>                   | <u>0</u>                                | <u>4,553,173</u>          |
| Less accumulated amortization for:                     |                           |                          |                            |   |                           |
| IT subscriptions                                       | 0                         | (1,277,432)              | 0                          | 0                                       | (1,277,432)               |
| Total accumulated amortization                         | <u>0</u>                  | <u>(1,277,432)</u>       | <u>0</u>                   | <u>0</u>                                | <u>(1,277,432)</u>        |
| Total SBITA assets, being amortized, net               | <u>3,696,063</u>          | <u>(420,322)</u>         | <u>0</u>                   | <u>0</u>                                | <u>3,275,741</u>          |
| Total right-to-use assets, being amortized, net        | <u>4,084,559</u>          | <u>41,286</u>            | <u>0</u>                   | <u>0</u>                                | <u>4,125,845</u>          |
| <b>Total governmental activities capital assets \$</b> | <b><u>277,821,122</u></b> | <b><u>19,451,542</u></b> | <b><u>(15,363,572)</u></b> | <b><u>(413,039)</u></b>                 | <b><u>280,645,949</u></b> |

|   | June 30, 2022<br>Balance  | Additions                | Disposals                  | Donations, Transfers<br>and Adjustments | June 30, 2023<br>Balance  |
|---|---------------------------|--------------------------|----------------------------|---|---------------------------|
| <b>Business-type activities capital assets:</b>         |                           |                          |                            |   |                           |
| Capital assets, not being depreciated:                  |                           |                          |                            |   |                           |
| Land  | \$ 8,427,544              | 0                        | 0                          | 0                                       | 8,427,544                 |
| Construction in progress                                | 17,329,175                | 26,114,863               | (19,108,540)               | 0                                       | 24,335,498                |
| Total capital assets, not being depreciated             | <u>25,756,719</u>         | <u>26,114,863</u>        | <u>(19,108,540)</u>        | <u>0</u>                                | <u>32,763,042</u>         |
| Capital assets, being depreciated                       |                           |                          |                            |   |                           |
| Buildings   | 25,054,555                | 40,000                   | 0                          | 0                                       | 25,094,555                |
| Improvements other than buildings                       | 18,210,971                | 0                        | 0                          | 0                                       | 18,210,971                |
| Utility plant in service                                | 335,188,545               | 16,671,846               | (55,356,749)               | (14,413)                                | 296,489,229               |
| Machinery and equipment                                 | 38,556,677                | 1,844,703                | (2,508,413)                | 427,451                                 | 38,320,418                |
| Capital assets, being depreciated                       | <u>417,010,748</u>        | <u>18,556,549</u>        | <u>(57,865,162)</u>        | <u>413,038</u>                          | <u>378,115,173</u>        |
| Less accumulated depreciation for:                      |                           |                          |                            |   |                           |
| Buildings   | (9,248,433)               | (661,972)                | 0                          | 0                                       | (9,910,405)               |
| Improvements other than buildings                       | (10,255,383)              | (573,280)                | 50,972                     | 0                                       | (10,777,691)              |
| Utility plant in service                                | (181,260,603)             | (5,776,725)              | 34,805,356                 | 0                                       | (152,231,972)             |
| Machinery and equipment                                 | (23,373,733)              | (2,690,247)              | 1,871,470                  | 0                                       | (24,192,510)              |
| Total accumulated depreciation                          | <u>(224,138,152)</u>      | <u>(9,702,224)</u>       | <u>36,727,798</u>          | <u>0</u>                                | <u>(197,112,578)</u>      |
| Right-to-use assets - leases                            |                           |                          |                            |   |                           |
| Buildings   | 1,037,899                 | 0                        | 0                          | 0                                       | 1,037,899                 |
| Leased assets, being amortized                          | <u>1,037,899</u>          | <u>0</u>                 | <u>0</u>                   | <u>0</u>                                | <u>1,037,899</u>          |
| Less accumulated amortization for:                      |                           |                          |                            |   |                           |
| Buildings   | (172,983)                 | (172,984)                | 0                          | 0                                       | (345,967)                 |
| Total accumulated amortization                          | <u>(172,983)</u>          | <u>(172,984)</u>         | <u>0</u>                   | <u>0</u>                                | <u>(345,967)</u>          |
| Total lease assets, being amortized, net                | <u>864,916</u>            | <u>(172,984)</u>         | <u>0</u>                   | <u>0</u>                                | <u>691,932</u>            |
| Right-to-use assets - SBITA                             |                           |                          |                            |   |                           |
| IT subscriptions  | 501,589                   | 0                        | 0                          | 0                                       | 501,589                   |
| SBITA assets, being amortized                           | <u>501,589</u>            | <u>0</u>                 | <u>0</u>                   | <u>0</u>                                | <u>501,589</u>            |
| Less accumulated amortization for:                      |                           |                          |                            |   |                           |
| IT subscriptions  | 0                         | (73,122)                 | 0                          | 0                                       | (73,122)                  |
| Total accumulated amortization                          | <u>0</u>                  | <u>(73,122)</u>          | <u>0</u>                   | <u>0</u>                                | <u>(73,122)</u>           |
| Total SBITA assets, being amortized, net                | <u>0</u>                  | <u>(73,122)</u>          | <u>0</u>                   | <u>0</u>                                | <u>428,467</u>            |
| Total right-to-use assets, being amortized, net         | <u>2,404,404</u>          | <u>(246,106)</u>         | <u>0</u>                   | <u>0</u>                                | <u>1,120,399</u>          |
| Total capital assets, being depreciated, net            | <u>192,872,596</u>        | <u>8,854,325</u>         | <u>(21,137,364)</u>        | <u>413,038</u>                          | <u>181,002,595</u>        |
| <b>Total business-type activities capital assets \$</b> | <b><u>221,033,719</u></b> | <b><u>34,723,082</u></b> | <b><u>(40,245,904)</u></b> | <b><u>413,038</u></b>                   | <b><u>214,886,036</u></b> |



Depreciation and amortization expense for the year ended June 30, 2023 was as follows:

Depreciation and amortization expense was charged to governmental activities as follows:

|  |    |                   |
|--|----|-------------------|
| General government                                   | \$ | 2,306,566         |
| Public safety  |    | 915,147           |
| Economic Development                                 |    | 210,937           |
| Transportation                                       |    | 5,713,320         |
| Health and Welfare                                   |    | 81,745            |
| Culture and recreation                               |    | 1,985,858         |
| Total depreciation expense - governmental activities | \$ | <u>11,213,573</u> |

Depreciation and amortization expense was charged to business-type activities as follows:

|   |    |                  |
|---|----|------------------|
| Joint Utility Fund                                    |    |                  |
| Electric  | \$ | 2,448,402        |
| Gas   |    | 398,337          |
| Water   |    | 2,093,752        |
| Wastewater  |    | 854,007          |
| Environmental Services                                |    | 187,170          |
| Transit   |    | 176,954          |
| Fire  |    | 1,001,196        |
| Airport   |    | 589,834          |
| Equipment - Internal Service                          |    | 2,198,678        |
| Total depreciation expense - business-type activities | \$ | <u>9,948,330</u> |

**(8) RETIREMENT AND DEFERRED COMPENSATION PLANS**

**A. State of New Mexico - Public Employees' Retirement Association (PERA)**

*Plan description:* The Public Employees Retirement Fund (PERA Fund) is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal Fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), and the provisions of Sections 29-4-1 through 29-4-11, NMSA 1978 governing the State Police Pension Fund, each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund.

PERA issues a publicly available financial report and an annual comprehensive financial report that can be obtained at <http://www.nmpera.org/>.

For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2022 available at <http://www.nmpera.org/financial-overview/comprehensive-annual-financial-report>.

*Contributions:* The contribution requirements of defined benefit plan members and the County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for fiscal year 2021 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures of the PERA fiscal year 2021 annual audit report at <http://www.nmpera.org/financial-overview/comprehensive-annual-financial-report> The PERA coverage options that apply to the County are: the Municipal Plan 3, Municipal Police Plan 5, Municipal Detention Officer Plan 1, and the Municipal Fire Plan 5.

The active plan rates for plans the County participates in are summarized below:

| Coverage Plan                      | Employee Contribution Percentage |                                     | Employer Contribution Percentage |
|------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
|                                    | Annual Salary \$25,000 or less   | Annual Salary greater than \$25,000 |                                  |
| Municipal Plan 3                   | 9.150%                           | 15.150%                             | 10.300%                          |
| Municipal Police Plan 5            | 16.300%                          | 18.300%                             | 19.650%                          |
| Municipal Detention officer Plan 1 | 16.650%                          | 18.650%                             | 17.800%                          |
| Municipal Fire Plan 5              | 16.200%                          | 19.700%                             | 22.400%                          |

Statutorily required contributions to the pension plan from the County were \$5,948,843 and employer paid member benefits that were “picked up” by the County were \$1,422,066. for the year ended June 30, 2023. The County’s total contributions to PERA for the years ended June 30, 2023, 2022, and 2021 were \$5,638,871, \$5,959,393, and \$5,644,520, respectively, which were equal to the required contributions for each year.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:* The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2022. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2022, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2022. It is also important to note that in prior years, the County’s General Fund has been used to liquidate pension liabilities.

The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members (includes detention), municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred Inflows and Outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. The County’s proportion of the net pension liability for each membership group that the County participates in is based on the County’s percentage of that membership group’s total employer contributions for the fiscal year ended June 30, 2022. Only employer contributions for the pay period end dates that fell within the period of July 1, 2021 to June 30, 2022 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to fiscal year 2022 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

For the year ended June 30, 2023, the County recognized PERA All Plans combined net pension expense of \$5,638,871. At June 30, 2023, the County reported PERA All Plans combined deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

| PERA All Plans   | Deferred Outflows<br>of Resources | Deferred Inflows of<br>Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience   | \$ 785,183                        | \$ (1,438,902)                   |
| Changes of assumptions   | -                                 | -                                |
| Net difference between projected and actual earnings on<br>pension plan investments                            | 8,772,241                         | -                                |
| Changes in proportion and differences between County<br>contributions and proportionate share of contributions | 2,137,352                         | (1,250,858)                      |
| County contributions subsequent to measurement date  | 7,159,400                         | -                                |
| Totals   | \$ 18,854,176                     | \$ (2,689,760)                   |

The County’s deferred inflows of resources for governmental activities was reclassified to deferred outflows of resources for financial statement reporting purposes in the amount of \$265,450; however, the net effect of this reclassification was \$0. This presentation was done to present the deferred inflows and deferred outflows more appropriately according to their normal account balance.

| <u>Year ended June 30</u> |    |             |
|---------------------------|----|-------------|
| 2024                      |    | 2,747,887   |
| 2025                      |    | 2,077,675   |
| 2026                      |    | (2,740,624) |
| 2027                      |    | 6,920,078   |
| Thereafter                | \$ | -           |

For the PERA Municipal General Division, at June 30, 2023, the County reported a liability of \$57,692,526 for its proportionate share of the net pension liability. At June 30, 2023, the County's proportion was 3.2527 percent, which was an increase from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the County recognized PERA Municipal General Division net pension expense of \$3,557,878. At June 30, 2022, the County reported PERA Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

| <u>PERA Municipal General Plan</u>  | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---------------------------------------|--------------------------------------|
| Differences between expected and actual experience  | \$ 231,277                            | \$ (1,403,057)                       |
| Changes of assumptions  | -                                     | -                                    |
| Net difference between projected and actual earnings on pension plan investments                            | 5,709,581                             | -                                    |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 1,189,017                             | (511,841)                            |
| County contributions subsequent to measurement date   | 3,557,878                             | -                                    |
| Totals  | \$ <u>10,687,753</u>                  | \$ <u>(1,914,898)</u>                |

The amount of \$3,557,878 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2022, were recognized as a reduction of the net pension liability in the year ended June 30, 2023. Contributions made after the measurement date of the net pension liability but before the end of the County's reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year ended June 30</u> |    |             |
|---------------------------|----|-------------|
| 2024                      | \$ | 1,802,429   |
| 2025                      |    | 977,015     |
| 2026                      |    | (2,072,586) |
| 2027                      |    | 4,508,119   |
| Thereafter                | \$ | -           |

For PERA Municipal Police Division, at June 30, 2023 the County reported a liability of \$9,139,813 for its proportionate share of the net pension liability. At June 30, 2023, the County's proportion was 1.1173 percent, which was a decrease from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the County recognized PERA Municipal Police Division net pension expense of \$1,067,159. At June 30, 2023, the County reported PERA Municipal Police Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| <u>PERA Municipal Police Plan</u>   | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|---|---|--|
| Differences between expected and actual experience  | \$ 238,076                                | \$ -                                     |
| Changes of assumptions  | -   | -  |
| Net difference between projected and actual earnings on pension plan investments                            | 798,618                                   | -  |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 256,700                                   | (10,294)                                 |
| County contributions subsequent to measurement date   | 824,289                                   | -  |
| Totals  | \$ <u>2,117,683</u>                       | \$ <u>(10,294)</u>                       |

The amount of \$824,289 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2022, were recognized as a reduction of the net pension liability in the year ended June 30, 2023. Contributions made after the measurement date of the net pension liability but before the end of the County's reporting period will be recognized as a reduction of the net pension liability in the

subsequent fiscal period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year ended June 30</u> |    |           |
|---------------------------|----|-----------|
| 2024                      | \$ | 512,610   |
| 2025                      |    | 340,075   |
| 2026                      |    | (204,750) |
| 2027                      |    | 635,165   |
| Thereafter                | \$ | -         |

For PERA Municipal Fire Division, at June 30, 2023, the County reported a liability of \$50,776,920 for its proportionate share of the net pension liability. At June 30, 2023, the County's proportion was 6.68597 percent, which was a decrease from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the County recognized PERA Municipal Fire Division net pension expense of \$5,648,740. At June 30, 2023, the County reported PERA Municipal Fire Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

| <u>PERA Municipal Fire Plan</u>   | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|---|---|--|
| Differences between expected and actual experience  | \$ 315,830                                | \$ (35,845)                              |
| Changes of assumptions  | -   | -  |
| Net difference between projected and actual earnings on pension plan investments                            | 2,264,042                                 | -  |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 691,635                                   | (728,723)                                |
| County contributions subsequent to measurement date   | 2,777,233                                 | -  |
| Totals  | \$ <u>6,048,740</u>                       | \$ <u>(764,568)</u>                      |

The amount of \$2,777,233 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2022, were recognized as a reduction of the net pension liability in the year ended June 30, 2023. Contributions made after the measurement date of the net pension liability but before the end of the County's reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year ended June 30</u> |            |
|---------------------------|------------|
| 2024                      | \$ 432,848 |
| 2025                      | 760,585    |
| 2026                      | (463,288)  |
| 2027                      | 1,776,794  |
| Thereafter                | \$ -       |

*Actuarial assumptions:* As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2021 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2022 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2022. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2022 actuarial valuation.

|                               |  |
|-------------------------------|--|
| Actuarial valuation date      | June 30, 2021  |
| Actuarial cost method         | Entry age normal   |
| Amortization method           | Level percentage of pay  |
| Amortization period           | 25 years   |
| <b>Actuarial assumptions:</b> |  |
| Investment rate of return     | 7.25% annual rate, net of investment expense   |
| Projected salary increases    | 3.25% to 13.50% annual rate  |
| Includes inflation at         | 2.50% annual rate  |
| Mortality Assumption          | The mortality assumptions are based on the RPH-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generationally. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups. |

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| <u>All funds - Asset Class</u> | <u>Target Allocation</u> | <u>Long-term Expected Real Rate of Return</u> |
|--------------------------------|--------------------------|---|
| Global Equity                  | 35.5%                    | 6.35%   |
| Risk Reduction and Mitigation  | 19.5%                    | 1.90%   |
| Credit Oriented Fixed Income   | 15.0%                    | 4.45%   |
| Real Assets                    | 20.0%                    | 5.10%   |
| Multi-Risk Allocation          | 10.0%                    | 6.65%   |
| Total                          | <u>100.0%</u>            |   |

*Discount rate:* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that future contributions will be made in accordance with statutory rates. On this basis, the pension plan's fiduciary net position together with the expected future contributions are sufficient to provide all projected future benefit payments of current plan members as determined in accordance with GASB 68. Therefore, the 7.25% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following tables show the sensitivity of the net pension liability to changes in the discount rate. In particular, the table below presents the County's net pension liability in each PERA Fund Division that the County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.25%) or one percentage point higher (8.25%) than the single discount rate.

|   | <u>1% Decrease<br/>(6.25%)</u> | <u>Current Discount<br/>Rate (7.25%)</u> | <u>1% Increase<br/>(8.25%)</u> |
|---|--------------------------------|--|--------------------------------|
| <b>PERA Municipal General Division:</b>                   |                                |  |                                |
| County's proportionate share of the net pension liability | \$ 87,301,157                  | \$ 57,692,526                            | \$ 33,095,581                  |
| <b>PERA Municipal Police Division:</b>                    |                                |  |                                |
| County's proportionate share of the net pension liability | 13,712,480                     | 9,139,813                                | 5,398,509                      |
| <b>PERA Municipal Fire Division:</b>                      |                                |  |                                |
| County's proportionate share of the net pension liability | 66,883,024                     | 50,776,920                               | 37,551,566                     |



*Pension plan fiduciary net position:* Detailed information about the pension plan's fiduciary net position is available in the fiscal year 2022 PERA financial report. The report is available at <http://www.nmpera.org/financial-overview/comprehensive-annual-financial-report>.

*Payable Changes in the Net Pension Liability.* At June 30, 2023, the County reported a payable of \$772,891 for outstanding contributions due to PERA for the year ended June 30, 2023

## **B. Los Alamos County Employees Pension Plan**

All County employees (except those classified as casual, temporary, or elected officials) also participate in a single-employer defined contribution plan (the Plan) administered under authority of the County Council. The Plan's financial position and results of operation are reported in the accompanying financial statements in the Pension Trust Fund. The County does not prepare a separate report for the Plan. The Plan Agreement requires the County to contribute bi-weekly an amount equal to 9.0 percent of the compensation paid to all participating employees. Participants are required to contribute bi-weekly an amount equal to 1.0 percent of their individual compensation. The amount contributed by the participant, and four ninths of the amount contributed by the County, are vested immediately. Five ninths of the amount contributed by the County is subject to a seven-year step-vesting schedule. Participants are not allowed to make voluntary contributions to the Plan. Changes to plan provisions require approval by the County Council.

Total contributions for the year ended June 30, 2023 were \$4,535,031 (\$485,107 participant; and \$4,049,925 County, net of forfeitures of \$314,583). All required contributions were actually made to the Plan. In accordance with the Plan Agreement, forfeitures of unvested participant balances are used to reduce the County's contributions.

The Plan authorizes participants to borrow from the Plan. These loans are secured with participant balances. Participants are allowed to have one outstanding loan at any given time. Loans cannot exceed \$50,000 or 50% of the borrower's vested benefit. Interest is fixed to one percent plus the prime rate listed in the Wall Street Journal at loan origination. Loans used to acquire a home are limited to a term of up to fifteen years. Other loans are limited to a term of up to five years. A one-time \$125 loan origination fee is charged to the participant at the inception of the loan.

Financial statements for the Plan are prepared using the accrual basis of accounting. Employer and participant contributions are recognized in the period that the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the Plan. Administrative expenses of the plan for the year ended June 30, 2023 were \$64,0491, which included allocated audit fees of \$5,102, trustee fees of \$58,373, and legal fees of \$1,015. Plan investments at June 30, 2023, stated at fair value, based on the funds' share price are shown in the following table:

|                                    |                      |
|------------------------------------|----------------------|
| <b>Mutual funds at fair value:</b> |                      |
| American Funds                     | \$ 3,089,898         |
| Pacific Investment                 | 3,120,571            |
| AB Relative                        | 8,406,504            |
| Parnassus                          | 202,319              |
| Baird                              | 1,671,752            |
| Great Gray Trust                   | 46,453,080           |
| <b>Total investments</b>           | <b>\$ 62,944,124</b> |

### **C. Deferred Compensation Plans**

The County offers to its employees a deferred compensation plan established in accordance with Internal Revenue Code Section 457. Certain executive employees also may participate in a deferred compensation plan established in accordance with Internal Revenue Code Section 401. Any contributions made to the deferred compensation plans are not available to employees until termination of employment, retirement, death, or an unforeseen emergency. A private corporation under contract with the County administers assets of the plans. Plan assets are in custodial accounts for the exclusive benefit of the plans' participants and beneficiaries. The County provides neither administrative services nor investment advice to the plans. Therefore, no fiduciary relationship exists between the County and the deferred compensation pension plans.

The County makes contributions to the deferred compensation plans for certain employees in accordance with their employment contracts. The cost to the County for these contributions was \$20,518.64 for the fiscal year ended June 30, 2023.

### **D. New Mexico Retiree Health Care Act – Post Employee Benefit**

*Plan Description:* Employees of the County are provided with OPEB through the Retiree Health Care Fund (the Fund)-a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

**Benefits provided.** The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

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.

**Employees covered by benefit terms.** At June 30, 2023, the Fund's measurement date, the following employees were covered by the benefit terms:

|  |         |
|--|---------|
| <b>Plan Membership</b>                     |         |
| Current retirees and surviving spouses     | 53,092  |
| Inactive and eligible for deferred benefit | 11,759  |
| Current active members                     | 92,520  |
|  | 157,371 |
| <br>                                       |         |
| <b>Active membership</b>                   |         |
| State general                              | 18,691  |
| State police and corrections               | 1,919   |
| Municipal general                          | 20,357  |
| Municipal police                           | 1,573   |
| Municipal FTRE                             | 756     |
| Educational Retirement Board               | 49,224  |
|  | 92,520  |

**Contributions** - Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the County were \$1,086,795 for the year ended June 30, 2023.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

At June 30, 2023, the County reported a liability of \$21,221,049 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability was based on actual contributions provided to the Fund for year ending June 30, 2022. At June 30, 2022, the County's proportion was 0.91802 percent. It is also important to note that in prior years, the County's General Fund has been used to liquidate OPEB liabilities.

For the year ended June 30, 2023, the County recognized OPEB income of \$5,172,616. At June 30, 2023 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience                          | \$ 352,968                           | \$ 3,145,410                        |
| Changes of assumptions   | 4,528,069                            | 15,730,924                          |
| Differences between actual and projected earnings on OPEB plan investments | 292,618                              | -                                   |
| Changes in proportion  | 1,407,245                            | 3,461,089                           |
| County contributions made after the measurement date                       | 1,086,795                            | -                                   |
| Totals   | <u>\$ 7,667,695</u>                  | <u>\$ 22,337,423</u>                |

Deferred outflows of resources totaling \$1,086,795 represent County contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2022. Contributions made after the measurement date of the net pension liability but before the end of the County's reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

| <u>Year ended June 30</u> |                        |
|---------------------------|------------------------|
| 2024                      | (5,072,903)            |
| 2025                      | (3,901,520)            |
| 2026                      | (2,260,154)            |
| 2027                      | (2,734,555)            |
| 2028                      | <u>(1,787,391)</u>     |
| Total                     | <u>\$ (15,756,523)</u> |

**Actuarial assumptions.** The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

|                             |  |
|-----------------------------|--|
| Actuarial valuation date    | June 30, 2021  |
| Actuarial cost method       | Entry age normal, level percent of pay, calculated on individual employee basis  |
| Asset valuation method      | Market value of assets   |
| Actuarial assumptions:      |  |
| Inflation                   | 2.30% for ERB; 2.5% for PERA   |
| Projected payroll increases | 3.25% to 13.00%, based on years of service, including inflation  |
| Investment rate of return   | 7.00%, net of OPEB plan investment expense and margin for adverse deviation including inflation  |
| Health care cost trend rate | 8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 for Medicare medical plan costs  |
| Mortality                   | ERB members: 2020 GRS Southwest Region Teacher Mortality Table, set back one year (and scaled at 95% for males). Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.<br>PERA members: Headcount-Weighted RP-2014 Blue Collar Annuitant Mortality, set forward one year for females, projected generationally with Scale MP-2017 times 60%. |

**Rate of Return.** The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

The best estimates for long-term expected rate of return is summarized as follows:

| Asset Class                   | Long-Term<br>Rate of Return |
|-------------------------------|-----------------------------|
| U.S. core fixed income        | 0.4%                        |
| U.S. equity - large cap       | 6.6%                        |
| Non U.S. - emerging markets   | 9.2%                        |
| Non U.S. - developed equities | 7.3%                        |
| Private equity                | 10.6%                       |
| Credit and structured finance | 3.1%                        |
| Real estate                   | 3.7%                        |
| Absolute return               | 2.5%                        |
| U.S. equity - small/mid cap   | 6.6%                        |

**Discount Rate.** The discount rate used to measure the total OPEB liability is 5.42% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Authority's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2059. The 7.00% discount rate, which includes the assumed inflation rate of 2.30% for ERB members and 2.50% for PERA members, was used to calculate the net OPEB liability through 2059. Beyond 2059, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.54%) was applied. Thus, 5.42% is the blended discount rate.

**Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates.** The following presents the net OPEB liability of the School, as well as what the School's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.42 percent) or 1-percentage-point higher (6.42 percent) than the current discount rate:

| 1% Decrease<br>(4.42%) | Current<br>Discount Rate<br>(5.42%) | 1% Increase<br>(6.42%) |
|------------------------|-------------------------------------|------------------------|
| \$26,408,289           | \$21,221,049                        | \$17,085,267           |

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| <u>1% Decrease</u> | <u>Current Trend Rate</u> | <u>1% Increase</u> |
|--------------------|---------------------------|--------------------|
| \$17,003,585       | \$21,221,049              | \$24,815,432       |

**OPEB plan fiduciary net position.** Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2022.

**Payable Changes in the Net OPEB Liability.** At June 30, 2023, the County reported a payable of \$0.00 for outstanding contributions due to NMRHCA for the year ended June 30, 2023.

## 9) LONG-TERM OBLIGATIONS

### A. Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2023, was as follows:

|                                      | <u>Beginning Balance</u> | <u>Additions</u>  | <u>Deletions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|--------------------------------------|--------------------------|-------------------|------------------|-----------------------|----------------------------|
| Governmental activities:             |                          |                   |                  |                       |                            |
| Accrued compensated absences         | \$ 4,119,995             | 2,753,284         | 2,104,480        | 4,768,799             | 3,273,456                  |
| Revenue bonds payable                | 26,565,426               | 0                 | 4,362,051        | 22,203,375            | 3,720,000                  |
| Total governmental activities        | <u>\$ 30,685,421</u>     | <u>2,753,284</u>  | <u>6,466,531</u> | <u>26,972,174</u>     | <u>6,993,456</u>           |
| Business-type activities:            |                          |                   |                  |                       |                            |
| Accrued compensated absences         | \$ 4,773,426             | 3,489,132         | 2,623,200        | 5,639,358             | 3,404,880                  |
| Claims and judgments                 | 2,651,902                | 573,625           | 2,651,902        | 573,625               | 544,236                    |
| Revenue bonds payable                | 13,992,430               | 0                 | 1,321,069        | 12,671,361            | 1,360,000                  |
| Contracts and intergovernmental debt | 16,442,888               | 14,468,652        | 772,829          | 30,138,711            | 1,093,653                  |
| Special closure costs                | 12,461,003               | 496,967           | 456,650          | 12,501,320            | 58,077                     |
|                                      | <u>\$ 50,321,649</u>     | <u>19,028,376</u> | <u>7,825,650</u> | <u>61,524,375</u>     | <u>6,460,846</u>           |

In prior years, resources from the General Fund have been used to liquidate the liability for compensated absences. Internal service funds of the County predominantly serve the proprietary funds. Accordingly, compensated absences in the amount of \$202,151 and claims and judgments in the amount of \$544,236 from internal service funds are included as part of the business-type activities.

## **B. Gross Receipts Tax Improvement Revenue Bonds**

### **GRT Revenue Bonds – 2008/2013 Series**

On October 21, 2008, the County closed on the sale of The Incorporated County of Los Alamos, New Mexico Gross Receipts Tax (GRT) Improvement Revenue Bonds, Series 2008. The original bonds were issued in the amount of \$75,000,000 with a final maturity date of June 1, 2028. On June 26, 2013, the County issued \$38,235,000 Gross Receipts Tax Refunding Revenue Bonds, Series 2013 which advance refunded a portion of the 2008 Series. The net proceeds of \$49,926,817 (including \$5,178,930 in premiums net of discount [\$115,496], \$6,700,000 additional funding from the County less \$187,113 in underwriting, insurance and issuance costs) were deposited into escrow and used to pay a portion of the interest on the 2008 Series when due beginning December 1, 2013 through June 1, 2028 and redeem the outstanding 2008 Series maturing on June 1, 2029 and after, when callable on June 1, 2018. The un-refunded Series 2008 Revenue Bonds have principal outstanding of \$0 at June 30, 2018. The final maturity date was June 1, 2018.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$9,653,817. The difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to operations through the year 2028 using the straight-line method. The County completed the advance refunding in order to reduce its total debt service payments over the next 14 years by \$9,515,950, and to recognize an economic gain (difference between the present values of the old and new debt service payments) of \$1,151,198.

The bonds were issued for the purpose of providing funds for public projects related to public facilities, roads and streets, public works, parks and recreation, and community services. The two largest projects to be funded with the proceeds are the Airport Basin Project and the Judicial / Police / Jail Complex Project.

Revenues pledged to cover debt service include (1) the County's State-Shared Gross Receipts Tax Revenues, at the rate authorized (currently 1.225%), (2) the Municipal Gross Receipts Tax Revenues, which equal one and one quarter percent (1.25%), (3) the Municipal Infrastructure Gross Receipts Tax Revenues, in an amount of one-eighth of one percent (0.125%), and (4) the third one-eighth of one percent (0.125%) increment of County Gross Receipts Tax Revenues.



The schedules of current year activity and annual maturity requirements of the 2013 GRT Advance Refunding Bonds is as follows:

| Year ending<br>June 30 | 2013 Series          |                  |
|------------------------|----------------------|------------------|
|                        | Principal            | Interest         |
| 2024                   | 3,720,000            | 830,159          |
| 2025                   | 3,905,000            | 644,159          |
| 2026                   | 4,100,000            | 448,909          |
| 2027                   | 4,265,000            | 284,909          |
| 2028                   | 4,395,000            | 151,628          |
|                        | <u>\$ 20,385,000</u> | <u>2,359,763</u> |
| 2013 Series Principal  | 20,385,000           |                  |
| Discounts and premiums | <u>1,818,375</u>     |                  |
|                        | <u>\$ 22,203,375</u> |                  |

### C. Utility System Revenue Bonds

All Joint Utility System revenue bonds are secured by a pledge of the net revenues of the Joint Utility System and certain funds established pursuant to the bond indentures. Accordingly, the bondholders may not seek repayment from the general public or any other fund of the County. The County has complied with all indenture requirements.

#### **Utility Revenue Bonds – 2014 A and B Series**

On August 13, 2014, the County issued The Incorporated County of Los Alamos, Joint Utility System Bonds, Series 2014A (tax-exempt) and 2014B (taxable). The bonds were issued in the par amount of \$21,690,000 with a final maturity date of June 1, 2034 for the Series 2014A and June 1, 2021 for the Series 2014B. Interest on the bonds is payable semi-annually beginning December 1, 2014 at rates ranging from 3.1% to 5.10% for the series 2014A and 0.37% to 2.91% for the series 2014B.

The Series 2014A and 2014B bonds were issued to refund the Joint Utility Fund Bonds, Series 2004A, 2004B, and advance refund Series 2006A, and 2006B, and provide \$16,853,827 for Joint Utility System projects. The net proceeds of \$22,652,043 (including \$1,067,958 in premiums, less \$105,915 of bond issuance costs) along with \$7,994,493 of prior debt service restricted reserves from the 2004/2006 fund proceeds, were used to retire the outstanding 2004/2006 Series Utility Revenue Bonds. Proceeds of \$1,436,504 from the 2014A series and proceeds of \$2,514,099 of the 2014B series were also used to advance refund remaining portions of the 2006A/B series bonds payable. As a result, the 2004 A and B and 2006 A and B Series Utility Revenue Bonds have been removed from the government wide statement of net position.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$747,197. The difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to operations through the year 2034 using the straight-line method. The County completed the advance refunding in order to reduce its total debt service payments over the next 10 years by \$8,317,334, and to recognize an economic gain (difference between the present values of the old and new debt service payments) of \$303,540.

**The scheduled annual maturity requirements of the 2014 Series A and B Utility Revenue Bonds as of June 30, 2023 are as presented below.**

| Year ending<br>June 30 | 2014A Series        |                  | 2014B Series |          |
|------------------------|---------------------|------------------|--------------|----------|
|                        | Principal           | Interest         | Principal    | Interest |
| 2024                   | 515,000             | 215,925          | 0            | 0        |
| 2025                   | 450,000             | 189,660          | 0            | 0        |
| 2026                   | 465,000             | 175,710          | 0            | 0        |
| 2027                   | 475,000             | 161,295          | 0            | 0        |
| 2028-2031              | 2,080,000           | 467,520          | 0            | 0        |
| 2032-2034              | 1,765,000           | 137,638          | 0            | 0        |
|                        | <u>\$ 5,750,000</u> | <u>1,347,748</u> | <u>0</u>     | <u>0</u> |
| 2014A Series Principal | \$ 5,750,000        |                  |              |          |
| 2014B Series Principal | 0                   |                  |              |          |
| Unamortized balances:  |                     |                  |              |          |
| Discounts and premiums | 283,115             |                  |              |          |
| Total payable          | <u>\$ 6,033,115</u> |                  |              |          |

### Utility Revenue Bonds – 2010 Series

On August 12, 2010, the county issued \$13,085,000 in Utility Revenue bonds (2010 Series A, B, C, D). These are 20-year bonds and will be fully amortized on June 1, 2030. The Series A are tax-exempt bonds with an aggregate principal of \$3,785,000. The Series B are taxable direct payment Build America bonds with an aggregate principal of \$1,535,000. Series C are taxable direct payment Recovery Zone Economic Development bonds with an aggregate principal of \$3,680,000. Series D are taxable bonds with an aggregate principal of \$4,085,000. The bonds have various interest rates with a blended interest rate of 5.355%. The Build America and Recovery Zone Economic Development bonds both include a federal subsidy component, receipt of which is dependent on meeting federal reporting requirements. The total federal subsidy is \$2,168,587 for the life of the bonds and is recorded as intergovernmental revenue when earned. The primary purpose of the bond issue was to enhance the County's Utility System by constructing a low flow turbine generator at the County's Abiquiu hydroelectric plant, constructing new and renovating existing electric distribution lines both in the overhead and underground systems, including but not limited to transformers, switchgear, protective devices and other appurtenances and equipment; and improving and renovating water distribution and transmission systems.

The scheduled annual maturity requirements of the 2010 Series A, B, C, and D Utility Revenue Bonds as of June 30, 2023 are as presented below.

| Year ending<br>June 30 | 2010 A Series |                  | 2010 B Series  |               | 2010 C Series    |                  | 2010 D Series    |                | Total            |
|------------------------|---------------|------------------|----------------|---------------|------------------|------------------|------------------|----------------|------------------|
|                        | Principal     | Interest         | Principal      | Interest      | Principal        | Interest         | Principal        | Interest       |                  |
| 2024                   | 0             | 0                | 600,000        | 52,212        | 0                | 222,167          | 245,000          | 120,200        | 1,239,579        |
| 2025                   | 0             | 0                | 350,000        | 19,236        | 270,000          | 222,167          | 255,000          | 106,735        | 1,223,138        |
| 2026                   | 0             | 0                | 0              | 0             | 640,000          | 207,328          | 270,000          | 92,720         | 1,210,048        |
| 2027-2028              | 0             | 0                | 0              | 0             | 1,345,000        | 296,704          | 590,000          | 135,280        | 2,366,984        |
| 2029-2030              | 0             | 0                | 0              | 0             | 1,425,000        | 130,720          | 665,000          | 61,104         | 2,281,824        |
|                        | <u>\$ 0</u>   | <u>0</u>         | <u>950,000</u> | <u>71,448</u> | <u>3,680,000</u> | <u>1,079,086</u> | <u>2,025,000</u> | <u>516,039</u> | <u>8,321,573</u> |
| 2010A Series Principal | \$ 0          |                  |                |               |                  |                  |                  |                |                  |
| 2010B Series Principal |               |                  | 950,000        |               |                  |                  |                  |                |                  |
| 2010C Series Principal |               |                  |                |               | 3,680,000        |                  |                  |                |                  |
| 2010D Series Principal |               |                  |                |               |                  |                  | 2,025,000        |                |                  |
| Unamortized balances:  |               |                  |                |               |                  |                  |                  |                |                  |
| Refunding costs        |               | 0                |                |               |                  |                  |                  |                |                  |
| Discounts and premiums |               | (16,754)         |                |               |                  |                  |                  |                |                  |
| Total payable          | \$            | <u>6,638,246</u> |                |               |                  |                  |                  |                |                  |

#### D. Intergovernmental Notes Payable

##### Business-type Activities

Beginning in December 2005 through June 2023, the County entered into various agreements to borrow \$30,138,711 from several State of New Mexico Agencies, to partially fund various projects. The purpose of each loan, the source of debt service payments, and other details are described below:

CWSRF 1438143: To partially fund the construction of a new wastewater treatment facility. The loan is to be repaid solely from the net revenues from the operation of only the Wastewater subfund, which is a part of the Joint Utility System Fund. On January 30, 2018 the County Council approved a transfer of \$2,500,000 from the Gas Fund to the Wastewater Fund. These funds were subsequently used to make a one-time principal payment to CWSRF 1438143 on February 8, 2018.

WPF 663: To construct a water line to transfer treated effluent water to County parks and ball fields. The loan is to be repaid from existing Utility system revenues. The agreement included a grant in the amount of \$585,720.

CWSRF 083: To finance the construction of a new wastewater treatment facility. This is the first of two loans that will fund this project. The loan is to be repaid solely from the net revenues from the operation of only the Wastewater subfund, which is a part of the Joint Utility System Fund.

CWSRF 110: To finance the construction of a new wastewater treatment facility. This is the second of two loans that will fund this project. The loan is to be repaid from existing Joint Utility System Revenues.

PP 3732: To construct the Los Alamos County Eco Station and repay loan# PP-1898. The loan is to be repaid from Municipal Environmental Services Gross Receipts Tax revenues.

WPF 689: To finance the costs of Phase II of the water conservation, treatment and reuse infrastructure project. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$319,648.

ARRA CWSRF 09: To finance the costs of Phase II of the effluent reuse infrastructure project. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$150,000.

WPF 756: To finance the costs of Phase II of the water conservation, treatment, and reuse infrastructure project. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$590,000.

WPF 757: To finance the costs of environmental studies for a proposed collector well for water from the San Juan/Chama Diversion Project. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$200,000.

WPF 820: To finance the costs of the project to upgrade public safety at the Los Alamos Canyon Dam. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$900,000.

WPF 821: To finance the costs of the water conservation treatment recycling or reuse project at the Los Alamos Canyon Reservoir. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$210,000.

WPF 918: To finance the total costs incurred for the Group 12 water tank rehabilitation project located on Arizona Avenue. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$843,600.

WPF 940: To finance the total costs incurred for the design and construction to replace the wastewater treatment plant pipeline from the Bayo Booster Station in Bayo Canyon to North Mesa.

WPF 3557: To finance the costs of the Los Alamos Reservoir non-potable line replacement. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$484,560.

WPF 4826: To construct a replacement effluent booster station at Overlook Park for irrigating the ball fields and park facilities. The agreement included a grant in the amount of \$480,000 and is to be repaid from the net revenues of the system.

DW 5456: To finance the costs of designing and constructing a well house, pumps, and equipment for Otowi Well #2 and replacing the motor control center at Otowi Well #4. The agreement includes a grant in the amount of \$79,832. The loan is to be repaid from existing Joint Utility System Revenues.

WPF 5081: To construct a new one-million-gallon effluent water storage tank at the Bayo Booster Station. The agreement included a grant in the amount of \$325,102 and is to be repaid from the net revenues of the system.

WPF 5426: To construct a filtration treatment process at the Wastewater Treatment Plant. The agreement included a grant in the amount of \$1,200,000 and is to be repaid from the net revenues of the system.

DW 5637: To finance the costs of repainting the interior and exterior of the Barranca Mesa Tank #2. The loan is to be repaid from the net revenues of the system.

Loan terms and repayment schedules are shown below.

| Loan Number                             | New Mexico Environment Department | New Mexico Water Trust Board and Finance Authority | New Mexico Environment Department | New Mexico Environment Department | New Mexico Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Environment Department Construction Programs Bureau | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | New Mexico Water Trust Board and Finance Authority | Totals            |
|---|-----------------------------------|--|-----------------------------------|-----------------------------------|------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|-------------------|
|   | CWSRF 1438143                     | WPF 663  | CWSRF 083                         | CWSRF 110                         | PP 3732                      | WPF 689  | ARRA CWSRF 09  | WPF 756  | WPF 757  | WPF 820  | WPF 821  | WPF 918  | WPF 940  | WPF 3557   | WPF 4826   | DW 5456  | WPF 5081   | WPF 5426   | DW 5637  |                   |
| Date of agreement                       | Dec 2005                          | Apr 2007   | Aug 2022                          | Sep 2022                          | May 2007                     | Nov 2008   | Dec 2009   | Jul 2010 (a)                                       | Jul 2010 (b)                                       | Nov 2011   | Jan 2013   | Jun 2015   | Mar 2015   | Feb 2017   | Mar 2022   | May 2022   | Mar 2021   | Jan 2022   | Jul 2022   |                   |
| Beginning principal                     | 14,355,105                        | 65,080   | 6,259,681                         | 25,000,000                        | 4,331,349                    | 79,912   | 234,812  | 147,500  | 50,000   | 600,000  | 140,000  | 562,400  | 182,000  | 53,840   | 320,000  | 3,709,892  | 540,000  | 1,300,000  | 865,570  |                   |
| Term of agreement, in years             | 20                                | 20   | 20                                | 20                                | 15                           | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 25   | 25   | 25   | 25   |                   |
| Interest rate                           | 3%                                | -  | 0.01%                             | 0.01%                             | 2.57%                        | -  | 2.56%  | -  | -  | -  | -  | -  | -  | -  | -  | 1.00%  | -  | -  | 1.00%  |                   |
| Administrative fee                      | -                                 | 0.25%  | -                                 | -                                 | -                            | 0.25%  | 0.44%  | 0.25%  | 0.25%  | 0.25%  | 0.25%  | 0.25%  | 0.25%  | 0.25%  | 0.25%  | -  | 0.0025   | 0.0025   | -  |                   |
| Payable in year ending 6/30/2024:       |                                   |  |                                   |                                   |                              |  |  |  |  |  |  |  |  |  |  |  |  |  |  |                   |
| Principal                               | 408,363                           | 3,309  | 312,687                           | -                                 | 248,114                      | 4,138  | 12,459   | 7,439  | 2,522  | 31,069   | 7,026  | 28,134   | 9,448  | 2,661  | 16,284   | -  | -  | -  | -  | 1,093,653         |
| Interest and/or admin fee               | 51,791                            | 33   | 626                               | -                                 | 78,872                       | 52   | 3,324  | 131  | 44   | 627  | 160  | 856  | 287  | 102  | 749  | -  | -  | -  | -  | 137,654           |
| Total                                   | 460,154                           | 3,342  | 313,313                           | -                                 | 326,986                      | 4,190  | 15,783   | 7,570  | 2,566  | 31,696   | 7,186  | 28,990   | 9,735  | 2,762  | 17,033   | -  | -  | -  | -  | 1,231,306         |
| Payable in year ending 6/30/2025:       |                                   |  |                                   |                                   |                              |  |  |  |  |  |  |  |  |  |  |  |  |  |  |                   |
| Principal                               | 412,446                           | 3,317  | 312,718                           | -                                 | 252,058                      | 4,148  | 12,833   | 7,458  | 2,528  | 31,144   | 7,043  | 28,204   | 9,472  | 2,667  | 16,325   | -  | -  | -  | -  | 1,102,361         |
| Interest and/or admin fee               | 47,707                            | 25   | 595                               | -                                 | 74,927                       | 42   | 2,950  | 113  | 38   | 549  | 142  | 785  | 264  | 95   | 708  | -  | -  | -  | -  | 128,940           |
| Total                                   | 460,153                           | 3,342  | 313,313                           | -                                 | 326,985                      | 4,190  | 15,783   | 7,571  | 2,566  | 31,693   | 7,185  | 28,989   | 9,736  | 2,762  | 17,033   | -  | -  | -  | -  | 1,231,301         |
| Payable in year ending 6/30/2026:       |                                   |  |                                   |                                   |                              |  |  |  |  |  |  |  |  |  |  |  |  |  |  |                   |
| Principal                               | 416,571                           | 3,325  | 312,749                           | -                                 | 256,570                      | 4,159  | 13,218   | 7,476  | 2,534  | 31,220   | 7,061  | 28,275   | 9,495  | 2,674  | 16,366   | -  | -  | -  | -  | 1,111,693         |
| Interest and/or admin fee               | 43,583                            | 17   | 563                               | -                                 | 70,415                       | 31   | 2,565  | 94   | 32   | 471  | 125  | 715  | 240  | 88   | 667  | -  | -  | -  | -  | 119,606           |
| Total                                   | 460,154                           | 3,342  | 313,312                           | -                                 | 326,985                      | 4,190  | 15,783   | 7,570  | 2,566  | 31,691   | 7,186  | 28,990   | 9,735  | 2,762  | 17,033   | -  | -  | -  | -  | 1,231,299         |
| Payable in five years ending 6/30/31:   |                                   |  |                                   |                                   |                              |  |  |  |  |  |  |  |  |  |  |  |  |  |  |                   |
| Principal                               | 2,146,178                         | 3,333  | 1,564,216                         | -                                 | 1,371,738                    | 8,349  | 72,282   | 30,093   | 10,201   | 157,239  | 35,569   | 142,436  | 47,835   | 13,468   | 82,445   | -  | -  | -  | -  | 5,685,382         |
| Interest and/or admin fee               | 154,587                           | 8  | 2,348                             | -                                 | 263,187                      | 31   | 6,633  | 189  | 64   | 1,181  | 357  | 2,510  | 844  | 341  | 2,719  | -  | -  | -  | -  | 434,999           |
| Total                                   | 2,300,765                         | 3,341  | 1,566,564                         | -                                 | 1,634,925                    | 8,380  | 78,915   | 30,282   | 10,265   | 158,420  | 35,926   | 144,946  | 48,679   | 13,809   | 85,164   | -  | -  | -  | -  | 6,120,381         |
| Payable in five years ending 6/30/2036: |                                   |  |                                   |                                   |                              |  |  |  |  |  |  |  |  |  |  |  |  |  |  |                   |
| Principal                               | 1,795,503                         | -  | 1,564,998                         | -                                 | 921,152                      | -  | -  | -  | -  | 7,167  | 115,236  | 38,700   | 13,638   | 83,480   | -  | -  | -  | -  | -  | 4,539,874         |
| Interest and/or admin fee               | 45,111                            | -  | 1,566                             | -                                 | 59,804                       | -  | -  | -  | -  | 18   | 720  | 243  | 171  | 1,683  | -  | -  | -  | -  | -  | 109,316           |
| Total                                   | 1,840,614                         | -  | 1,566,564                         | -                                 | 980,956                      | -  | -  | -  | -  | 7,185  | 115,956  | 38,943   | 13,809   | 85,163   | -  | -  | -  | -  | -  | 4,649,190         |
| Payable in five years ending 6/30/2041: |                                   |  |                                   |                                   |                              |  |  |  |  |  |  |  |  |  |  |  |  |  |  |                   |
| Principal                               | -                                 | -  | 2,192,314                         | -                                 | -                            | -  | -  | -  | -  | -  | -  | -  | -  | 5,503  | 84,528   | -  | -  | -  | -  | 2,282,345         |
| Interest and/or admin fee               | -                                 | -  | 877                               | -                                 | -                            | -  | -  | -  | -  | -  | -  | -  | -  | 21   | 634  | -  | -  | -  | -  | 1,530             |
| Total                                   | -                                 | -  | 2,193,191                         | -                                 | -                            | -  | -  | -  | -  | -  | -  | -  | -  | 5,524  | 85,162   | -  | -  | -  | -  | 2,283,875         |
| <b>Total payable</b>                    |                                   |  |                                   |                                   |                              |  |  |  |  |  |  |  |  |  |  |  |  |  |  |                   |
| Principal                               | 5,179,061                         | 13,284   | 6,259,682                         | 9,006,483                         | 3,049,632                    | 20,794   | 110,792  | 52,466   | 17,785   | 250,672  | 63,866   | 342,285  | 114,950  | 40,611   | 299,428  | 3,337,518  | 216,735  | 1,163,428  | 599,239  | 30,138,711        |
| Interest and/or admin fee               | 342,779                           | 83   | 6,574                             | -                                 | 547,205                      | 156  | 15,472   | 526  | 178  | 2,828  | 802  | 5,586  | 1,878  | 818  | 7,160  | -  | -  | -  | -  | 932,045           |
| <b>Total</b>                            | <b>5,521,840</b>                  | <b>13,367</b>                                      | <b>6,266,256</b>                  | <b>9,006,483</b>                  | <b>3,596,837</b>             | <b>20,950</b>                                      | <b>126,264</b>   | <b>52,993</b>                                      | <b>17,963</b>                                      | <b>253,500</b>                                     | <b>64,668</b>                                      | <b>347,871</b>                                     | <b>116,828</b>                                     | <b>41,428</b>                                      | <b>306,588</b>                                     | <b>3,337,518</b>                                   | <b>216,735</b>                                     | <b>1,163,428</b>                                   | <b>599,239</b>                                     | <b>31,070,756</b> |

**(10) POWER SUPPLY**

The Public Service Company of New Mexico (PNM) adjusts its transmission rate annually using the Form 1 worksheet from the Federal Energy Regulatory Commission (FERC). This worksheet reflects PNM's actual financials for the previous year. For the year ended June 30, 2023, the Formula Rate was \$3.28 per kw-month.

In July 1987, the County entered a "life-of-plant" agreement with the City of Lincoln, Nebraska (Lincoln) for the long-term purchase of approximately 10 megawatts of capacity and energy from the Lincoln ownership interest in the Laramie River Station (LRS). The agreement requires the County to pay an annual fixed power cost of approximately \$999,610. Additionally, the County is required to pay a share of Lincoln's costs and assessments resulting from Lincoln's ownership interest in Laramie River Station, including fuel, operation and maintenance costs, and costs of renewals, replacements, and capital improvements. For the year ended June 30, 2023, the County paid \$1,995,644 under this agreement, which is included in purchased power expense. The Balancing Authority has introduced an Energy Imbalance Market called the Western Energy Imbalance Service (WEIS) which has caused us to modify some

of our business practices. The energy from LRS is delivered to New Mexico over the Western Area Power Administration (WAPA) transmission path described below.

The County also has a firm transmission services agreement with the WAPA that requires monthly payments at a rate of approximately \$17,542 plus ancillary services. Furthermore, the County has transmission service agreements with Jemez Mountain Electric Cooperative (Jemez), Tri-State Generation and Transmission Cooperative, PNM, and Northern Rio Arriba Electric Cooperative (NORA) for transmission of County hydroelectric power to the County service area. The payment to Jemez for fiscal year 2023 was \$97,706. The County's contract with NORA includes a prepayment of approximately \$35,000 plus gross receipts taxes. Any remaining credit will be utilized in fiscal year 2024. The wheeling rate schedule for NORA expired in July 2017. Los Alamos County renegotiated a new 10-year term with an increase of 5.09 percent over the 10-year period. The renegotiated contract with NORA will expire in 2027.

The County also has the following annual obligations to pay for water to power its hydroelectric plants: a minimum of \$50,000 to pay the Middle Rio Grande Conservancy District for the El Vado Hydroelectric Plant; and approximately \$193,579 to pay FERC for headwater benefits associated with the San Juan-Chama Diversion Project.

In April 2018, the County Council approved Resolution 18-09 authorizing and approving the Carbon Free Power Project (CFPP) Power Sales Contract with the Utah Associated Municipal Power Systems (UAMPS). Resolution 18-09 allows the County to join UAMPS and other participating entities to pursue the development of a facility that can house up to 12 small nuclear power modules that can each generate up to approximately 60 megawatts (MW) of electric power per unit. This year, the project scope has been revised to construct 6 modules in using an uprate to 77 MW per module for a total plant capacity of 462 MW. UAMPS proposes to acquire and construct the nuclear generating facility plant at a site within the Idaho National Laboratory near Idaho Falls, Idaho. The anticipated project meets the community's desire for clean energy and meets the carbon neutral goal of 2040. The projected commercial operation date is scheduled to occur in 2030. As of June 30, 2023, Los Alamos County has paid \$111,000 under the Small Modular Nuclear Reactor (SMR) Carbon Free Power Study. On July 27, 2021, the Council approved DPU's continued participation in the CFPP project through Phase 1 of the combined operating license application period, scheduled for September 2022, which is also the next off-ramp, with no additional cost beyond investments that are already committed. With the project out of the "study phase", if the County continues their participation in the project until the commercial operation date expected in 2030, the development cost, construction, operation and maintenance and decommissioning costs will be paid through the cost of energy targeted to be in 2021 dollars at \$58 per megawatt hour over the forty-year debt service period. If the County chooses to exit the project at one of the predefined off-ramps prior to the final notice to proceed with construction, the project costs will be charged to participants in accordance with various project participation agreements during the development period. The County's financial commitment associated with the development of the Combined Operating Licensing Application, phase 1 is \$1,260,000. The project just received a \$1.355 Billion multi-year Grant Award from the Department of Energy. The Technology Developer NuScale has received its Design Certification from the Nuclear Regulatory Commission.

## **(11) RESOURCE POOL**

In 1985 the County and the U.S. Department of Energy (DOE) entered into an Electric Coordination Agreement (ECA) to create a Resource Pool (Pool) to which each party contributes the capacity and energy of their individual electric supply and transmission resources to meet their combined requirements. The County's major contributions to the Pool consist of energy from its San Juan Unit 4 Interest, the El Vado Hydroelectric Project, the Abiquiu Hydroelectric Project, the Laramie River Station, the WAPA entitlement, the PNM Network Integration Transmission Service Agreement (NITSA), and various transmission service agreements. The County received \$24,910,977 during fiscal year 2023 from DOE, which is included in utility sales and services as a result of this contract.

The ECA was renewed in fiscal year 2014 with a five-year base term and five one-year options. In fiscal year 2015, the agreement was amended with a fixed expiration date of June 30, 2025. The County completed negotiations for the post fiscal year 2025 contract which is currently under legal review by the DOE contracting office.

Los Alamos has also added two approved resources under contract with Uniper, a global energy merchant. One resource is for 15 MWs of energy around-the-clock for 15 years. Delivery started on January 1, 2022. The other resource, intended to act as a San Juan Replacement, is for 25 MWs that began flowing on October 1, 2022 through June 30, 2025.

## **(12) SPECIAL CLOSURE COSTS**

### **A. Landfill (Environmental Services Fund)**

During the year ended June 30, 2012, the County closed a landfill site, which is owned by the U.S. Department of Energy (DOE) and is located in the County. State and federal laws require the County to monitor and maintain the landfill site for thirty years after it is closed, and to provide financial assurance to fund those activities. The County recognized the closure and post-closure care costs during the periods that the Landfill was in operation. The amount recognized each year was based on the total estimated cost of closure and post-closure care, the amount of the liability that had been recognized in previous years and the estimated time that the landfill would remain open.

In May 2007, the New Mexico Environment Department (NMED) approved the County's landfill closure plan, which had a total cost estimate of \$3,366,269. In April 2009, the County began operating its new solid waste transfer station, and the Landfill began limiting the types of waste that it would accept. During the year ended June 30, 2011, estimated capacity at the landfill reached 100%. During the year ended June 30, 2012, the Landfill was closed, capped, and the County began to install a field of solar panels over the capped landfill.

The total cost estimate for landfill closure increased in fiscal year 2012 because the original closure plan had to be enhanced to accommodate the solar panels. In fiscal years 2015 and 2016, the liability was increased to take care of drainage and methane accumulation issues. In fiscal year 2017, the liability was increased for the methane extraction system construction costs. In fiscal year 2018, the methane extraction system was complete. In fiscal year 2019, the liability was increased again for methane monitoring costs.

In fiscal year 2020, the New Mexico Environment Department Solid Waste Bureau approved and updated the post-closure cost estimate for the Los Alamos County Landfill for the remaining 22 years of the post closure care period. As of June 30, 2023 the remaining long-term liability was \$1,045,391. The County meets the NMED requirements of the financial assurance test each fiscal year which include the following: (a) satisfying each of the following financial ratios based on the local government's most recent audited annual financial statement: a ratio of cash plus marketable securities to total expenditures greater than or equal to 0.05; and a ratio of annual debt service to total expenditures less than or equal to 0.20; (b) preparing its financial statements in conformity with generally accepted accounting principles for governments and have its financial statements audited by an independent certified public accountant. The County has an established Reserve Fund within the existing financial accounting system; which is in addition to meeting the financial assurance test. The reserve of \$360,473 is reflected in restricted assets in the Environmental Services Fund as of June 30, 2023. This reserve is in excess of the financial assurance requirements, and has been put in place for any additional costs that may arise due the nature of continuous monitoring of the landfill.

The estimated cost of landfill and Transfer Station closure is subject to changes resulting from inflation, deflation, or changes in technology or applicable laws or regulations.

## **B. San Juan Generating Station (Electric Utility Fund)**

The County owns a 7.2 percent undivided interest in Unit 4 of the San Juan Electric Generating Station, which is operated by the Public Service Company of New Mexico (PNM). The station consists of four pulverized coal-fired generating units. To meet EPA's Best Available Retrofit Technology (BART) ruling on regional haze, a State Implementation Plan (SIP) was approved whereby the project participants negotiated an equitable settlement allowing four of the owners to exit the plant early with a shutdown of units 2 and 3; and the installation of Selective Non-Catalytic Reduction (SNCR), a lower cost technology, on units 1 and 4. Accordingly, Units 2 and 3 were retired on December 31, 2017, in accordance with the State Implementation Plan, but Units 1 and 4 remained operational until October 2022.

Included in the restructuring agreements is the San Juan Decommissioning and Trust Funds Agreement, which specifies how decommissioning plans and expenses, and the funding obligations of each party, are to be determined. Decommissioning could involve simply securing the facility and leaving it standing as a base case, or complete demolition and site reclamation as a most extreme case. Until a decommissioning plan is adopted and approved by the participants, Los Alamos considers the "brown field scenario", by which structures will be removed and underground equipment will be capped, filled, stabilized, and retired in place, to be the most prudent, and we have been accumulating funds toward that approach. In 1992, an engineering firm conducted a decommissioning study that estimated the County's portion of the decommissioning costs to be \$2,932,770. In June 2003, an updated demolition study was conducted on the generating station, which materially agreed to the previous estimate. In January 2012 another updated study was performed which estimated the County's portion of decommissioning costs to be \$3,388,233 with deductions for potential sales of scrap materials, or \$5,478,503 without deductions. After the 1992 study the County began accumulating a decommissioning reserve fund to accumulate sufficient funds for the anticipated decommissioning and demolition costs, using an assumed 4 percent inflation factor. During fiscal year 2005, in conjunction with the refinancing of the 1994 bond issue, \$403,507 of the decommissioning reserves was applied to reduce the face amount of the 2004A refunding bonds. As of June 30, 2023, \$6,751,703 was invested for this purpose.

Using the 2012 updated study and the inflation factor of 4 percent, the County would incur an actual decommissioning cost of \$5.2 million in 2023 (with scrap deductions), actual inflation has not been over 4 percent since 1991, and has averaged approximately 2.5 percent in that time, so while a decommissioning plan and cost obligation has yet to be determined by the parties, Los Alamos considers the accumulated reserve will be adequate to fund any likely potential obligation. Beginning in fiscal year 2023, decommissioning expenses are being recorded against the existing liability for fiscal year 2023 and beyond.

## **C. Coal Mine Reclamation (Electric Utility Fund)**

The County is required under the San Juan Generation Project Participation Agreement (PPA) to fund its share of reclamation costs for the San Juan surface coal mine. The total final cost will be dependent on the eventual closure date of the San Juan Generating Station because coal ash from continued operations of the station provides material for the fill. The surface mine itself has been out of service for several years. While there is no current consensus on potential operations of the plant, for estimating purposes a closure date in 2038 was initially assumed. Under the terms of the mine reclamation agreement, the closure date and cost estimates are periodically reviewed and adjusted. As of June 30, 2020, a closure date of June 30, 2022, was assumed, coinciding with the expiration of the current plant participation agreement, and resulting in revised reclamation cost estimates of \$204,565,553, with Los Alamos' share being \$4,469,884, with a funding expectation level of \$3,502,772 in December 2022. In fiscal year 2013, the County began funding a trust account as required for its share of the cost. As of June 30, 2023, the balance in this trust is \$3,539,273. The owners are currently evaluating projected closure dates and funding requirements. Cost estimate updates are periodically performed, and revised funding curves are adjusted on an annual basis as necessary. Westmoreland San Juan Mining company took over the reclamation of the mine.



**D. Laramie River (Electric Utility Fund)**

The County is required under the Laramie River Station Participation Power Sales Agreement (LRS-PPA) to fund its proportionate share of future costs for the Laramie River decommissioning. The Laramie River Station is estimated for closure between 2040 and 2042. Under the terms of the agreement, the current estimate of costs is \$90 million of which \$550,000 is Los Alamos County's share. In fiscal year 2015, the County began funding a reserve account as required for its share of the cost. As of June 30, 2023, the balance in this trust is \$1,106,876. The trust is funded based on the original cost estimate, but future contributions will be adjusted as cost estimates are updated.

**(13) RISK MANAGEMENT**

The County 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 fiscal year 1993, the County created an internal service fund to account for its risk management programs. All funds of the County participate in the programs and make payments to the Risk Management Fund. The County purchases commercial insurance for claims in excess of coverage provided by the Fund and for all other risks of loss. The table on the following page displays a summary of the County's major commercial insurance coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The claims liability of \$573,625 reported in the Risk Management Fund at June 30, 2023 is based on the requirements of GASB Statements No. 10 and No. 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The claims payable also includes an estimate for claims incurred but not reported.

Fiscal year 2023 Insurance coverage summary:

| <u>Insurance Coverage</u>   | <u>Deductible</u> | <u>Insurance Liability Limits</u>   |
|---|-------------------|---|
| General, Medical Malpractice and<br>Automotive Liability/Uninsured Motorist | \$25,000          | \$400,000 per person and \$750,000 per occurrence for bodily injury<br>\$100,000 per occurrence, fire legal liability damage<br>\$300,000 for all past and & future medical/medically-related expenses per occurrence<br>\$100,000 per Legally Described Real Property for Physical Damage or Destruction (PD)<br>\$4,000,000 annual aggregate per policy |
| Law Enforcement Liability   | \$25,000          | \$2,000,000 per claim   |
| Emergency Medical Malpractice   | \$25,000          | Subject to tort claims limits   |
| Public Officials Errors and Omissions                                       | \$25,000          | \$2,000,000 per claim   |
| Foreign Jurisdiction  | \$25,000          | \$1,000,000 per claim   |
| Buildings and Property  | \$25,000          | Limited by individual property's insured value  |
| Earthquake and Flood  | \$100,000         | Limited by individual property's insured value  |
| Contractors Equipment   | \$1,000           | Limited by individual property's insured value  |
| Fine Arts   | \$25,000          | Limited by individual property's insured value  |
| Inland Marine (Large Equipment)   | \$5,000           | Limited by individual property's insured value  |
| Boiler Machinery  | \$25,000          | Limited by individual property's insured value  |
| Airport Liability   |                   | \$2,000,000 per occurrence, \$2,000,000 per year in aggregate   |
| Cyber Liability   | \$25,000          | \$2,000,000 per occurrence for media, privacy and cyber security, regulatory<br>defense/fines, business interruption/extra expense, data recovery, extortion/ransomware,<br>breach response/crisis management, \$5,000,000 per year in aggregate  |
| Liquor Liability  | \$2,500           | \$1,000,000 per occurrence, \$1,000,000 per year in aggregate   |
| Storage Tank Liability  | \$5,000           | \$3,000,000 per occurrence, \$3,000,000 per year in aggregate   |

Changes in the Risk Management Fund's claims liability amount in fiscal year 2022 and 2023 are summarized below.

|   | <u>Group<br/>Insurance<br/>(Dental)</u> | <u>Medical<br/>Insurance</u> | <u>Workers<br/>Compensation</u> | <u>General<br/>Liability</u> | <u>Total</u> |
|---|---|------------------------------|---------------------------------|------------------------------|--------------|
| Claims liability, June 30, 2021                             | \$ 15,000                               | 298,000                      | 1,930,216                       | 175,872                      | 2,419,088    |
| Current year claims, insurance, and<br>changes in estimates | 438,597                                 | 8,057,678                    | 398,224                         | 672,460                      | 9,566,959    |
| Claims and insurance payments                               | (440,597)                               | (7,767,678)                  | (398,224)                       | (727,647)                    | (9,334,146)  |
| Claims liability, June 30, 2022                             | \$ 13,000                               | 588,000                      | 1,930,216                       | 120,685                      | 2,651,901    |
| Current year claims, insurance, and<br>changes in estimates | 492,051                                 | 6,726,018                    | (1,930,216)                     | 1,267,254                    | 6,555,107    |
| Claims and insurance payments                               | (493,051)                               | (6,882,018)                  | 0                               | (1,258,314)                  | (8,633,383)  |
| Claims liability, June 30, 2023                             | \$ 12,000                               | 432,000                      | 0                               | 129,625                      | 573,625      |

**Employee Group Insurance**

The County offers all regular and limited-term employees, the choice of two medical insurance options, which are both PPO plans, provided through Blue Cross Blue Shield of New Mexico (BCBS). The County pays 80 percent of the premium for full-time employees, 60 percent for three-quarter-time employees, and 40 percent for half-time employees. Under these medical plans, the County was neither self-insured nor retaining risk prior to January 1, 2013. Beginning January 1, 2013, the County changed the structure of the insurance program to be self-insured. The plans and premiums are updated periodically. Since January 1, 2013, the County has accounted for contributions as revenue and paid BCBS for actual claims and claims processing. The County has Individual Stop Loss insurance should claims for an individual participant exceed \$155,000 in a calendar claim year and Aggregate Stop Loss insurance in the event claims exceed 125% of projected claims for the calendar claim year. As of June 30, 2023 the estimated claims liability was \$432,000. The County also offers dental and vision insurance. The County pays actual dental claims, which are capped based on the individual procedure. The County chose this method as the premiums were much more expensive than paying the actual claims. Claims are paid monthly with one month prepaid. Claims liability is recorded for the amount by which the estimated claims exceeds the prepaid balance.

**Unemployment Compensation**

The County makes reimbursable prepayments to the New Mexico Department of Labor for unemployment compensation claims, which are processed through the Department. Accordingly, no liability is reported for those claims.

**Worker Compensation**

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. On July 1, 2022, the County changed workers compensation insurance carriers from New Mexico Self-Insurer's Fund (NMSIF) to New Mexico Counties (NMC). The result of this change was a decrease in workers' compensation liability of \$1,930,216. The County pays a premium to NMC for its worker's compensation insurance coverage.

**General Insurance**

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. The County belongs to the New Mexico Self-Insurer's Fund (NMSIF), a public entity risk pool currently operating as a common risk management insurance program for its members. The County pays a premium to NMSIF for its general insurance coverage. Additionally, the County reimburses the NMSIF for sums paid by NMSIF on the County's behalf, which fall within the County's selected deductible amounts. The NMSIF reinsures through commercial insurance for claims in excess of deductible amounts.

**(14) FINANCIAL ASSISTANCE**

The County provides fire protection, emergency medical, and rescue services to all citizens and property located within the County, including federal facilities and employees, through a cooperative agreement with the National Nuclear Security Administration (NNSA), an agency of the U.S. Department of Energy (DOE). During fiscal year 2023, the County recognized intergovernmental revenue of approximately \$22.6 million under the terms of this cooperative agreement.

Intergovernmental revenues of approximately \$1.7 million were recorded in the Transit Fund for Federal Transit Administration. The County receives financial assistance from numerous other federal and state grantors as detailed in the Schedule of Expenditures of State Awards and the Schedule of Expenditures of Federal Awards, Exhibits 6 and 7 in the Other Information section of this report.

## **(15) COMMITMENTS AND CONTINGENCIES**

### **A. Joint Utility System – Natural Gas Purchase Agreement**

In November 2009, the County entered into a 30-year natural gas purchase arrangement with the New Mexico Municipal Energy Acquisition Authority (NMMEAA) for approximately 80 percent of its historical requirements. Under this arrangement the County will purchase gas at the index price less a discount. The discount is derived from a prepaid gas arrangement between NMMEAA and the Royal Bank of Canada (RBC). The County's only obligation is to purchase gas from NMMEAA. The County has no obligation to purchase gas that is not needed, no exposure to any bond risk associated with the transaction between NMMEAA and RBC, and no exposure to paying greater than index price for gas.

Under the agreement with RBC, changes in bank regulatory requirements can result in restructuring of the agreement. In October 2013, RBC notified NMMEAA that certain regulatory requirements becoming effective in calendar 2014 could make the agreement uneconomical. A restructuring agreement was entered into in fiscal year 2014. This new agreement provides for a fixed discount for the life of the agreement but requires the participants to refund the bonds with an option to continue, renegotiate, or terminate at the end of each five to seven-year period. The agreement was extended in fiscal year 2019 and the bonds refinanced, with a new fixed discount amount of \$0.280 per dth (dekatherms) of gas purchased during fiscal year 2023.

### **B. Fire Cooperative Agreement with NNSA**

As described in Note (14), the County provides fire protection, emergency medical, and rescue services to all citizens and property located within the County, including federal facilities and employees, through a cooperative agreement with the NNSA.

Under the cooperative agreement that began October 1, 2013 the County's share is 20-25% of the incurred expenses for the Department, with NNSA paying the remainder. As established by County Council, the assignment of fund balance for potential uncollectible amounts under this cooperative agreement is calculated as 1% of the cooperative agreement, life-to-date expenses.

### **C. Encumbrances**

The County uses an encumbrance system as an extension of normal budgetary accounting for all funds as the County's budgetary basis includes encumbrances. Under this system, purchase orders, contracts and commitments for expenditures are recorded to reserve that portion of applicable appropriations. In governmental funds, encumbrances outstanding at fiscal year-end are recorded as restricted, committed, or assigned fund balance depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at fiscal year-end are re-appropriated for the following year.

Encumbrances outstanding by fund at June 30, 2023 are as follows:

|   |                      |
|---|----------------------|
| Major Governmental Funds:                 |                      |
| General Fund                              | \$ 7,121,683         |
| Emergency Declarations                    | 694                  |
| Capital Improvement Projects              | 2,774,702            |
| Other Governmental                        | 266,446              |
| Total Governmental Funds                  | <u>10,163,525</u>    |
| Major Proprietary Funds:                  |                      |
| Joint Utility System                      | 18,191,075           |
| Environmental Services                    | 125,523              |
| Transit                                   | 1,710,950            |
| Fire                                      | 174,015              |
| Airport                                   | 272,320              |
| Total Proprietary Funds                   | <u>20,473,883</u>    |
| Internal Service Funds:                   |                      |
| Equipment                                 | 697,753              |
| Risk Management                           | 17,380               |
| Total Internal Service Funds              | <u>715,133</u>       |
| Outstanding Encumbrances at June 30, 2023 | <u>\$ 31,352,541</u> |

#### D. Litigation

The County is subject to various other legal proceedings, claims, and liabilities, which arise in the ordinary course of the County's business. In the opinion of the County's management and in-house legal counsel, the ultimate resolution of the above matters will not have a material adverse effect on the financial position or results of operations of the County.

#### E. Short-Term Leases

The County leases certain equipment and premises under numerous short-term leases. Leases are subject to future appropriation and as such are cancelable by the County at the end of a fiscal year. Rental expense for the year ended June 30, 2023 was \$599,361. The future minimum lease payments under short-term leases as of June 30, 2023, are approximately as follows:

| Year ending<br>June 30* | Amount              |
|-------------------------|---------------------|
| 2024                    | 735,236             |
| 2025                    | 697,444             |
| 2026                    | 703,801             |
| 2027                    | 628,743             |
| 2028                    | 201,486             |
|                         | <u>\$ 2,966,710</u> |

## **(16) ECONOMIC DEPENDENCY**

The County has significant economic dependence upon LANL. It is the County's largest employer, and it is estimated that LANL's expenditures provide, either directly or indirectly, over 90% of the County's economic activity. For the year ended June 30, 2023, an estimated 75-80% of GRT revenues relate directly to LANL operations.

On November 1, 2018, Triad National Security, LLC (Triad) took over as the new management and operations contractor at LANL. During the 2019 New Mexico Legislative Session, Senate Bill 11 was signed into law requiring any non-profit organization organized under the IRS 501(c)3 section operating a national laboratory in the state to pay gross receipts taxes. This enactment greatly reduced the risk of the County's dependence on GRT revenues, which are predicted to remain steady in future years.

As a result of this, Moody's removed a negative outlook on the County due to the uncertainty associated with the potential change in the taxable status of Triad. Moody's has maintained an issuer rating of Aa3 to the County and affirmed the County's A1 GRT Revenue Bond rating based on the continued stability to Los Alamos' economy with the passing of the legislation.

## **(17) CERTAIN ASSET RETIREMENT OBLIGATIONS**

The County applied GASB Statement No. 83 to the San Juan decommissioning costs. The County uses the measurement of the asset retirement obligations based on the best estimate of the current value of outlays expected to be incurred. The County records deferred outflows of resources of \$5.6 million. In fiscal year 2023, the County expensed amortization costs of \$618.7 million and adjusted the deferred outflows by the same amount. As of June 30, 2023, the unamortized balance was \$2,474,890.

## **(18) TAX ABATEMENTS**

As of June 30, 2023, the County does not provide tax abatements and therefore, no GASB Statement 77 is required.

## **(19) CONDUIT DEBT**

As of June 30, 2023, the County does not have any conduit debt.

## **(20) LEASES RECEIVABLE**

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use leased asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On December 1, 2022, Los Alamos County, NM entered into a 111 month lease as Lessor for the use of T-Mobile Antenna Collocation and Facilities. An initial lease receivable was recorded in the amount of \$221,075. As of June 30, 2023, the value of the lease receivable is \$210,086. The lessee is required to make monthly fixed payments of \$1,951. The lease has an interest rate of 2.6410%. The value of the deferred inflow of resources as of June 30, 2023 was \$207,133, and Los Alamos County, NM recognized lease revenue of \$13,942 during the fiscal year.

On July 1, 2021, Los Alamos County, NM entered into a 764 month lease as Lessor for the use of Smiths Trinity Site Lease. An initial lease receivable was recorded in the amount of \$18,329,822. As of June 30, 2023, the value of the lease receivable is \$18,140,710. The lessee is required to make monthly fixed payments of \$43,092. The lease has an interest rate of 2.4250%. The value of the deferred inflow of resources as of June 30, 2023 was \$17,754,744, and Los Alamos County, NM recognized lease revenue of \$287,539 during the fiscal year.

On July 1, 2021, Los Alamos County, NM entered into a 114 month lease as Lessor for the use of 4250 Diamond Drive - Pajarito Golf Lease. An initial lease receivable was recorded in the amount of \$392,042. As of June 30, 2023, the value of the lease receivable is \$312,257. The lessee is required to make monthly fixed payments of \$3,600.00. The lease has an interest rate of 0.9800%. The value of the deferred inflow of resources as of June 30, 2023 was \$309,507, and Los Alamos County, NM recognized lease revenue of \$41,268 during the fiscal year. The lessee has 1 extension option for 60 months.

On July 1, 2021, Los Alamos County, NM entered into a 1000 month lease as Lessor for the use of 15th Street - Nectar. An initial lease receivable was recorded in the amount of \$1,110,805. As of June 30, 2023, the value of the lease receivable is \$1,100,136. The lessee is required to make monthly fixed payments of \$2,583. The lease has an interest rate of 2.4250%. The value of the deferred inflow of resources as of June 30, 2023 was \$1,084,145, and Los Alamos County, NM recognized lease revenue of \$13,330 during the fiscal year.

On July 1, 2021, Los Alamos County, NM entered into a 77 month lease as Lessor for the use of North Mesa No.1 . An initial lease receivable was recorded in the amount of \$79,864. As of June 30, 2023, the value of the lease receivable is \$55,541. The lessee is required to make monthly fixed payments of \$1,075. The lease has an interest rate of 1.1380%. The value of the deferred inflow of resources as of June 30, 2023 was \$54,972, and Los Alamos County, NM recognized lease revenue of \$12,446 during the fiscal year.

On July 1, 2021, Los Alamos County, NM entered into a 306 month lease as Lessor for the use of LA Sombra Sub Division. An initial lease receivable was recorded in the amount of \$721,808. As of June 30, 2023, the value of the lease receivable is \$677,566. The lessee is required to make annual fixed payments of \$34,500. The lease has an interest rate of 2.3430%. The value of the deferred inflow of resources as of June 30, 2023 was \$665,196, and Los Alamos County, NM recognized lease revenue of \$28,306 during the fiscal year. The lessee has 2 extension option(s), each for 120 months.

On July 1, 2021, Los Alamos County, NM entered into a 48 month lease as Lessor for the use of Eastern #2 246 East Road. An initial lease receivable was recorded in the amount of \$14,653. As of June 30, 2023, the value of the lease receivable is \$7,601. The lessee is required to make monthly fixed payments of \$297. The lease has an interest rate of 0.8140%. The value of the deferred inflow of resources as of June 30, 2023 was \$7,327, and Los Alamos County, NM recognized lease revenue of \$3,663 during the fiscal year. Los Alamos County, NM had a termination period of 3 months as of the lease commencement.

On July 1, 2021, Los Alamos County, NM entered into a 138 month lease as Lessor for the use of 2500 Trinity Drive - Courts. An initial lease receivable was recorded in the amount of \$1,188,873. As of June 30, 2023, the value of the lease receivable is \$1,019,143. The lessee is required to make monthly fixed payments of \$8,760. The lease has an interest rate of 1.6640%. The value of the deferred inflow of resources as of June 30, 2023 was \$982,112, and

Los Alamos County, NM recognized lease revenue of \$103,380. during the fiscal year. The lessee has 4 extension option(s), each for 60 months. The lessee had a termination period of 4 months as of the lease commencement.

| <b>GOVERNMENTAL ACTIVITIES:</b>          | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|--|---------------------------------------|------------------|-------------------|--|
| <b>Lease Receivable</b>                  |                                       |                  |                   |  |
| <b>Buildings</b>                         |                                       |                  |                   |  |
| 2500 Trinity Drive - Courts              | 1,109,576                             | 0                | 90,433            | 1,019,143                              |
| 4250 Diamond Drive - Pajarito Golf Lease | 352,185                               | 0                | 39,928            | 312,257                                |
| <b>Total Building Lease Receivable</b>   | <b>1,461,761</b>                      | <b>0</b>         | <b>130,361</b>    | <b>1,331,400</b>                       |
| <b>Land</b>                              |                                       |                  |                   |  |
| LA Sombra Sub Division                   | 695,764                               | 0                | 18,198            | 677,566.00                             |
| North Mesa No.1                          | 67,734                                | 0                | 12,193            | 55,541.00                              |
| Eastern #2 246 East Road                 | 11,190                                | 0                | 3,589             | 7,601.00                               |
| 15th Street - Nectar                     | 1,104,401                             | 0                | 4,265             | 1,100,136.00                           |
| Smiths Trinity Site Lease                | 18,218,535                            | 0                | 77,824            | 18,140,711.00                          |
| <b>Total Land Lease Receivable</b>       | <b>20,097,624</b>                     | <b>0</b>         | <b>116,069</b>    | <b>19,981,555.00</b>                   |
| <b>Total Lease Receivable</b>            | <b>21,559,385.00</b>                  | <b>0</b>         | <b>246,430.00</b> | <b>21,312,955.00</b>                   |



| <b>GOVERNMENTAL ACTIVITIES:</b>                    | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|--|---------------------------------------|------------------|-------------------|--|
| <b>Deferred Inflow of Resources</b>                |                                       |                  |                   |  |
| <b>Buildings</b>                                   |                                       |                  |                   |  |
| 2500 Trinity Drive - Courts                        | 1,085,492                             | 0                | 103,380           | 982,112                                |
| 4250 Diamond Drive - Pajarito Golf Lease           | 350,775                               | 0                | 41,268            | 309,507                                |
| <b>Total Building Deferred Inflow of Resources</b> | <b>1,436,267</b>                      | <b>0</b>         | <b>144,648</b>    | <b>1,291,619</b>                       |
| <b>Land</b>  |                                       |                  |                   |  |
| LA Sombra Sub Division                             | 693,502                               | 0                | 28,306            | 665,196                                |
| North Mesa No.1                                    | 67,418                                | 0                | 12,446            | 54,972                                 |
| Eastern #2 246 East Road                           | 10,990                                | 0                | 3,663             | 7,327                                  |
| 15th Street - Nectar                               | 1,097,475                             | 0                | 13,330            | 1,084,145                              |
| Smiths Trinity Site Lease                          | 18,042,283                            | 0                | 287,539           | 17,754,744                             |
| <b>Total Land Deferred Inflow of Resources</b>     | <b>19,911,668</b>                     | <b>0</b>         | <b>345,284</b>    | <b>19,566,384</b>                      |
| <b>Total Deferred Inflow of Resources</b>          | <b>21,347,935</b>                     | <b>0</b>         | <b>489,932</b>    | <b>20,858,003</b>                      |

| <b>BUSINESS-TYPE ACTIVITIES:</b>            | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|---|---------------------------------------|------------------|-------------------|--|
| <b>Lease Receivable</b>                     |                                       |                  |                   |  |
| <b>Equipment</b>                            |                                       |                  |                   |  |
| T-Mobile Antenna Collocation and Facilities | 0                                     | 221,075          | 10,989            | 210,086                                |
| <b>Total Equipment Lease Receivable</b>     | <b>0</b>                              | <b>221,075</b>   | <b>10,989</b>     | <b>210,086</b>                         |
| <b>Total Lease Receivable</b>               | <b>0</b>                              | <b>221,075</b>   | <b>10,989</b>     | <b>210,086</b>                         |

| <b>BUSINESS-TYPE ACTIVITIES:</b>                    | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|---|---------------------------------------|------------------|-------------------|--|
| <b>Deferred Inflow of Resources</b>                 |                                       |                  |                   |  |
| <b>Equipment</b>                                    |                                       |                  |                   |  |
| T-Mobile Antenna Collocation and Facilities         | 0                                     | 221,075          | 13,942            | 207,133                                |
| <b>Total Equipment Deferred Inflow of Resources</b> | <b>0</b>                              | <b>221,075</b>   | <b>13,942</b>     | <b>207,133</b>                         |
| <b>Total Deferred Inflow of Resources</b>           | <b>0</b>                              | <b>221,075</b>   | <b>13,942</b>     | <b>207,133</b>                         |

The future minimum lease receipts of these leases as of June 30, 2023, were as follows:

| <b>Principal and Interest Expected to Maturity</b> |                           |                          |                       |
|--|---------------------------|--------------------------|-----------------------|
| <b>Governmental Activities</b>                     |                           |                          |                       |
| <b>Fiscal Year</b>                                 | <b>Principal Payments</b> | <b>Interest Payments</b> | <b>Total Payments</b> |
| 2024   | 258,288                   | 501,222                  | 759,510               |
| 2025   | 265,339                   | 496,435                  | 761,774               |
| 2026   | 268,547                   | 491,530                  | 760,077               |
| 2027   | 275,808                   | 486,506                  | 762,314               |
| 2028   | 276,398                   | 481,364                  | 757,762               |
| 2029 - 2033  | 1,295,827                 | 2,326,775                | 3,622,602             |
| 2034 - 2038  | 776,429                   | 2,219,006                | 2,995,435             |
| 2039 - 2043  | 1,056,282                 | 2,109,728                | 3,166,010             |
| 2044 - 2048  | 1,135,278                 | 1,973,440                | 3,108,718             |
| 2049 - 2053  | 1,166,048                 | 1,836,283                | 3,002,331             |
| 2054 - 2058  | 1,379,618                 | 1,682,446                | 3,062,064             |
| 2059 - 2063  | 1,627,031                 | 1,500,739                | 3,127,770             |
| 2064 - 2068  | 1,913,280                 | 1,286,767                | 3,200,047             |
| 2069 - 2073  | 2,244,062                 | 1,035,489                | 3,279,551             |
| 2074 - 2078  | 2,625,880                 | 741,126                  | 3,367,006             |
| 2079 - 2083  | 3,066,150                 | 397,058                  | 3,463,208             |
| 2084 - 2088  | 1,264,950                 | 82,933                   | 1,347,883             |
| 2089 - 2093  | 110,820                   | 44,180                   | 155,000               |
| 2094 - 2098  | 125,090                   | 29,910                   | 155,000               |
| 2099 - 2103  | 141,198                   | 13,802                   | 155,000               |
| 2104 - 2105  | 40,632                    | 701                      | 41,333                |
| <b>Total</b>                                       | <b>21,312,955</b>         | <b>19,737,440</b>        | <b>41,050,395</b>     |

| <b>Principal and Interest Expected to Maturity</b> |                           |                          |                       |
|--|---------------------------|--------------------------|-----------------------|
| <b>Business-Type Activities</b>                    |                           |                          |                       |
| <b>Fiscal Year</b>                                 | <b>Principal Payments</b> | <b>Interest Payments</b> | <b>Total Payments</b> |
| 2024   | 18,975                    | 5,322                    | 24,297                |
| 2025   | 20,220                    | 4,805                    | 25,025                |
| 2026   | 21,521                    | 4,256                    | 25,777                |
| 2027   | 22,879                    | 3,671                    | 26,550                |
| 2028   | 24,296                    | 3,050                    | 27,346                |
| 2029 - 2033  | 102,195                   | 5,232                    | 107,427               |
| <b>Total</b>                                       | <b>210,086</b>            | <b>26,336</b>            | <b>236,422</b>        |

**(21) LEASES PAYABLE**

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On July 1, 2022, Los Alamos County, NM entered into a 60 month lease as Lessee for the use of XCELL\_TOWERS-POLICE. An initial lease liability was recorded in the amount of \$64,565. As of June 30, 2023, the value of the lease liability is \$53,482. Los Alamos County, NM is required to make monthly fixed payments of \$1,039. The lease has an interest rate of 2.5520%. The value of the right-to-use asset as of June 30, 2023, of \$64,565 with accumulated amortization of \$12,913 is included with Land Improvements on the Lease Class activities table found below.

On June 8, 2023, Los Alamos County, NM entered into a 56 month lease as Lessee for the use of Sharp Printer. An initial lease liability was recorded in the amount of \$520,446. As of June 30, 2023, the value of the lease liability is \$510,593. Los Alamos County, NM is required to make monthly fixed payments of \$9,854. The lease has an interest rate of 2.5820%. The value of the right-to-use asset as of June 30, 2023, of \$520,446 with accumulated amortization of \$7,125 is included with Equipment on the Lease Class activities table found below.

On December 23, 2022, Los Alamos County, NM entered into a 60 month lease as Lessee for the use of Quadient Finance USA - Postage Meter. An initial lease liability was recorded in the amount of \$44,864. As of June 30, 2023, the value of the lease liability is \$35,350. Los Alamos County, NM is required to make annual fixed payments of \$9,545. The lease has an interest rate of 3.1550%. The value of the right-to-use asset as of June 30, 2023, of \$44,864 with accumulated amortization of \$4,686 is included with Equipment on the Lease Class activities table found below.

On July 1, 2021, Los Alamos County, NM entered into a 33 month lease as Lessee for the use of 1183 Diamond Drive - Suite 200. An initial lease liability was recorded in the amount of \$169,188. As of June 30, 2023, the value of the lease liability is \$49,142. Los Alamos County, NM is required to make monthly fixed payments of \$5,600. The lease has an interest rate of 0.6480%. The value of the right-to-use asset as of June 30, 2023, of \$170,916 with accumulated amortization of \$123,477 is included with Buildings on the Lease Class activities table found below. Los Alamos County, NM has 1 extension option for 12 months. Los Alamos County, NM had a termination period of 3 months as of the lease commencement.

On July 1, 2021, Los Alamos County, NM entered into a 72 month lease as Lessee for the use of 999 Central Avenue Lease. An initial lease liability was recorded in the amount of \$1,037,899. As of June 30, 2023, the value of the lease liability is \$705,010. Los Alamos County, NM is required to make monthly fixed payments of \$17,769. The lease has an interest rate of 1.1380%. The value of the right-to-use asset as of June 30, 2023, of \$1,037,899 with accumulated amortization of \$345,966 is included with Buildings on the Lease Class activities table found below.

On July 1, 2021, Los Alamos County, NM entered into a 45 month lease as Lessee for the use of Golf Cars. An initial lease liability was recorded in the amount of \$173,798. As of June 30, 2023, the value of the lease liability is \$83,740. Los Alamos County, NM is required to make monthly fixed payments of \$3,836. The lease has an interest rate of 0.8140%. The value of the right-to-use asset as of June 30, 2023, of \$173,798 with accumulated amortization of \$91,741 is included with Vehicles on the Lease Class activities table found below. Los Alamos County, NM has 2 extension option(s), each for 12 months.

On August 1, 2021, Los Alamos County, NM entered into a 60 month lease as Lessee for the use of 1183 Diamond Drive - Suite E. An initial lease liability was recorded in the amount of \$187,229. As of June 30, 2023, the value of the lease liability is \$119,555. Los Alamos County, NM is required to make monthly fixed payments of \$3,050. The lease has an interest rate of 0.8220%. The value of the right-to-use asset as of June 30, 2023, of \$187,229 with accumulated amortization of \$71,771 is included with Buildings on the Lease Class activities table found below.

| <b>Amount of Lease Assets by Major Classes of Underlying Asset</b> |                              |                                 |
|--|------------------------------|---------------------------------|
| <b>Asset Class</b>   | <b>As of Fiscal Year-end</b> |                                 |
|  | <b>Lease Asset Value</b>     | <b>Accumulated Amortization</b> |
| Land Improvements  | 64,565                       | 12,913                          |
| Equipment  | 565,310                      | 11,811                          |
| Buildings  | 1,396,043                    | 541,215                         |
| Vehicles   | 173,798                      | 91,740                          |
| <b>Total Leases</b>  | <b>2,199,716</b>             | <b>657,679</b>                  |

| <b>Principal and Interest Requirements to Maturity</b> |                                |                          |                       |
|--|--------------------------------|--------------------------|-----------------------|
| <b>Fiscal Year</b>                                     | <b>Governmental Activities</b> |                          |                       |
|  | <b>Principal Payments</b>      | <b>Interest Payments</b> | <b>Total Payments</b> |
| 2024   | 258,522                        | 15,761                   | 274,283               |
| 2025   | 207,544                        | 11,590                   | 219,134               |
| 2026   | 174,977                        | 7,659                    | 182,636               |
| 2027   | 142,434                        | 3,880                    | 146,314               |
| 2028   | 68,385                         | 590                      | 68,975                |
| <b>Total</b>   | <b>851,862</b>                 | <b>39,480</b>            | <b>891,342</b>        |

| <b>Principal and Interest Requirements to Maturity</b> |                                 |                          |                       |
|--|---------------------------------|--------------------------|-----------------------|
| <b>Fiscal Year</b>                                     | <b>Business-Type Activities</b> |                          |                       |
|  | <b>Principal Payments</b>       | <b>Interest Payments</b> | <b>Total Payments</b> |
| 2024   | 173,257                         | 7,121                    | 180,378               |
| 2025   | 175,239                         | 5,139                    | 180,378               |
| 2026   | 177,243                         | 3,135                    | 180,378               |
| 2027   | 179,271                         | 1,107                    | 180,378               |
| <b>Total</b>   | <b>705,010</b>                  | <b>16,502</b>            | <b>721,512</b>        |

| <b>GOVERNMENTAL ACTIVITIES:</b>                              | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|--|---------------------------------------|------------------|-------------------|--|
| <b>Lease Assets</b>  |                                       |                  |                   |  |
| <b>Buildings</b>   |                                       |                  |                   |  |
| 1183 Diamond Drive - Suite E                                 | 187,229                               | 0                | 0                 | 187,229                                |
| 1183 Diamond Drive - Suite 200                               | 169,188                               | 1,728            | 0                 | 170,916                                |
| <b>Total Building Lease Assets</b>                           | <b>356,417</b>                        | <b>1,728</b>     | <b>0</b>          | <b>358,145</b>                         |
| <b>Vehicles</b>  |                                       |                  |                   |  |
| Golf Cars  | 173,798                               | 0                | 0                 | 173,798                                |
| <b>Total Vehicle Lease Assets</b>                            | <b>173,798</b>                        | <b>0</b>         | <b>0</b>          | <b>173,798</b>                         |
| <b>Equipment</b>   |                                       |                  |                   |  |
| Quadient Finance USA - Postage Meter                         | 0                                     | 44,864           | 0                 | 44,864                                 |
| Sharp Printer  | 0                                     | 520,446          | 0                 | 520,446                                |
| <b>Total Equipment Lease Assets</b>                          | <b>0</b>                              | <b>565,310</b>   | <b>0</b>          | <b>565,310</b>                         |
| <b>Land Improvements</b>                                     |                                       |                  |                   |  |
| XCELL_TOWERS-POLICE  | 64,565                                | 0                | 0                 | 64,565                                 |
| <b>Total Land Improvement Lease Assets</b>                   | <b>64,565</b>                         | <b>0</b>         | <b>0</b>          | <b>64,565</b>                          |
| <b>Total Lease Assets</b>                                    | <b>594,780</b>                        | <b>567,038</b>   | <b>0</b>          | <b>1,161,818</b>                       |
| <b>Lease Accumulated Amortization</b>                        |                                       |                  |                   |  |
| <b>Buildings</b>   |                                       |                  |                   |  |
| 1183 Diamond Drive - Suite E                                 | 34,325                                | 37,446           | 0                 | 71,771                                 |
| 1183 Diamond Drive - Suite 200                               | 61,523                                | 61,955           | 0                 | 123,478                                |
| <b>Total Building Lease Accumulated Amortization</b>         | <b>95,848</b>                         | <b>99,401</b>    | <b>0</b>          | <b>195,249</b>                         |
| <b>Vehicles</b>  |                                       |                  |                   |  |
| Golf Cars  | 45,870                                | 45,870           | 0                 | 91,741                                 |
| <b>Total Vehicle Lease Accumulated Amortization</b>          | <b>45,870</b>                         | <b>45,870</b>    | <b>0</b>          | <b>91,741</b>                          |
| <b>Equipment</b>   |                                       |                  |                   |  |
| Quadient Finance USA - Postage Meter                         | 0                                     | 4,686            | 0                 | 4,686                                  |
| Sharp Printer  | 0                                     | 7,125            | 0                 | 7,125                                  |
| <b>Total Equipment Lease Accumulated Amortization</b>        | <b>0</b>                              | <b>11,811</b>    | <b>0</b>          | <b>11,811</b>                          |
| <b>Land Improvements</b>                                     |                                       |                  |                   |  |
| XCELL_TOWERS-POLICE  | 0                                     | 12,913           | 0                 | 12,913                                 |
| <b>Total Land Improvement Lease Accumulated Amortization</b> | <b>0</b>                              | <b>12,913</b>    | <b>0</b>          | <b>12,913</b>                          |
| <b>Total Lease Accumulated Amortization</b>                  | <b>141,718</b>                        | <b>169,995</b>   | <b>0</b>          | <b>311,714</b>                         |
| <b>Total Governmental Lease Assets, Net</b>                  | <b>453,062</b>                        | <b>397,043</b>   | <b>0</b>          | <b>850,104</b>                         |

| <b>Activity (Rollforward Schedule)</b>        |                                       |                  |                   |  |
|---|---------------------------------------|------------------|-------------------|--|
| <b>GOVERNMENTAL ACTIVITIES:</b>               | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
| <b>Lease Liability</b>                        |                                       |                  |                   |  |
| <b>Buildings</b>                              |                                       |                  |                   |  |
| 1183 Diamond Drive - Suite E                  | 155,402                               | 0                | 35,847            | 119,555                                |
| 1183 Diamond Drive - Suite 200                | 109,060                               | 1,728            | 61,646            | 49,142                                 |
| <b>Total Building Lease Liability</b>         | <b>264,462</b>                        | <b>1,728</b>     | <b>97,493</b>     | <b>168,697</b>                         |
| <b>Vehicles</b>                               |                                       |                  |                   |  |
| Golf Cars                                     | 128,893                               | 0                | 45,153            | 83,740                                 |
| <b>Total Vehicle Lease Liability</b>          | <b>128,893</b>                        | <b>0</b>         | <b>45,153</b>     | <b>83,740</b>                          |
| <b>Equipment</b>                              |                                       |                  |                   |  |
| Quadient Finance USA - Postage Meter          | 0                                     | 44,864           | 9,514             | 35,350                                 |
| Sharp Printer                                 | 0                                     | 520,446          | 9,854             | 510,592                                |
| <b>Total Equipment Lease Liability</b>        | <b>0</b>                              | <b>565,310</b>   | <b>19,368</b>     | <b>545,942</b>                         |
| <b>Land Improvements</b>                      |                                       |                  |                   |  |
| XCELL_TOWERS-POLICE                           | 64,565                                | 0                | 11,083            | 53,482                                 |
| <b>Total Land Improvement Lease Liability</b> | <b>64,565</b>                         | <b>0</b>         | <b>11,083</b>     | <b>53,482</b>                          |
| <b>Total Lease Liability</b>                  | <b>457,920</b>                        | <b>567,038</b>   | <b>173,097</b>    | <b>851,861</b>                         |

| <b>BUSINESS-TYPE ACTIVITIES:</b>                     | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|--|---------------------------------------|------------------|-------------------|--|
| <b>Lease Assets</b>                                  |                                       |                  |                   |  |
| <b>Buildings</b>                                     |                                       |                  |                   |  |
| 999 Central Avenue Lease                             | 1,037,899                             | 0                | 0                 | 1,037,899                              |
| <b>Total Building Lease Assets</b>                   | <b>1,037,899</b>                      | <b>0</b>         | <b>0</b>          | <b>1,037,899</b>                       |
| <b>Total Lease Assets</b>                            | <b>1,037,899</b>                      | <b>0</b>         | <b>0</b>          | <b>1,037,899</b>                       |
| <b>Lease Accumulated Amortization</b>                |                                       |                  |                   |  |
| <b>Buildings</b>                                     |                                       |                  |                   |  |
| 999 Central Avenue Lease                             | 172,984                               | 172,983          | 0                 | 345,967                                |
| <b>Total Building Lease Accumulated Amortization</b> | <b>172,984</b>                        | <b>172,983</b>   | <b>0</b>          | <b>345,967</b>                         |
| Total Lease Accumulated Amortization                 | 172,984                               | 172,983          | 0                 | 345,967                                |
| <b>Total Business-Type Lease Assets, Net</b>         | <b>864,915</b>                        | <b>(172,983)</b> | <b>0</b>          | <b>691,932</b>                         |

| <b>BUSINESS-TYPE ACTIVITIES:</b>      | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|---------------------------------------|---------------------------------------|------------------|-------------------|--|
| <b>Lease Liability</b>                |                                       |                  |                   |  |
| <b>Buildings</b>                      |                                       |                  |                   |  |
| 999 Central Avenue Lease              | 876,307                               | 0                | 171,297           | 705,010                                |
| <b>Total Building Lease Liability</b> | <b>876,307</b>                        | <b>0</b>         | <b>171,297</b>    | <b>705,010</b>                         |
| <b>Total Lease Liability</b>          | <b>876,307</b>                        | <b>0</b>         | <b>171,297</b>    | <b>705,010</b>                         |

| <b>GENERAL GOVERNMENT LEASES ACTIVITIES:</b>                 | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|--|---------------------------------------|------------------|-------------------|--|
| <b>Lease Assets</b>  |                                       |                  |                   |  |
| <b>Buildings</b>   |                                       |                  |                   |  |
| 1183 Diamond Drive - Suite E                                 | 187,229                               | 0                | 0                 | 187,229                                |
| 1183 Diamond Drive - Suite 200                               | 169,188                               | 1,728            | 0                 | 170,916                                |
| <b>Total Building Lease Assets</b>                           | <b>356,417</b>                        | <b>1,728</b>     | <b>0</b>          | <b>358,145</b>                         |
| <b>Vehicles</b>  |                                       |                  |                   |  |
| Golf Cars  | 173,798                               | 0                | 0                 | 173,798                                |
| <b>Total Vehicle Lease Assets</b>                            | <b>173,798</b>                        | <b>0</b>         | <b>0</b>          | <b>173,798</b>                         |
| <b>Equipment</b>   |                                       |                  |                   |  |
| Quacient Finance USA - Postage Meter                         | 0                                     | 44,864           | 0                 | 44,864                                 |
| Sharp Printer  | 0                                     | 520,446          | 0                 | 520,446                                |
| <b>Total Equipment Lease Assets</b>                          | <b>0</b>                              | <b>565,310</b>   | <b>0</b>          | <b>565,310</b>                         |
| <b>Land Improvements</b>                                     |                                       |                  |                   |  |
| XCELL TOWERS-POLICE  | 64,565                                | 0                | 0                 | 64,565                                 |
| <b>Total Land Improvement Lease Assets</b>                   | <b>64,565</b>                         | <b>0</b>         | <b>0</b>          | <b>64,565</b>                          |
| <b>Total Lease Assets</b>                                    | <b>594,780</b>                        | <b>567,038</b>   | <b>0</b>          | <b>1,161,818</b>                       |
| <b>Lease Accumulated Amortization</b>                        |                                       |                  |                   |  |
| <b>Buildings</b>   |                                       |                  |                   |  |
| 1183 Diamond Drive - Suite E                                 | 34,325                                | 37,446           | 0                 | 71,771                                 |
| 1183 Diamond Drive - Suite 200                               | 61,523                                | 61,955           | 0                 | 123,478                                |
| <b>Total Building Lease Accumulated Amortization</b>         | <b>95,848</b>                         | <b>99,401</b>    | <b>0</b>          | <b>195,249</b>                         |
| <b>Vehicles</b>  |                                       |                  |                   |  |
| Golf Cars  | 45,870                                | 45,870           | 0                 | 91,741                                 |
| <b>Total Vehicle Lease Accumulated Amortization</b>          | <b>45,870</b>                         | <b>45,870</b>    | <b>0</b>          | <b>91,741</b>                          |
| <b>Equipment</b>   |                                       |                  |                   |  |
| Quacient Finance USA - Postage Meter                         | 0                                     | 4,686            | 0                 | 4,686                                  |
| Sharp Printer  | 0                                     | 7,125            | 0                 | 7,125                                  |
| <b>Total Equipment Lease Accumulated Amortization</b>        | <b>0</b>                              | <b>11,811</b>    | <b>0</b>          | <b>11,811</b>                          |
| <b>Land Improvements</b>                                     |                                       |                  |                   |  |
| XCELL TOWERS-POLICE  | 0                                     | 12,913           | 0                 | 12,913                                 |
| <b>Total Land Improvement Lease Accumulated Amortization</b> | <b>0</b>                              | <b>12,913</b>    | <b>0</b>          | <b>12,913</b>                          |
| <b>Total Lease Accumulated Amortization</b>                  | <b>141,718</b>                        | <b>169,995</b>   | <b>0</b>          | <b>311,714</b>                         |
| <b>Total General Government Leases Lease Assets, Net</b>     | <b>453,062</b>                        | <b>397,043</b>   | <b>0</b>          | <b>850,104</b>                         |

| <b>Fund (Rollforward Schedule)</b>            |                      |                  |                   |                      |
|---|----------------------|------------------|-------------------|----------------------|
| <b>GENERAL GOVERNMENT LEASES ACTIVITIES:</b>  | <b>Balance as of</b> |                  |                   | <b>Balance as of</b> |
|   | <b>July 1, 2022</b>  | <b>Additions</b> | <b>Reductions</b> | <b>June 30, 2023</b> |
| <b>Lease Liability</b>                        |                      |                  |                   |                      |
| <b>Buildings</b>                              |                      |                  |                   |                      |
| 1183 Diamond Drive - Suite E                  | 155,402              | 0                | 35,847            | 119,555              |
| 1183 Diamond Drive - Suite 200                | 109,060              | 1,728            | 61,646            | 49,142               |
| <b>Total Building Lease Liability</b>         | <b>264,462</b>       | <b>1,728</b>     | <b>97,493</b>     | <b>168,697</b>       |
| <b>Vehicles</b>                               |                      |                  |                   |                      |
| Golf Cars                                     | 128,893              | 0                | 45,153            | 83,740               |
| <b>Total Vehicle Lease Liability</b>          | <b>128,893</b>       | <b>0</b>         | <b>45,153</b>     | <b>83,740</b>        |
| <b>Equipment</b>                              |                      |                  |                   |                      |
| Quadient Finance USA - Postage Meter          | 0                    | 44,864           | 9,514             | 35,350               |
| Sharp Printer                                 | 0                    | 520,446          | 9,854             | 510,592              |
| <b>Total Equipment Lease Liability</b>        | <b>0</b>             | <b>565,310</b>   | <b>19,368</b>     | <b>545,942</b>       |
| <b>Land Improvements</b>                      |                      |                  |                   |                      |
| XCELL_TOWERS-POLICE                           | 64,565               | 0                | 11,083            | 53,482               |
| <b>Total Land Improvement Lease Liability</b> | <b>64,565</b>        | <b>0</b>         | <b>11,083</b>     | <b>53,482</b>        |
| <b>Total Lease Liability</b>                  | <b>457,920</b>       | <b>567,038</b>   | <b>173,097</b>    | <b>851,861</b>       |

| <b>FIRE FUND ACTIVITIES:</b>                         | <b>Balance as of</b> |                  |                   | <b>Balance as of</b> |
|--|----------------------|------------------|-------------------|----------------------|
|  | <b>July 1, 2022</b>  | <b>Additions</b> | <b>Reductions</b> | <b>June 30, 2023</b> |
| <b>Lease Assets</b>                                  |                      |                  |                   |                      |
| <b>Buildings</b>                                     |                      |                  |                   |                      |
| 999 Central Avenue Lease                             | 1,037,899            | 0                | 0                 | 1,037,899            |
| <b>Total Building Lease Assets</b>                   | <b>1,037,899</b>     | <b>0</b>         | <b>0</b>          | <b>1,037,899</b>     |
| <b>Total Lease Assets</b>                            | <b>1,037,899</b>     | <b>0</b>         | <b>0</b>          | <b>1,037,899</b>     |
| <b>Lease Accumulated Amortization</b>                |                      |                  |                   |                      |
| <b>Buildings</b>                                     |                      |                  |                   |                      |
| 999 Central Avenue Lease                             | 172,984              | 172,983          | 0                 | 345,967              |
| <b>Total Building Lease Accumulated Amortization</b> | <b>172,984</b>       | <b>172,983</b>   | <b>0</b>          | <b>345,967</b>       |
| Total Lease Accumulated Amortization                 | 172,984              | 172,983          | 0                 | 345,967              |
| <b>Total Fire Fund Lease Assets, Net</b>             | <b>864,915</b>       | <b>(172,983)</b> | <b>0</b>          | <b>691,932</b>       |



| <b>FIRE FUND ACTIVITIES:</b>          | <b>Balance as of</b> |                  |                   | <b>Balance as of</b> |
|---------------------------------------|----------------------|------------------|-------------------|----------------------|
|                                       | <b>July 1, 2022</b>  | <b>Additions</b> | <b>Reductions</b> | <b>June 30, 2023</b> |
| <b>Lease Liability</b>                |                      |                  |                   |                      |
| <b>Buildings</b>                      |                      |                  |                   |                      |
| 999 Central Avenue Lease              | 876,307              | 0                | 171,297           | 705,010              |
| <b>Total Building Lease Liability</b> | <b>876,307</b>       | <b>0</b>         | <b>171,297</b>    | <b>705,010</b>       |
| <b>Total Lease Liability</b>          | <b>876,307</b>       | <b>0</b>         | <b>171,297</b>    | <b>705,010</b>       |

## (22) REGULATED LEASES

Certain leases are subject to external laws, regulations, and legal rulings and are not subject to paragraphs 44-59 of GASB 87. Leases regulated by the Federal Aviation Administration between airports, air carriers and other aeronautical users fall under this classification. The County has several leases that are considered to be regulated leases under this definition. Regulated lessors recognize inflows of resources based on the payment provisions of the lease contract.

The County's lessor leasing arrangements at June 30, 2023 are summarized below (excluding short-term leases):

| <b>Business-Type Activities</b> | <b>Number of<br/>Lease Contracts</b> | <b>Lease<br/>Terms*</b> |
|---------------------------------|--------------------------------------|-------------------------|
| Lessor                          |                                      |                         |
| Ground Leases                   | 45                                   | 5                       |
| Hangar Leases                   | 5                                    | 1                       |

\*The lease terms represent the range of remaining terms in each lease

The future minimum lease obligations of these minimum lease payments in business-type activities as of June 30, 2023, were as follows:

| <b>Fiscal Year<br/>Ending June 30,</b> | <b>Total</b>      |
|--|-------------------|
| 2024                                   | \$ 51,611         |
| 2025                                   | 34,346            |
| 2026                                   | 36,888            |
| 2027                                   | 39,618            |
| 2028                                   | 42,549            |
|  | <u>\$ 205,012</u> |

For the year ended June 30, 2023, the County recognized the following in lease income on regulated airport leases:

| <b>Business-Type Activities</b> | <b>2023</b> |
|---------------------------------|-------------|
| Lease income                    | \$ 50,153   |

### **(23) SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right-to-use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On October 21, 2022, Los Alamos County, NM entered into a 82 month subscription for the use of GRANICUS - OpenCities License Subscription. An initial subscription liability was recorded in the amount of \$162,490. As of June 30, 2023, the value of the subscription liability is \$138,295. Los Alamos County, NM is required to make annual fixed payments of \$24,250. The subscription has an interest rate of 2.4470%. The value of the right-to-use asset as of June 30, 2023 of \$162,490 with accumulated amortization of \$16,446 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 179 month subscription for the use of Fifth Asset Inc. dba Debtbook. An initial subscription liability was recorded in the amount of \$219,862. As of June 30, 2023, the value of the subscription liability is \$204,862. Los Alamos County, NM is required to make annual fixed payments of \$15,000. The subscription has an interest rate of 2.3060%. The value of the right-to-use asset as of June 30, 2023 of \$235,959 with accumulated amortization of \$15,777 is included with Software on the Subscription Class activities table found below.

On July 25, 2022, Los Alamos County, NM entered into a 48 month subscription for the use of CliftonLarsonAllen ARPA Software Portal Application. An initial subscription liability was recorded in the amount of \$186,864. As of June 30, 2023, the value of the subscription liability is \$144,555. Los Alamos County, NM is required to make monthly fixed payments of \$4,148. The subscription has an interest rate of 2.1120%. The value of the right-to-use asset as of June 30, 2023 of \$186,864 with accumulated amortization of \$43,602 is included with Software on the Subscription Class activities table found below.

On October 21, 2022, Los Alamos County, NM entered into a 56 month subscription for the use of Advanced Network Management Inc - Datacenter and Collaboration Managed Services . An initial subscription liability was recorded in the amount of \$314,655. As of June 30, 2023, the value of the subscription liability is \$272,487. Los Alamos County, NM is required to make monthly fixed payments of \$6,050. The subscription has an interest rate of 3.1550%. The value of the right-to-use asset as of June 30, 2023 of \$314,655 with accumulated amortization of \$46,547 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 15 month subscription for the use of MUNICIPAL MEDIA CORP - Environmental Svs Recycle Application & Software. An initial subscription liability was recorded in the amount of \$5,303. As of June 30, 2023, the value of the subscription liability is \$0.00. Los Alamos County, NM is required to make annual fixed payments of \$5,330. The subscription has an interest rate of 1.5803%. The value of the right-to-use asset as of June 30, 2023 of \$5,303 with accumulated amortization of \$4,002 is included with Software on the Subscription Class activities table

found below. Los Alamos County, NM has 3 extension option(s), each for 12 months. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 13 month subscription for the use of SHI - Microsoft Enterprise. An initial subscription liability was recorded in the amount of \$244,632. As of June 30, 2023, the value of the subscription liability is \$0.00. Los Alamos County, NM is required to make annual fixed payments of \$244,954. The subscription has an interest rate of 1.5803%. The value of the right-to-use asset as of June 30, 2023 of \$244,632 with accumulated amortization of \$225,814 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 13 month subscription for the use of ESRI - GIS Cloud Services. An initial subscription liability was recorded in the amount of \$27,464. As of June 30, 2023, the value of the subscription liability is \$0.00. Los Alamos County, NM is required to make annual fixed payments of \$27,500. The subscription has an interest rate of 1.5803%. The value of the right-to-use asset as of June 30, 2023 of \$27,464 with accumulated amortization of \$25,351 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 60 month subscription for the use of Cisco VoIP Telephony. An initial subscription liability was recorded in the amount of \$335,415. As of June 30, 2023, the value of the subscription liability is \$279,386. Los Alamos County, NM is required to make annual fixed payments of \$62,240. The subscription has an interest rate of 2.1857%. The value of the right-to-use asset as of June 30, 2023 of \$658,470 with accumulated amortization of \$131,694 is included with Software on the Subscription Class activities table found below.

On July 29, 2022, Los Alamos County, NM entered into a 48 month subscription for the use of Skydio X2E Drone. An initial subscription liability was recorded in the amount of \$20,230. As of June 30, 2023, the value of the subscription liability is \$15,303. Los Alamos County, NM is required to make monthly fixed payments of \$439. The subscription has an interest rate of 2.1120%. The value of the right-to-use asset as of June 30, 2023 of \$20,530 with accumulated amortization of \$4,733 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 23 month subscription for the use of SENSIBLE IT - Traffic and Criminal Software. An initial subscription liability was recorded in the amount of \$18,099. As of June 30, 2023, the value of the subscription liability is \$8,718. Los Alamos County, NM is required to make monthly fixed payments of \$799. The subscription has an interest rate of 1.5803%. The value of the right-to-use asset as of June 30, 2023 of \$18,099 with accumulated amortization of \$9,255 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM has 2 extension option(s), each for 12 months. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 62 month subscription for the use of CCC Cemetery IMS Cloud License. An initial subscription liability was recorded in the amount of \$19,741. As of June 30, 2023, the value of the subscription liability is \$14,010. Los Alamos County, NM is required to make annual fixed payments of \$2,893. The subscription has an interest rate of 2.1857%. The value of the right-to-use asset as of June 30, 2023 of \$40,421 with accumulated amortization of \$7,740 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 68 month subscription for the use of Carahsoft - Legistar Open Platform. An initial subscription liability was recorded in the amount of \$231,628. As of June 30, 2023, the value of the subscription liability is \$197,322. Los Alamos County, NM is required to make monthly fixed payments of \$3,250. The subscription has an interest rate of 2.3217%. The value of the right-to-use asset as of June 30, 2023 of

\$231,628 with accumulated amortization of \$40,696 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 36 month subscription for the use of Infor - CAD & RMS. An initial subscription liability was recorded in the amount of \$472,982. As of June 30, 2023, the value of the subscription liability is \$321,797. Los Alamos County, NM is required to make annual fixed payments of \$151,934. The subscription has an interest rate of 2.0377%. The value of the right-to-use asset as of June 30, 2023 of \$472,982 with accumulated amortization of \$153,676 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement

On July 1, 2022, Los Alamos County, NM entered into a 51 month subscription for the use of Tyler - Eagle Assessor License. An initial subscription liability was recorded in the amount of \$258,450. As of June 30, 2023, the value of the subscription liability is \$198,938. Los Alamos County, NM is required to make annual fixed payments of \$60,544. The subscription has an interest rate of 1.5803%. The value of the right-to-use asset as of June 30, 2023 of \$274,450 with accumulated amortization of \$64,534 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM has 3 extension option(s), each for 12 months. Los Alamos County, NM had a termination period of 3 months as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 169 month subscription for the use of Fire Inspection Software Solution. An initial subscription liability was recorded in the amount of \$215,442. As of June 30, 2023, the value of the subscription liability is \$190,667. Los Alamos County, NM is required to make annual fixed payments of \$12,626. The subscription has an interest rate of 2.8207%. The value of the right-to-use asset as of June 30, 2023 of \$220,442 with accumulated amortization of \$15,653 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 57 month subscription for the use of EnerGov Software. An initial subscription liability was recorded in the amount of \$796,700. As of June 30, 2023, the value of the subscription liability is \$646,577. Los Alamos County, NM is required to make monthly fixed payments of \$13,429. The subscription has an interest rate of 2.1857%. The value of the right-to-use asset as of June 30, 2023 of \$796,700 with accumulated amortization of \$167,335 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 67 month subscription for the use of Target Solutions Learning - Check It. An initial subscription liability was recorded in the amount of \$67,711. As of June 30, 2023, the value of the subscription liability is \$55,090. Los Alamos County, NM is required to make annual fixed payments of \$13,546. The subscription has an interest rate of 2.3217%. The value of the right-to-use asset as of June 30, 2023 of \$67,711 with accumulated amortization of \$12,115 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 67 month subscription for the use of Amazon Web & Learning Management System. An initial subscription liability was recorded in the amount of \$77,572. As of June 30, 2023, the value of the subscription liability is \$63,080. Los Alamos County, NM is required to make annual fixed payments of \$15,553. The subscription has an interest rate of 2.3217%. The value of the right-to-use asset as of June 30, 2023 of \$77,572 with accumulated amortization of \$13,880 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 66 month subscription for the use of SirsiDynix - Integrated Library System. An initial subscription liability was recorded in the amount of \$197,312. As of June 30, 2023, the value of the subscription liability is \$159,168. Los Alamos County, NM is required to make annual fixed payments of \$40,228. The subscription has an interest rate of 2.1120%. The value of the right-to-use asset as of June 30, 2023 of \$197,312 with accumulated amortization of \$35,875 is included with Software on the Subscription Class activities table found below.

On October 14, 2022, Los Alamos County, NM entered into a 60 month subscription for the use of BOLDplanning Emergency Operations Plan Software . An initial subscription liability was recorded in the amount of \$31,558. As of June 30, 2023, the value of the subscription liability is \$24,848. Los Alamos County, NM is required to make annual fixed payments of \$6,710. The subscription has an interest rate of 3.1550%. The value of the right-to-use asset as of June 30, 2023 of \$31,558 with accumulated amortization of \$4,506 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM has 2 extension option(s), each for 12 months. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 23 month subscription for the use of Tyler Software - Munis. An initial subscription liability was recorded in the amount of \$378,860. As of June 30, 2023, the value of the subscription liability is \$0.00. Los Alamos County, NM is required to make annual fixed payments of \$385,715. The subscription has an interest rate of 1.8937%. The value of the right-to-use asset as of June 30, 2023 of \$378,860 with accumulated amortization of \$193,735 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 3 months as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 23 month subscription for the use of Tyler ExecuTime Software. An initial subscription liability was recorded in the amount of \$21,232. As of June 30, 2023, the value of the subscription liability is \$0.00. Los Alamos County, NM is required to make annual fixed payments of \$21,631. The subscription has an interest rate of 1.8937%. The value of the right-to-use asset as of June 30, 2023 of \$21,232 with accumulated amortization of \$10,661 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 3 months as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 95 month subscription for the use of Ferguson/Sensus - Customer Portal Core. An initial subscription liability was recorded in the amount of \$56,561. As of June 30, 2023, the value of the subscription liability is \$49,764. Los Alamos County, NM is required to make annual fixed payments of \$8,108. The subscription has an interest rate of 2.5297%. The value of the right-to-use asset as of June 30, 2023 of \$79,419 with accumulated amortization of \$10,032 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On October 21, 2022, Los Alamos County, NM entered into a 24 month subscription for the use of Datacenter - Voice Over Internet Protocol. An initial subscription liability was recorded in the amount of \$141,012. As of June 30, 2023, the value of the subscription liability is \$88,917. Los Alamos County, NM is required to make monthly fixed payments of \$6,050. The subscription has an interest rate of 3.0740%. The value of the right-to-use asset as of June 30, 2023 of \$141,012 with accumulated amortization of \$48,963 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM has 1 extension option(s), each for 12 months. Los Alamos County, NM had a termination period of 1 month as of the subscription commencement.

On July 1, 2022, Los Alamos County, NM entered into a 14 month subscription for the use of Remix - Hosted software. An initial subscription liability was recorded in the amount of \$16,024. As of June 30, 2023, the value of the subscription liability is \$0.00. Los Alamos County, NM is required to make annual fixed payments of \$16,067. The subscription has an interest rate of 1.5803%. The value of the right-to-use asset as of June 30, 2023 of \$16,024 with accumulated amortization of \$13,702 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 48 month subscription for the use of Tyler Eagle Recorder. An initial subscription liability was recorded in the amount of \$94,319. As of June 30, 2023, the value of the subscription liability is \$70,668. Los Alamos County, NM is required to make annual

fixed payments of \$24,558. The subscription has an interest rate of 2.1120%. The value of the right-to-use asset as of June 30, 2023 of \$94,319 with accumulated amortization of \$23,580 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, Los Alamos County, NM entered into a 36 month subscription for the use of INDIGENT HEALTHCARE SOLUTIONS, LTD.. An initial subscription liability was recorded in the amount of \$43,958. As of June 30, 2023, the value of the subscription liability is \$29,107. Los Alamos County, NM is required to make annual fixed payments of \$15,000. The subscription has an interest rate of 2.0380%. The value of the right-to-use asset as of June 30, 2023 of \$43,958 with accumulated amortization of \$14,653 is included with Software on the Subscription Class activities table found below. Los Alamos County, NM had a termination period of 3 months as of the subscription commencement.

| <b>Amount of Subscription Assets by Major Classes of Underlying Asset</b> |                                 |                                 |
|---|---------------------------------|---------------------------------|
| <b>Asset Class</b>  | <b>As of Fiscal Year-end</b>    |                                 |
|   | <b>Subscription Asset Value</b> | <b>Accumulated Amortization</b> |
| Software  | 5,054,762                       | 1,350,554                       |
| <b>Total Subscriptions</b>  | <b>5,054,762</b>                | <b>1,350,554</b>                |

| <b>Principal and Interest Requirements to Maturity</b> |                                 |                          |  |                       |
|--|---------------------------------|--------------------------|--|-----------------------|
| <b>Fiscal Year</b>                                     | <b>Business-Type Activities</b> |                          |  | <b>Total Payments</b> |
|  | <b>Principal Payments</b>       | <b>Interest Payments</b> |  |                       |
| 2024   | 44,786                          | 9,687                    |  | 54,472                |
| 2025   | 47,675                          | 8,596                    |  | 56,271                |
| 2026   | 50,989                          | 7,434                    |  | 58,423                |
| 2027   | 54,044                          | 6,188                    |  | 60,232                |
| 2028   | 23,789                          | 4,867                    |  | 28,656                |
| 2029 - 2033  | 86,984                          | 16,246                   |  | 103,231               |
| 2034 - 2037  | 64,345                          | 3,725                    |  | 68,070                |
| <b>Total</b>   | <b>372,612</b>                  | <b>56,743</b>            |  | <b>429,355</b>        |
| <b>Fiscal Year</b>                                     | <b>Governmental Activities</b>  |                          |  | <b>Total Payments</b> |
|  | <b>Principal Payments</b>       | <b>Interest Payments</b> |  |                       |
| 2024   | 777,847                         | 59,207                   |  | 837,054               |
| 2025   | 773,947                         | 42,040                   |  | 815,987               |
| 2026   | 592,889                         | 25,135                   |  | 618,024               |
| 2027   | 413,930                         | 12,259                   |  | 426,189               |
| 2028   | 69,129                          | 5,196                    |  | 74,325                |
| 2029 - 2033  | 99,553                          | 14,448                   |  | 114,001               |
| 2034 - 2037  | 73,654                          | 4,346                    |  | 78,000                |
| <b>Total</b>   | <b>2,800,949</b>                | <b>162,631</b>           |  | <b>2,963,580</b>      |

| <b>BUSINESS-TYPE ACTIVITIES:</b>                            | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|---|---------------------------------------|------------------|-------------------|--|
| <b>Subscription Assets</b>                                  |                                       |                  |                   |  |
| <b>Software</b>   |                                       |                  |                   |  |
| CCC Cemetery IMS Cloud License                              | 40,421                                | 0                | 0                 | 40,421                                 |
| Fire Inspection Software Solution                           | 220,442                               | 0                | 0                 | 220,442                                |
| Target Solutions Learning - Check It                        | 67,711                                | 0                | 0                 | 67,711                                 |
| Amazon Web & Learning Management System                     | 77,572                                | 0                | 0                 | 77,572                                 |
| Ferguson/Sensus - Customer Portal Core                      | 79,419                                | 0                | 0                 | 79,419                                 |
| Remix - Hosted software                                     | 16,024                                | 0                | 0                 | 16,024                                 |
| <b>Total Software Subscription Assets</b>                   | <b>501,589</b>                        | <b>0</b>         | <b>0</b>          | <b>501,589</b>                         |
| <b>Total Subscription Assets</b>                            | <b>501,589</b>                        | <b>0</b>         | <b>0</b>          | <b>501,589</b>                         |
| <b>Subscription Accumulated Amortization</b>                |                                       |                  |                   |  |
| <b>Software</b>   |                                       |                  |                   |  |
| CCC Cemetery IMS Cloud License                              | 0                                     | 7,740            | 0                 | 7,740                                  |
| Fire Inspection Software Solution                           | 0                                     | 15,653           | 0                 | 15,653                                 |
| Target Solutions Learning - Check It                        | 0                                     | 12,115           | 0                 | 12,115                                 |
| Amazon Web & Learning Management System                     | 0                                     | 13,880           | 0                 | 13,880                                 |
| Ferguson/Sensus - Customer Portal Core                      | 0                                     | 10,032           | 0                 | 10,032                                 |
| Remix - Hosted software                                     | 0                                     | 13,702           | 0                 | 13,702                                 |
| <b>Total Software Subscription Accumulated Amortization</b> | <b>0</b>                              | <b>73,122</b>    | <b>0</b>          | <b>73,122</b>                          |
| <b>Total Subscription Accumulated Amortization</b>          | <b>-</b>                              | <b>73,122</b>    | <b>0</b>          | <b>73,122</b>                          |
| <b>Total Business-Type Subscription Assets, Net</b>         | <b>501,589</b>                        | <b>(73,122)</b>  | <b>0</b>          | <b>428,467</b>                         |

| <b>Activity (Rollforward Schedule)</b>       |                                       |                  |                   |  |
|--|---------------------------------------|------------------|-------------------|--|
| <b>BUSINESS-TYPE ACTIVITIES:</b>             | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
| <b>Subscription Liability</b>                |                                       |                  |                   |  |
| <b>Software</b>                              |                                       |                  |                   |  |
| CCC Cemetery IMS Cloud License               | 19,741                                | 0                | 5,731             | 14,010                                 |
| Fire Inspection Software Solution            | 215,442                               | 0                | 24,775            | 190,667                                |
| Target Solutions Learning - Check It         | 67,711                                | 0                | 12,621            | 55,090                                 |
| Amazon Web & Learning Management System      | 77,572                                | 0                | 14,492            | 63,080                                 |
| Ferguson/Sensus - Customer Portal Core       | 56,561                                | 0                | 6,796             | 49,765                                 |
| Remix - Hosted software                      | 16,024                                | 0                | 16,024            | 0                                      |
| <b>Total Software Subscription Liability</b> | <b>453,051</b>                        | <b>0</b>         | <b>80,439</b>     | <b>372,612</b>                         |
| <b>Total Subscription Liability</b>          | <b>453,051</b>                        | <b>0</b>         | <b>80,439</b>     | <b>372,612</b>                         |

| <b>GOVERNMENTAL ACTIVITIES:</b>   | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|---|---------------------------------------|------------------|-------------------|--|
| <b>Subscription Assets</b>  |                                       |                  |                   |  |
| <b>Software</b>   |                                       |                  |                   |  |
| SHI - Microsoft Enterprise  | 244,632                               | 0                | 0                 | 244,632                                |
| ESRI - GIS Cloud Services   | 27,464                                | 0                | 0                 | 27,464                                 |
| Cisco VoIP Telephony  | 658,469                               | 0                | 0                 | 658,469                                |
| Skydio X2E Drone  | 0                                     | 20,530           | 0                 | 20,530                                 |
| SENSIBLE IT - Traffic and Criminal Software                                     | 18,098                                | 0                | 0                 | 18,098                                 |
| Carahsoft - Legistar Open Platform  | 231,628                               | 0                | 0                 | 231,628                                |
| Infor - CAD & RMS   | 472,982                               | 0                | 0                 | 472,982                                |
| Tyler - Eagle Assessor License  | 274,450                               | 0                | 0                 | 274,450                                |
| EnerGov Software  | 796,700                               | 0                | 0                 | 796,700                                |
| SirsiDynix - Integrated Library System  | 197,312                               | 0                | 0                 | 197,312                                |
| BOLDplanning Emergency Operations Plan Software                                 | 0                                     | 31,558           | 0                 | 31,558                                 |
| Tyler Software - Munis  | 378,860                               | 0                | 0                 | 378,860                                |
| Tyler ExecuTime Software  | 21,232                                | 0                | 0                 | 21,232                                 |
| Datacenter - Voice Over Internet Protocol                                       | 0                                     | 141,013          | 0                 | 141,013                                |
| Tyler Eagle Recorder  | 94,319                                | 0                | 0                 | 94,319                                 |
| Fifth Asset Inc. dba Debtbook   | 235,959                               | 0                | 0                 | 235,959                                |
| INDIGENT HEALTHCARE SOLUTIONS, LTD.   | 43,958                                | 0                | 0                 | 43,958                                 |
| Advanced Network Management Inc - Datacenter and Collaboration Managed Services | 0                                     | 314,655          | 0                 | 314,655                                |
| GRANICUS - OpenCities License Subscription                                      | 0                                     | 162,490          | 0                 | 162,490                                |
| CliftonLarsonAllen ARPA Software Portal Application                             | 0                                     | 186,864          | 0                 | 186,864                                |
| <b>Total Software Subscription Assets</b>                                       | <b>3,696,063</b>                      | <b>857,110</b>   | <b>0</b>          | <b>4,553,173</b>                       |
| <b>Total Subscription Assets</b>  | <b>3,696,063</b>                      | <b>857,110</b>   | <b>0</b>          | <b>4,553,173</b>                       |



| <b>Subscription Accumulated Amortization</b>                               |                  |                  |          |                  |
|--|------------------|------------------|----------|------------------|
| <b>Software</b>  |                  |                  |          |                  |
| SHI - Microsoft Enterprise   | 0                | 225,814          | 0        | 225,814          |
| ESRI - GIS Cloud Services  | 0                | 25,351           | 0        | 25,351           |
| Cisco VoIP Telephony   | 0                | 131,694          | 0        | 131,694          |
| Skydio X2E Drone   | 0                | 4,733            | 0        | 4,733            |
| SENSIBLE IT - Traffic and Criminal Software                                | 0                | 9,255            | 0        | 9,255            |
| Carahsoft - Legistar Open Platform   | 0                | 40,696           | 0        | 40,696           |
| Infor - CAD & RMS  | 0                | 153,676          | 0        | 153,676          |
| Tyler - Eagle Assessor License   | 0                | 64,534           | 0        | 64,534           |
| EnerGov Software   | 0                | 167,335          | 0        | 167,335          |
| SirsiDynix - Integrated Library System                                     | 0                | 35,875           | 0        | 35,875           |
| BOLDplanning Emergency Operations Plan Software                            | 0                | 4,506            | 0        | 4,506            |
| Tyler Software - Munis   | 0                | 193,735          | 0        | 193,735          |
| Tyler ExecuTime Software   | 0                | 10,661           | 0        | 10,661           |
| Datacenter - Voice Over Internet Protocol                                  | 0                | 48,962           | 0        | 48,962           |
| Tyler Eagle Recorder   | 0                | 23,580           | 0        | 23,580           |
| Fifth Asset Inc. dba Debtbook  | 0                | 15,777           | 0        | 15,777           |
| INDIGENT HEALTHCARE SOLUTIONS, LTD.  | 0                | 14,653           | 0        | 14,653           |
| Advanced Network Management Inc - Datacenter and Collaboration Managed Ser | 0                | 46,547           | 0        | 46,547           |
| GRANICUS - OpenCities License Subscription                                 | 0                | 16,446           | 0        | 16,446           |
| CliftonLarsonAllen ARPA Software Portal Application                        | 0                | 43,602           | 0        | 43,602           |
| <b>Total Software Subscription Accumulated Amortization</b>                | <b>0</b>         | <b>1,277,432</b> | <b>0</b> | <b>1,277,432</b> |
| <b>Total Subscription Accumulated Amortization</b>                         | <b>0</b>         | <b>1,277,432</b> | <b>0</b> | <b>1,277,432</b> |
| <b>Total Governmental Subscription Assets, Net</b>                         | <b>3,696,063</b> | <b>(420,322)</b> | <b>0</b> | <b>3,275,741</b> |

| <b>Activity (Rollforward Schedule)</b>  |                                       |                  |                   |  |
|---|---------------------------------------|------------------|-------------------|--|
| <b>GOVERNMENTAL ACTIVITIES:</b>   | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
| <b>Subscription Liability</b>   |                                       |                  |                   |  |
| <b>Software</b>   |                                       |                  |                   |  |
| SHI - Microsoft Enterprise  | 244,632                               | 0                | 244,632           | 0                                      |
| ESRI - GIS Cloud Services   | 27,464                                | 0                | 27,464            | 0                                      |
| Cisco VoIP Telephony  | 335,414                               | 0                | 56,029            | 279,385                                |
| Skydio X2E Drone  | 0                                     | 20,230           | 4,927             | 15,303                                 |
| SENSIBLE IT - Traffic and Criminal Software                                     | 18,098                                | 0                | 9,380             | 8,718                                  |
| Carahsoft - Legistar Open Platform  | 231,628                               | 0                | 34,306            | 197,322                                |
| Infor - CAD & RMS   | 472,982                               | 0                | 151,185           | 321,797                                |
| Tyler - Eagle Assessor License  | 258,450                               | 0                | 59,511            | 198,939                                |
| EnerGov Software  | 796,700                               | 0                | 150,123           | 646,577                                |
| SirsiDynix - Integrated Library System  | 197,312                               | 0                | 38,144            | 159,168                                |
| BOLDplanning Emergency Operations Plan Software                                 | 0                                     | 31,558           | 6,710             | 24,848                                 |
| Tyler Software - Munis  | 378,860                               | 0                | 378,860           | 0                                      |
| Tyler ExecuTime Software  | 21,232                                | 0                | 21,232            | 0                                      |
| Datacenter - Voice Over Internet Protocol                                       | 0                                     | 141,013          | 52,095            | 88,918                                 |
| Tyler Eagle Recorder  | 94,319                                | 0                | 23,651            | 70,668                                 |
| Fifth Asset Inc. dba Debtbook   | 219,862                               | 0                | 15,000            | 204,862                                |
| INDIGENT HEALTHCARE SOLUTIONS, LTD.   | 43,958                                | 0                | 14,851            | 29,107                                 |
| Advanced Network Management Inc - Datacenter and Collaboration Managed Services | 0                                     | 314,655          | 42,168            | 272,487                                |
| GRANICUS - OpenCities License Subscription                                      | 0                                     | 162,490          | 24,195            | 138,295                                |
| CliftonLarsonAllen ARPA Software Portal Application                             | 0                                     | 186,864          | 42,309            | 144,555                                |
| <b>Total Software Subscription Liability</b>                                    | <b>3,340,911</b>                      | <b>856,810</b>   | <b>1,396,772</b>  | <b>2,800,949</b>                       |
| <b>Total Subscription Liability</b>   | <b>3,340,911</b>                      | <b>856,810</b>   | <b>1,396,772</b>  | <b>2,800,949</b>                       |

| <b>ELECTRIC DISTRIBUTION ACTIVITIES:</b>                    | <b>Balance as of</b> |                  |                   | <b>Balance as of</b> |
|---|----------------------|------------------|-------------------|----------------------|
|   | <b>July 1, 2022</b>  | <b>Additions</b> | <b>Reductions</b> | <b>June 30, 2023</b> |
| <b>Subscription Assets</b>                                  |                      |                  |                   |                      |
| <b>Software</b>   |                      |                  |                   |                      |
| CCC Cemetery IMS Cloud License                              | 40,421               | 0                | 0                 | 40,421               |
| Ferguson/Sensus - Customer Portal Core                      | 79,419               | 0                | 0                 | 79,419               |
| <b>Total Software Subscription Assets</b>                   | <b>119,840</b>       | <b>0</b>         | <b>0</b>          | <b>119,840</b>       |
| <b>Total Subscription Assets</b>                            | <b>119,840</b>       | <b>0</b>         | <b>0</b>          | <b>119,840</b>       |
| <b>Subscription Accumulated Amortization</b>                |                      |                  |                   |                      |
| <b>Software</b>   |                      |                  |                   |                      |
| CCC Cemetery IMS Cloud License                              | 0                    | 7,740            | 0                 | 7,740                |
| Ferguson/Sensus - Customer Portal Core                      | 0                    | 10,032           | 0                 | 10,032               |
| <b>Total Software Subscription Accumulated Amortization</b> | <b>0</b>             | <b>17,772</b>    | <b>0</b>          | <b>17,772</b>        |
| Total Subscription Accumulated Amortization                 | 0                    | 17,772           | 0                 | 17,772               |
| <b>Total Electric Distribution Subscription Assets, Net</b> | <b>119,840</b>       | <b>(17,772)</b>  | <b>0</b>          | <b>102,068</b>       |

| <b>Fund (Rollforward Schedule)</b>           |                      |                  |                   |                      |
|--|----------------------|------------------|-------------------|----------------------|
| <b>ELECTRIC DISTRIBUTION ACTIVITIES:</b>     | <b>Balance as of</b> |                  |                   | <b>Balance as of</b> |
|  | <b>July 1, 2022</b>  | <b>Additions</b> | <b>Reductions</b> | <b>June 30, 2023</b> |
| <b>Subscription Liability</b>                |                      |                  |                   |                      |
| <b>Software</b>                              |                      |                  |                   |                      |
| CCC Cemetery IMS Cloud License               | 19,741               | 0                | 5,731             | 14,010               |
| Ferguson/Sensus - Customer Portal Core       | 56,561               | 0                | 6,796             | 49,765               |
| <b>Total Software Subscription Liability</b> | <b>76,302</b>        | <b>0</b>         | <b>12,527</b>     | <b>63,775</b>        |
| <b>Total Subscription Liability</b>          | <b>76,302</b>        | <b>0</b>         | <b>12,527</b>     | <b>63,775</b>        |

| <b>FIRE FUND ACTIVITIES:</b>                                | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
|---|---------------------------------------|------------------|-------------------|--|
| <b>Subscription Assets</b>                                  |                                       |                  |                   |  |
| <b>Software</b>   |                                       |                  |                   |  |
| Fire Inspection Software Solution                           | 220,442                               | 0                | 0                 | 220,442                                |
| Target Solutions Learning - Check It                        | 67,711                                | 0                | 0                 | 67,711                                 |
| Amazon Web & Learning Management System                     | 77,572                                | 0                | 0                 | 77,572                                 |
| <b>Total Software Subscription Assets</b>                   | <b>365,725</b>                        | <b>0</b>         | <b>0</b>          | <b>365,725</b>                         |
| <b>Total Subscription Assets</b>                            | <b>365,725</b>                        | <b>0</b>         | <b>0</b>          | <b>365,725</b>                         |
| <b>Subscription Accumulated Amortization</b>                |                                       |                  |                   |  |
| <b>Software</b>   |                                       |                  |                   |  |
| Fire Inspection Software Solution                           | 0                                     | 15,653           | 0                 | 15,653                                 |
| Target Solutions Learning - Check It                        | 0                                     | 12,115           | 0                 | 12,115                                 |
| Amazon Web & Learning Management System                     | 0                                     | 13,880           | 0                 | 13,880                                 |
| <b>Total Software Subscription Accumulated Amortization</b> | <b>0</b>                              | <b>41,648</b>    | <b>0</b>          | <b>41,648</b>                          |
| <b>Total Subscription Accumulated Amortization</b>          | <b>0</b>                              | <b>41,648</b>    | <b>0</b>          | <b>41,648</b>                          |
| <b>Total Fire Fund Subscription Assets, Net</b>             | <b>365,725</b>                        | <b>(41,648)</b>  | <b>0</b>          | <b>324,077</b>                         |

| <b>Fund (Rollforward Schedule)</b>           |                                       |                  |                   |  |
|--|---------------------------------------|------------------|-------------------|--|
| <b>FIRE FUND ACTIVITIES:</b>                 | <b>Balance as of<br/>July 1, 2022</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance as of<br/>June 30, 2023</b> |
| <b>Subscription Liability</b>                |                                       |                  |                   |  |
| <b>Software</b>                              |                                       |                  |                   |  |
| Fire Inspection Software Solution            | 215,442                               | 0                | 24,775            | 190,667                                |
| Target Solutions Learning - Check It         | 67,711                                | 0                | 12,621            | 55,090                                 |
| Amazon Web & Learning Management System      | 77,572                                | 0                | 14,492            | 63,080                                 |
| <b>Total Software Subscription Liability</b> | <b>360,725</b>                        | <b>0</b>         | <b>51,888</b>     | <b>308,837</b>                         |
| <b>Total Subscription Liability</b>          | <b>360,725</b>                        | <b>0</b>         | <b>51,888</b>     | <b>308,837</b>                         |

| TRANSIT ACTIVITIES:   | Balance as of<br>July 1, 2022 | Additions       | Reductions | Balance as of<br>June 30, 2023 |
|---|-------------------------------|-----------------|------------|--------------------------------|
| <b>Subscription Assets</b>                                  |                               |                 |            |                                |
| <b>Software</b>   |                               |                 |            |                                |
| Remix - Hosted software                                     | 16,024                        | 0               | 0          | 16,024                         |
| <b>Total Software Subscription Assets</b>                   | <b>16,024</b>                 | <b>0</b>        | <b>0</b>   | <b>16,024</b>                  |
| <b>Total Subscription Assets</b>                            | <b>16,024</b>                 | <b>0</b>        | <b>0</b>   | <b>16,024</b>                  |
| <b>Subscription Accumulated Amortization</b>                |                               |                 |            |                                |
| <b>Software</b>   |                               |                 |            |                                |
| Remix - Hosted software                                     | 0                             | 13,702          | 0          | 13,702                         |
| <b>Total Software Subscription Accumulated Amortization</b> | <b>0</b>                      | <b>13,702</b>   | <b>0</b>   | <b>13,702</b>                  |
| <b>Total Subscription Accumulated Amortization</b>          | <b>0</b>                      | <b>13,702</b>   | <b>0</b>   | <b>13,702</b>                  |
| <b>Total Transit Subscription Assets, Net</b>               | <b>16,024</b>                 | <b>(13,702)</b> | <b>0</b>   | <b>2,322</b>                   |

| Fund (Rollforward Schedule)                  |                               |           |                  |                                |
|--|-------------------------------|-----------|------------------|--------------------------------|
| TRANSIT ACTIVITIES:                          | Balance as of<br>July 1, 2022 | Additions | Reductions       | Balance as of<br>June 30, 2023 |
| <b>Subscription Liability</b>                |                               |           |                  |                                |
| <b>Software</b>                              |                               |           |                  |                                |
| Remix - Hosted software                      | 16,024.00                     | 0         | 16,024.00        | 0                              |
| <b>Total Software Subscription Liability</b> | <b>16,024.00</b>              | <b>0</b>  | <b>16,024.00</b> | <b>0</b>                       |
| <b>Total Subscription Liability</b>          | <b>16,024.00</b>              | <b>0</b>  | <b>16,024.00</b> | <b>0</b>                       |

| <b>GENERAL GOVERNMENT SUBSCRIPTIONS ACTIVITIES:</b>                             | <b>Balance as of</b> |                  |                   | <b>Balance as of</b> |
|---|----------------------|------------------|-------------------|----------------------|
|   | <b>July 1, 2022</b>  | <b>Additions</b> | <b>Reductions</b> | <b>June 30, 2023</b> |
| <b>Subscription Assets</b>  |                      |                  |                   |                      |
| <b>Software</b>   |                      |                  |                   |                      |
| SHI - Microsoft Enterprise  | 244,632              | 0                | 0                 | 244,632              |
| ESRI - GIS Cloud Services   | 27,464               | 0                | 0                 | 27,464               |
| Cisco VoIP Telephony  | 658,469              | 0                | 0                 | 658,469              |
| Skydio X2E Drone  | 0                    | 20,530           | 0                 | 20,530               |
| SENSIBLE IT - Traffic and Criminal Software                                     | 18,098               | 0                | 0                 | 18,098               |
| Carahsoft - Legistar Open Platform  | 231,628              | 0                | 0                 | 231,628              |
| Infor - CAD & RMS   | 472,982              | 0                | 0                 | 472,982              |
| Tyler - Eagle Assessor License  | 274,450              | 0                | 0                 | 274,450              |
| EnerGov Software  | 796,700              | 0                | 0                 | 796,700              |
| SirsiDynix - Integrated Library System  | 197,312              | 0                | 0                 | 197,312              |
| BOLDplanning Emergency Operations Plan Software                                 | 0                    | 31,558           | 0                 | 31,558               |
| Tyler Software - Munis  | 378,860              | 0                | 0                 | 378,860              |
| Tyler ExecuTime Software  | 21,232               | 0                | 0                 | 21,232               |
| Datacenter - Voice Over Internet Protocol                                       | 0                    | 141,013          | 0                 | 141,013              |
| Tyler Eagle Recorder  | 94,319               | 0                | 0                 | 94,319               |
| Fifth Asset Inc. dba Debtbook   | 235,959              | 0                | 0                 | 235,959              |
| INDIGENT HEALTHCARE SOLUTIONS, LTD.   | 43,958               | 0                | 0                 | 43,958               |
| Advanced Network Management Inc - Datacenter and Collaboration Managed Services | 0                    | 314,655          | 0                 | 314,655              |
| GRANICUS - OpenCities License Subscription                                      | 0                    | 162,490          | 0                 | 162,490              |
| CliftonLarsonAllen ARPA Software Portal Application                             | 0                    | 186,864          | 0                 | 186,864              |
| <b>Total Software Subscription Assets</b>                                       | <b>3,696,063</b>     | <b>857,110</b>   | <b>0</b>          | <b>4,553,173</b>     |
| <b>Total Subscription Assets</b>  | <b>3,696,063</b>     | <b>857,110</b>   | <b>0</b>          | <b>4,553,173</b>     |

| <b>Subscription Accumulated Amortization</b>                                    |                  |                  |          |                  |
|---|------------------|------------------|----------|------------------|
| <b>Software</b>   |                  |                  |          |                  |
| SHI - Microsoft Enterprise  | 0                | 225,814          | 0        | 225,814          |
| ESRI - GIS Cloud Services   | 0                | 25,351           | 0        | 25,351           |
| Cisco VoIP Telephony  | 0                | 131,694          | 0        | 131,694          |
| Skydio X2E Drone  | 0                | 4,733            | 0        | 4,733            |
| SENSIBLE IT - Traffic and Criminal Software                                     | 0                | 9,255            | 0        | 9,255            |
| Carahsoft - Legistar Open Platform  | 0                | 40,696           | 0        | 40,696           |
| Infor - CAD & RMS   | 0                | 153,676          | 0        | 153,676          |
| Tyler - Eagle Assessor License  | 0                | 64,534           | 0        | 64,534           |
| EnerGov Software  | 0                | 167,335          | 0        | 167,335          |
| SirsiDynix - Integrated Library System  | 0                | 35,875           | 0        | 35,875           |
| BOLDplanning Emergency Operations Plan Software                                 | 0                | 4,506            | 0        | 4,506            |
| Tyler Software - Munis  | 0                | 193,735          | 0        | 193,735          |
| Tyler ExecuTime Software  | 0                | 10,661           | 0        | 10,661           |
| Datacenter - Voice Over Internet Protocol                                       | 0                | 48,962           | 0        | 48,962           |
| Tyler Eagle Recorder  | 0                | 23,580           | 0        | 23,580           |
| Fifth Asset Inc. dba Debtbook   | 0                | 15,777           | 0        | 15,777           |
| INDIGENT HEALTHCARE SOLUTIONS, LTD.   | 0                | 14,653           | 0        | 14,653           |
| Advanced Network Management Inc - Datacenter and Collaboration Managed Services | 0                | 46,547           | 0        | 46,547           |
| GRANICUS - OpenCities License Subscription                                      | 0                | 16,446           | 0        | 16,446           |
| CliftonLarsonAllen ARPA Software Portal Application                             | 0                | 43,602           | 0        | 43,602           |
| <b>Total Software Subscription Accumulated Amortization</b>                     | <b>0</b>         | <b>1,277,432</b> | <b>0</b> | <b>1,277,432</b> |
| <b>Total Subscription Accumulated Amortization</b>                              | <b>0</b>         | <b>1,277,432</b> | <b>0</b> | <b>1,277,432</b> |
| <b>Total General Government Subscriptions Subscription Assets, Net</b>          | <b>3,696,063</b> | <b>(420,322)</b> | <b>0</b> | <b>3,275,741</b> |

| <b>Fund (Rollforward Schedule)</b>  |                      |                  |                   |                      |
|---|----------------------|------------------|-------------------|----------------------|
| <b>GENERAL GOVERNMENT SUBSCRIPTIONS ACTIVITIES:</b>                             | <b>Balance as of</b> |                  |                   | <b>Balance as of</b> |
|   | <b>July 1, 2022</b>  | <b>Additions</b> | <b>Reductions</b> | <b>June 30, 2023</b> |
| <b>Subscription Liability</b>   |                      |                  |                   |                      |
| <b>Software</b>   |                      |                  |                   |                      |
| SHI - Microsoft Enterprise  | 244,632              | 0                | 244,632           | 0                    |
| ESRI - GIS Cloud Services   | 27,464               | 0                | 27,464            | 0                    |
| Cisco VoIP Telephony  | 335,414              | 0                | 56,029            | 279,385              |
| Skydio X2E Drone  | 0                    | 20,230           | 4,927             | 15,303               |
| SENSIBLE IT - Traffic and Criminal Software                                     | 18,098               | 0                | 9,380             | 8,718                |
| Carahsoft - Legistar Open Platform  | 231,628              | 0                | 34,306            | 197,322              |
| Infor - CAD & RMS   | 472,982              | 0                | 151,185           | 321,797              |
| Tyler - Eagle Assessor License  | 258,450              | 0                | 59,511            | 198,939              |
| EnerGov Software  | 796,700              | 0                | 150,123           | 646,577              |
| SirsiDynix - Integrated Library System  | 197,312              | 0                | 38,144            | 159,168              |
| BOLDplanning Emergency Operations Plan Software                                 | 0                    | 31,558           | 6,710             | 24,848               |
| Tyler Software - Munis  | 378,860              | 0                | 378,860           | 0                    |
| Tyler ExecuTime Software  | 21,232               | 0                | 21,232            | 0                    |
| Datacenter - Voice Over Internet Protocol                                       | 0                    | 141,013          | 52,095            | 88,918               |
| Tyler Eagle Recorder  | 94,319               | 0                | 23,651            | 70,668               |
| Fifth Asset Inc. dba Debtbook   | 219,862              | 0                | 15,000            | 204,862              |
| INDIGENT HEALTHCARE SOLUTIONS, LTD.   | 43,958               | 0                | 14,851            | 29,107               |
| Advanced Network Management Inc - Datacenter and Collaboration Managed Services | 0                    | 314,655          | 42,168            | 272,487              |
| GRANICUS - OpenCities License Subscription                                      | 0                    | 162,490          | 24,195            | 138,295              |
| CliftonLarsonAllen ARPA Software Portal Application                             | 0                    | 186,864          | 42,309            | 144,555              |
| Total Software Subscription Liability   | 3,340,911            | 856,810          | 1,396,772         | 2,800,949            |
| Total Subscription Liability  | 3,340,911            | 856,810          | 1,396,772         | 2,800,949            |

## **(24) PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS AND AVAILABILITY PAYMENT ARRANGEMENTS**

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements with the objective of improving financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The County identified six Availability Payment Arrangements (APAs), which are accounted for as outflows of resources and recorded as expense in the period in which the payment is made as required in GASB 94, paragraph 78. There is no impact to the balance sheet. For additional information, refer to the disclosures below.

On July 1, 2020, Los Alamos County, NM entered into an 84 month agreement with Los Alamos Family Council to staff and operate two Youth Activity Centers in Los Alamos County. The total amount of contract is \$2,576,930 and is accounted for as outflows of resources by the County of Los Alamos, and recorded as expense in the period in which each annual payment is made as required.

On July 1, 2020, Los Alamos County, NM entered into a 60 month agreement with Los Alamos Historical Society to staff, operate, and maintain Museum and Museum Shop for the benefit of the public. The total amount of contract is \$1,148,259 and is accounted for as outflows of resources by the County of Los Alamos, and recorded as expense in the period in which each annual payment is made as required.

On July 1, 2020, Los Alamos County, NM entered into a 60 month agreement with The Family YMCA to Operate and staff the Teen Center in Los Alamos. The total amount of contract is \$2,242,555 and is accounted for as outflows of resources by the County of Los Alamos, and recorded as expense in the period in which each annual payment is made as required.



On July 1, 2021, Los Alamos County, NM entered into an 84 month agreement with Pajarito Environmental Education Center, Inc. to operate a Nature Center owned by the County. All for the benefit of the public. The total amount of contract is \$1,527,677 and is accounted for as outflows of resources by the County of Los Alamos, and recorded as expense in the period in which each annual payment is made as required.

On January 5, 2022, Los Alamos County, NM entered into an 84 month agreement with Los Alamos Commerce & Development Corporation dba Discover Los Alamos to staff, provide equipment, operate, and manage two Visitor Centers owned by the County of Los Alamos. The total amount of contract is \$2,029,903 and is accounted for as outflows of resources by the County of Los Alamos, and recorded as expense in the period in which each annual payment is made as required.

On July 1, 2022, Los Alamos County, NM entered into a 60 month agreement with The Family YMCA to Operate and staff the Teen Center in Los Alamos. The total amount of contract is \$2,242,555 and is accounted for as outflows of resources by the County of Los Alamos, and recorded as expense in the period in which each annual payment is made as required.

The total outflows of resources for the six APAs is \$1,397,329, which is recorded as expense for the year ended June 30, 2023. The total remaining outflows of resources, which will be recorded as expense in the future period in which the payments will be made as required in GASB 94, paragraph 78, is \$6,534,756.

## **(25) PRIOR PERIOD RESTATEMENT**

GASB Technical Bulletin 2020-1 has clarified that American Rescue Plan Act (ARPA) funds are subject to applicable eligibility requirements under the guidance of GASB 33. In fiscal years 2021 and 2022, the County received \$1,881,101 in ARPA funding, for a total of \$ 3,762,202, which was recognized as revenue in the respective fiscal years per original guidance. As of June 30, 2022, the County had unspent ARPA funds of \$3,707,724, which resulted in the County's fiscal year 2023 beginning net position being overstated by \$3,707,724. During fiscal year 2023, the County spent \$1,576,762 of the remaining ARPA funds. In fiscal year 2023, the County obtained additional guidance regarding the treatment of the ARPA revenue, in regard to revenue recognition. As a result, as of June 30, 2023, the remaining unearned revenue liability for ARPA funds was \$2,130,962.

GASB Statement 87, Leases, requires a lessor to recognize a lease receivable and a deferred inflow of resources as well as recognize interest revenue on the lease receivable and an inflow of resources (for example, revenue) from the deferred inflows of resources in a systematic and rational manner over the term of the lease. In fiscal year 2022, the County recognized the Governmental Activities leases receivable and deferred inflow of resources on the Government-Wide financial statements. As a result, the beginning fiscal year 2023 fund balance for the governmental funds were understated by \$258,675. However, in fiscal year 2023, the County received additional guidance that the governmental fund financial statements should also reflect this activity. In fiscal year 2023, the County recorded leases receivable of \$21,312,955, deferred inflows of resources of \$20,858,003 and a prior period adjustment in the General Fund financial statements of \$258,675 to correct this error.

GASB Statement 84, Fiduciary Activities, requires a county government to recognize a liability when it collects taxes for other governments. In fiscal year 2022, the County recorded a net position in its Property Tax fund resulting in the fiscal year 2023 beginning net position being overstated by \$431,038. In fiscal year 2023, the County obtained additional guidance regarding this presentation. As a result. the County recorded a prior period adjustment, resulting in the Property Tax fund having an ending net position of \$0 as of June 30, 2023.



**Required Supplementary Information**

**INCORPORATED COUNTY OF LOS ALAMOS  
NEW MEXICO PERA MUNICIPAL GENERAL DIVISION  
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
LAST TEN FISCAL YEARS [a]**

|   | <u>FY2023</u>                 | <u>FY2022</u>        | <u>FY2021</u>        | <u>FY2020</u>        | <u>FY2019</u>        | <u>FY2018</u>        | <u>FY2017</u>        | <u>FY2016</u>        |
|---|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | <b>Measurement Date as of</b> |                      |                      |                      |                      |                      |                      |                      |
|   | <u>June 30, 2022</u>          | <u>June 30, 2021</u> | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
| County proportion of the net pension liability  | 3.2527%                       | 3.2981%              | 3.1545%              | 3.1100%              | 3.6388%              | 3.2978%              | 3.0931%              | 3.0997%              |
| County proportionate share of the net pension liability   | \$ 57,692,526                 | \$ 37,158,927        | \$ 63,791,160        | \$ 58,837,193        | \$ 58,015,939        | \$ 45,314,561        | \$ 49,423,456        | \$ 31,604,127        |
| County covered payroll  | 24,254,103                    | 30,265,628           | 29,644,941           | 28,361,756           | 27,062,042           | 28,784,360           | 28,183,333           | 25,894,321           |
| County proportionate share of the net pension liability<br>as a percentage of its covered payroll | 237.9%                        | 122.8%               | 215.2%               | 207.5%               | 214.4%               | 157.4%               | 175.4%               | 122.1%               |
| Plan fiduciary net position as a percentage of the<br>total pension liability                     | 69.35%                        | 77.25%               | 66.36%               | 70.52%               | 71.13%               | 73.74%               | 69.18%               | 81.5%                |

[a] The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

[b] Covered payroll is presented for the prior fiscal year to match the measurement date of the pension liability.

**INCORPORATED COUNTY OF LOS ALAMOS  
NEW MEXICO PERA MUNICIPAL GENERAL DIVISION  
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS  
LAST TEN FISCAL YEARS [a]**

|   | <u>FY2023</u> | <u>FY2022</u> | <u>FY2021</u> | <u>FY2020</u> | <u>FY2019</u> | <u>FY2018</u> | <u>FY2017</u> | <u>FY2016</u> |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarial determined contribution                                 | \$ 3,557,878  | \$ 2,966,032  | \$ 2,905,204  | \$ 2,951,264  | \$ 2,753,567  | \$ 2,931,499  | \$ 2,534,844  | \$ 2,579,007  |
| Contributions in relation to contractually required contributions | 3,557,878     | 2,966,032     | 2,905,204     | 2,951,264     | 2,753,567     | 2,931,499     | 2,534,844     | 2,579,007     |
| Contribution deficiency (excess)                                  | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   |
| County covered payroll  | \$ 34,542,505 | \$ 30,265,628 | \$ 29,644,939 | \$ 30,114,939 | \$ 28,833,162 | \$ 30,696,325 | \$ 26,542,869 | \$ 27,005,309 |
| Contributions as a percentage of covered payroll                  | 10.30%        | 9.80%         | 9.80%         | 9.80%         | 9.55%         | 9.55%         | 9.55%         | 9.55%         |

[a] The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

**INCORPORATED COUNTY OF LOS ALAMOS  
NEW MEXICO PERA MUNICIPAL POLICE DIVISION  
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
LAST TEN FISCAL YEARS [a]**

|   | <u>FY2023</u>                 | <u>FY2022</u>        | <u>FY2021</u>        | <u>FY2020</u>        | <u>FY2019</u>        | <u>FY2018</u>        | <u>FY2017</u>        | <u>FY2016</u>        |
|---|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | <b>Measurement Date as of</b> |                      |                      |                      |                      |                      |                      |                      |
|   | <u>June 30, 2022</u>          | <u>June 30, 2021</u> | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
| County proportion of the net pension liability  | 1.1373%                       | 1.1173%              | 1.0634%              | 1.0708%              | 1.1533%              | 1.1284%              | 1.0753%              | 1.0245%              |
| County proportionate share of the net pension liability   | \$ 9,139,813                  | \$ 5,778,471         | \$ 9,133,220         | \$ 7,909,668         | \$ 7,869,016         | \$ 6,269,001         | \$ 7,927,902         | \$ 4,926,451         |
| County covered payroll  | 2,470,236                     | 3,653,671            | 3,721,409            | 3,533,220            | 3,338,452            | 3,507,562            | 2,325,631            | 2,007,757            |
| County proportionate share of the net pension liability<br>as a percentage of its covered payroll | 370.0%                        | 158.2%               | 245.4%               | 223.9%               | 235.7%               | 178.7%               | 340.9%               | 245.4%               |
| Plan fiduciary net position as a percentage of the<br>total pension liability                     | 69.35%                        | 77.25%               | 66.36%               | 70.52%               | 71.13%               | 73.74%               | 69.18%               | 78.3%                |

[a] The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

[b] Covered payroll is presented for the prior fiscal year to match the measurement date of the pension liability.

**INCORPORATED COUNTY OF LOS ALAMOS  
NEW MEXICO PERA MUNICIPAL POLICE DIVISION  
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS  
LAST TEN FISCAL YEARS [a]**

|   | <u>FY2023</u> | <u>FY2022</u> | <u>FY2021</u> | <u>FY2020</u> | <u>FY2019</u> | <u>FY2018</u> | <u>FY2017</u> | <u>FY2016</u> |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarial determined contribution                                 | \$ 824,289    | \$ 699,678    | \$ 693,739    | \$ 480,718    | \$ 389,019    | \$ 460,525    | \$ 405,149    | \$ 404,404    |
| Contributions in relation to contractually required contributions | 824,289       | 699,678       | 693,739       | 480,718       | 389,019       | 460,525       | 405,149       | 404,404       |
| Contribution deficiency (excess)                                  | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   |
| County covered payroll  | \$ 4,194,855  | \$ 3,653,671  | \$ 3,622,658  | \$ 2,510,277  | \$ 2,058,302  | \$ 2,436,640  | \$ 2,143,646  | \$ 2,139,704  |
| Contributions as a percentage of covered payroll                  | 19.65%        | 19.15%        | 19.15%        | 19.15%        | 18.90%        | 18.90%        | 18.90%        | 18.90%        |

[a] The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

**INCORPORATED COUNTY OF LOS ALAMOS  
NEW MEXICO PERA MUNICIPAL FIRE DIVISION  
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
LAST TEN FISCAL YEARS [a]**

|   | <u>FY2023</u>                 | <u>FY2022</u>        | <u>FY2021</u>        | <u>FY2020</u>        | <u>FY2019</u>        | <u>FY2018</u>        | <u>FY2017</u>        | <u>FY2016</u>        |
|---|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | <u>Measurement Date as of</u> |                      |                      |                      |                      |                      |                      |                      |
|   | <u>June 30, 2022</u>          | <u>June 30, 2021</u> | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
| County proportion of the net pension liability  | 6.6860%                       | 6.5460%              | 6.5852%              | 7.0259%              | 7.8388%              | 7.5073%              | 7.6203%              | 7.8438%              |
| County proportionate share of the net pension liability   | \$ 50,776,920                 | \$ 39,736,064        | \$ 49,808,727        | \$ 48,284,574        | \$ 50,173,239        | \$ 42,952,607        | \$ 50,835,148        | \$ 40,483,279        |
| County covered payroll  | 10,135,887                    | 9,340,534            | 9,340,533            | 9,164,720            | 9,357,544            | 9,961,027            | 9,097,485            | 8,935,025            |
| County proportionate share of the net pension liability<br>as a percentage of its covered payroll | 501.0%                        | 425.4%               | 533.3%               | 526.9%               | 536.2%               | 431.2%               | 558.8%               | 453.1%               |
| Plan fiduciary net position as a percentage of the<br>total pension liability                     | 69.35%                        | 77.25%               | 66.36%               | 70.52%               | 71.13%               | 73.74%               | 69.18%               | 81.5%                |

[a] The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

[b] Covered payroll is presented for the prior fiscal year to match the measurement date of the pension liability.

**INCORPORATED COUNTY OF LOS ALAMOS  
NEW MEXICO PERA MUNICIPAL FIRE DIVISION  
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS  
LAST TEN FISCAL YEARS [a]**

|   | <u>FY2023</u> | <u>FY2022</u> | <u>FY2021</u> | <u>FY2020</u> | <u>FY2019</u> | <u>FY2018</u> | <u>FY2017</u> | <u>FY2016</u> |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarial determined contribution                                 | \$ 2,777,233  | \$ 2,045,577  | \$ 2,045,577  | \$ 2,012,231  | \$ 2,089,272  | \$ 2,156,562  | \$ 1,920,956  | \$ 1,932,454  |
| Contributions in relation to contractually required contributions | 2,777,233     | 2,045,577     | 2,045,577     | 2,012,231     | 2,089,272     | 2,156,562     | 1,920,956     | 1,932,454     |
| Contribution deficiency (excess)                                  | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   |
| County covered payroll  | \$12,398,362  | \$ 9,340,534  | \$ 9,340,534  | \$ 9,188,269  | \$ 9,650,217  | \$ 9,961,025  | \$ 8,872,776  | \$ 8,925,885  |
| Contributions as a percentage of covered payroll                  | 22.40%        | 21.90%        | 21.90%        | 21.90%        | 21.65%        | 21.65%        | 21.65%        | 21.65%        |

[a] The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.



**INCORPORATED COUNTY OF LOS ALAMOS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES**

Year ended June 30, 2023

---

**Changes of benefit terms**

The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY22 audit available at <http://www.nmpera.org/financial-overview/comprehensive-annual-financial-report>.

**Changes of assumptions**

The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2023 report is available at <https://www.nmpera.org/assets/uploads/downloads/NewMexicoPERA23.pdf>. The summary of Key Findings for the PERA Fund (on page C-10 of the report) shows the "total loss for the year" is \$715.3 million. The source of the loss includes the following: contribution surplus with interest of \$90.6 million, asset losses for the year of \$213.1 million and liability experience loss for the year of \$562.3 million. For details about changes in the actuarial assumptions, see Section F of the report.

**INCORPORATED COUNTY OF LOS ALAMOS  
NEW MEXICO RETIREE HEALTH CARE ASSOCIATION  
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
LAST TEN FISCAL YEARS [a]**

|  | <u>FY2023</u>                 | <u>FY2022</u>        | <u>FY2021</u>        | <u>FY2020</u>        | <u>FY2019</u>        | <u>FY2018</u>        |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | <u>Measurement Date as of</u> |                      |                      |                      |                      |                      |
|  | <u>June 30, 2022</u>          | <u>June 30, 2021</u> | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
| County proportion of the net OPEB liability  | 91.80200%                     | 0.94456%             | 0.90780%             | 0.96531%             | 1.02953%             | 0.09978%             |
| County proportionate share of the net OPEB liability   | \$ 21,221,049                 | \$ 31,079,328        | \$ 38,117,687        | \$ 31,299,103        | \$ 44,767,617        | \$ 45,216,127        |
| County covered payroll   | \$ 48,410,459                 | \$ 43,584,302        | \$ 39,018,302        | \$ 40,281,697        | \$ 44,173,187        | \$ 41,563,996        |
| County proportionate share of the net OPEB liability<br>as a percentage of its covered payroll | 43.84%                        | 71.31%               | 97.69%               | 77.70%               | 101.35%              | 108.79%              |
| Plan fiduciary net OPEB as a percentage of the<br>total OPEB liability                         | 33.33%                        | 25.39%               | 16.50%               | 18.92%               | 13.14%               | 11.34%               |

[a] The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirements to show information for 10 years.

However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

[b] Covered payroll is presented for the prior fiscal year to match the measurement date of the other post employment benefits liability.

**INCORPORATED COUNTY OF LOS ALAMOS  
 NEW MEXICO RETIREE HEALTH CARE ASSOCIATION  
 SCHEDULE OF THE COUNTY'S CONTRIBUTIONS  
 LAST TEN FISCAL YEARS [a]**

|   | <u>FY2023</u>    | <u>FY2022</u>  | <u>FY2021</u>  | <u>FY2020</u>  | <u>FY2019</u>    | <u>FY2018</u>    |
|---|------------------|----------------|----------------|----------------|------------------|------------------|
| Contractually required contribution                               | \$ 1,086,795     | \$ 932,421     | \$ 911,093     | \$ 854,457     | \$ 1,608,813     | \$ 3,168,420     |
| Contributions in relation to contractually required contributions | <u>1,086,795</u> | <u>932,421</u> | <u>911,093</u> | <u>854,457</u> | <u>1,589,169</u> | <u>1,590,194</u> |
| Contribution deficiency (excss)                                   | <u>0</u>         | <u>0</u>       | <u>0</u>       | <u>0</u>       | <u>19,644</u>    | <u>1,578,226</u> |
| County covered payroll  | 48,410,459       | 46,621,050     | 42,296,608     | 40,281,697     | 44,173,187       | 41,563,996       |
| Contributions as a percentage of covered payroll                  | 2.24%            | 2.00%          | 2.15%          | 2.12%          | 3.60%            | 3.83%            |

[a] The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES**

Year ended June 30, 2023

---

**Changes of benefit terms**

The RHCA Fund eligibility benefits are described in Section 2 of the RHCA FY22 Actuarial Valuation available at [https://www.nmrhca.org/wp-content/uploads/2023/01/RPTS-05496.019-NMRHCA-6\\_30\\_2022-Measurement-GAS-74-Report5745459.2.pdf](https://www.nmrhca.org/wp-content/uploads/2023/01/RPTS-05496.019-NMRHCA-6_30_2022-Measurement-GAS-74-Report5745459.2.pdf)

## Other (nonmajor) Governmental Funds

**State Shared Revenues Fund 110** - this special revenue fund accounts for the receipt and expenditure of certain State Shared revenues. These include gasoline tax, arterial, cooperative, school bus route, and motor vehicle revenues, all of which provide funding for the general control and management of the County's roads, highways, and bridges. (7-1-6.9 NMSA 1978)

**Lodgers' Tax Fund 121** - this special revenue fund accounts for the proceeds of the lodgers' tax which are required to be used for promotional activities and for the acquisition of certain facilities as provided in the Los Alamos County Code Chapter 4.04. (3-38-21 NMSA 1978)

**State Grants/Other Fund 140** - this special revenue fund accounts for the receipt and expenditure of certain State grants and other grant awards. These include Law Enforcement Protection, Local DWI, Fire Marshal, Fire EMS, Community Health Council and Drug Enforcement Agency asset forfeiture funds. (29-13-6 NMSA 1978, 59A-53-5 NMSA 978, Civil Asset Forfeiture Reform Act of 2000)

**Health Care Assistance Fund 151** - this special revenue fund accounts for the revenues and expenditures associated with the administration of the Indigent Health Care Program. (25-5-7 NMSA 1978)

**Other Special Revenues Fund 180** - this special revenue fund accounts for the expenditures and revenues associated with the following activities: Property Tax Valuation funds; Clerk Recording and Equipment funds; Aquatic Center Gift funds; Library Gift funds; and Bench Warrant funds. This special revenue fund was established by County Council.

**Gross Receipts Tax Revenue Bond Debt Service 231** - this debt service fund accounts for amounts to be accumulated for payment of principal and interest on gross receipts tax revenue bonds issued for the construction of specific capital projects. Debt service is financed by a portion of the gross receipts tax imposed and collected by the State and distributed to the County.

**INCORPORATED COUNTY OF LOS ALAMOS**

**Other Governmental Funds**

Combining Balance Sheet

June 30, 2023

|  | SPECIAL REVENUE FUNDS |                |                      |                        |                        | DEBT SERVICE FUND               | TOTAL            |
|--|-----------------------|----------------|----------------------|------------------------|------------------------|---------------------------------|------------------|
|  | STATE SHARED REVENUES | LODGERS' TAX   | STATE GRANTS / OTHER | HEALTH CARE ASSISTANCE | OTHER SPECIAL REVENUES | GROSS RECEIPTS TAX REVENUE BOND |                  |
| <b>ASSETS</b>                                    |                       |                |                      |                        |                        |                                 |                  |
| Equity in pooled cash and investments            | \$ 131,212            | 313,071        | 2,457,847            | 1,753,788              | 905,095                | 276,821                         | 5,837,834        |
| Receivables, net of allowance for uncollectibles |                       |                |                      |                        |                        |                                 |                  |
| Accounts   | 0                     | 41,395         | 0                    | 0                      | 0                      | 0                               | 41,395           |
| Due from other governments                       | 80,410                | 0              | 33,672               | 572,918                | 0                      | 0                               | 687,000          |
| Restricted assets                                |                       |                |                      |                        |                        |                                 |                  |
| Cash and cash equivalents                        |                       |                |                      |                        |                        |                                 |                  |
| Debt reserves and debt service                   | 0                     | 0              | 0                    | 0                      | 0                      | 47,427                          | 47,427           |
| <b>TOTAL ASSETS</b>                              | <b>\$ 211,622</b>     | <b>354,466</b> | <b>2,491,519</b>     | <b>2,326,706</b>       | <b>905,095</b>         | <b>324,248</b>                  | <b>6,613,656</b> |
| <b>LIABILITIES</b>                               |                       |                |                      |                        |                        |                                 |                  |
| Accounts payable                                 | \$ 0                  | 53,495         | 95,539               | 1,608                  | 9,165                  | 0                               | 159,807          |
| Accrued salaries and benefits payable            | 0                     | 0              | 1,283                | 1,395                  | 1,546                  | 0                               | 4,224            |
| <b>TOTAL LIABILITIES</b>                         | <b>0</b>              | <b>53,495</b>  | <b>96,822</b>        | <b>3,003</b>           | <b>10,711</b>          | <b>0</b>                        | <b>164,031</b>   |
| <b>FUND BALANCE</b>                              |                       |                |                      |                        |                        |                                 |                  |
| Restricted for                                   |                       |                |                      |                        |                        |                                 |                  |
| Clerk records and files (State law)              | 0                     | 0              | 0                    | 0                      | 208,209                | 0                               | 208,209          |
| Debt service (Bond and loan agreements)          | 0                     | 0              | 0                    | 0                      | 0                      | 324,248                         | 324,248          |
| Grants (Granting entities)                       | 0                     | 0              | 2,394,697            | 0                      | 0                      | 0                               | 2,394,697        |
| Library operations (contributors)                | 0                     | 0              | 0                    | 0                      | 4,460                  | 0                               | 4,460            |
| Lodgers' tax (State law)                         | 0                     | 300,971        | 0                    | 0                      | 0                      | 0                               | 300,971          |
| Health care claims (State law)                   | 0                     | 0              | 0                    | 2,323,703              | 0                      | 0                               | 2,323,703        |
| Municipal court (State law and County code)      | 0                     | 0              | 0                    | 0                      | 28,400                 | 0                               | 28,400           |
| Property tax valuation (State law)               | 0                     | 0              | 0                    | 0                      | 487,065                | 0                               | 487,065          |
| Recreation (County code and contributors)        | 0                     | 0              | 0                    | 0                      | 37,416                 | 0                               | 37,416           |
| LG Abatement (State litigation Settlement)       | 0                     | 0              | 0                    | 0                      | 128,834                | 0                               | 128,834          |
| Major street management (State law)              | 211,622               | 0              | 0                    | 0                      | 0                      | 0                               | 211,622          |
| <b>TOTAL FUND BALANCE</b>                        | <b>211,622</b>        | <b>300,971</b> | <b>2,394,697</b>     | <b>2,323,703</b>       | <b>894,384</b>         | <b>324,248</b>                  | <b>6,449,625</b> |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b>        | <b>\$ 211,622</b>     | <b>354,466</b> | <b>2,491,519</b>     | <b>2,326,706</b>       | <b>905,095</b>         | <b>324,248</b>                  | <b>6,613,656</b> |

See accompanying notes to financial statements

## INCORPORATED COUNTY OF LOS ALAMOS

### Other Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2023

|                                 | SPECIAL REVENUE FUNDS |                |                      |                        |                        | DEBT SERVICE FUND               | TOTAL            |
|---------------------------------|-----------------------|----------------|----------------------|------------------------|------------------------|---------------------------------|------------------|
|                                 | STATE SHARED REVENUES | LODGERS' TAX   | STATE GRANTS / OTHER | HEALTH CARE ASSISTANCE | OTHER SPECIAL REVENUES | GROSS RECEIPTS TAX REVENUE BOND |                  |
| <b>REVENUES</b>                 |                       |                |                      |                        |                        |                                 |                  |
| Taxes                           |                       |                |                      |                        |                        |                                 |                  |
| Gross receipts taxes            | \$ 0                  | 0              | 0                    | 3,276,019              | 0                      | 0                               | 3,276,019        |
| Lodgers' tax                    | 0                     | 425,156        | 0                    | 0                      | 0                      | 0                               | 425,156          |
|                                 | <u>0</u>              | <u>425,156</u> | <u>0</u>             | <u>3,276,019</u>       | <u>0</u>               | <u>0</u>                        | <u>3,701,175</u> |
| Intergovernmental               |                       |                |                      |                        |                        |                                 |                  |
| State grants-fire               | 0                     | 0              | 1,024,071            | 0                      | 0                      | 0                               | 1,024,071        |
| State grants-police             | 0                     | 0              | 89,449               | 0                      | 0                      | 0                               | 89,449           |
| State grants-social services    | 0                     | 0              | 187,546              | 0                      | 0                      | 0                               | 187,546          |
| State shared revenues           | 439,347               | 0              | 0                    | 0                      | 0                      | 0                               | 439,347          |
|                                 | <u>439,347</u>        | <u>0</u>       | <u>1,301,066</u>     | <u>0</u>               | <u>0</u>               | <u>0</u>                        | <u>1,740,413</u> |
| Fines and forfeits              |                       |                |                      |                        |                        |                                 |                  |
| Court ordered reimbursements    | 0                     | 0              | 0                    | 0                      | 400                    | 0                               | 400              |
| Charges for services            |                       |                |                      |                        |                        |                                 |                  |
| Clerk fee                       | 0                     | 0              | 0                    | 0                      | 17,592                 | 0                               | 17,592           |
| Finance/treasurer fees          | 0                     | 0              | 0                    | 0                      | 232,510                | 0                               | 232,510          |
|                                 | <u>0</u>              | <u>0</u>       | <u>0</u>             | <u>0</u>               | <u>250,102</u>         | <u>0</u>                        | <u>250,102</u>   |
| Miscellaneous revenue           |                       |                |                      |                        |                        |                                 |                  |
| Investment income               | 0                     | 10,494         | 61,114               | 40,128                 | 24,182                 | 9,792                           | 145,710          |
| Buildings rental                | 0                     | 0              | 0                    | 31,000                 | 0                      | 0                               | 31,000           |
| Donations                       | 0                     | 0              | 0                    | 0                      | 100                    | 0                               | 100              |
| Other judgments and settlements | 0                     | 0              | 0                    | 0                      | 128,834                | 0                               | 128,834          |
| Other                           | 0                     | 0              | 855                  | 0                      | 0                      | 0                               | 855              |
|                                 | <u>0</u>              | <u>10,494</u>  | <u>61,969</u>        | <u>71,128</u>          | <u>153,116</u>         | <u>9,792</u>                    | <u>306,499</u>   |
| <b>TOTAL REVENUES</b>           | <b>439,347</b>        | <b>435,650</b> | <b>1,363,035</b>     | <b>3,347,147</b>       | <b>403,618</b>         | <b>9,792</b>                    | <b>5,998,589</b> |
| <b>EXPENDITURES</b>             |                       |                |                      |                        |                        |                                 |                  |
| General government              |                       |                |                      |                        |                        |                                 |                  |
| Municipal Court                 | 0                     | 0              | 0                    | 0                      | 2,000                  | 0                               | 2,000            |
| County Assessor                 | 0                     | 0              | 0                    | 0                      | 229,699                | 0                               | 229,699          |
| County Clerk                    | 0                     | 0              | 0                    | 0                      | 9,913                  | 0                               | 9,913            |
|                                 | <u>0</u>              | <u>0</u>       | <u>0</u>             | <u>0</u>               | <u>241,612</u>         | <u>0</u>                        | <u>241,612</u>   |
| Public safety                   |                       |                |                      |                        |                        |                                 |                  |
| Fire marshal                    | 0                     | 0              | 162,734              | 0                      | 0                      | 0                               | 162,734          |
| Fire-E.M.S. grant               | 0                     | 0              | 10,055               | 0                      | 0                      | 0                               | 10,055           |
| Police                          | 0                     | 0              | 11,449               | 0                      | 0                      | 0                               | 11,449           |
|                                 | <u>0</u>              | <u>0</u>       | <u>184,238</u>       | <u>0</u>               | <u>0</u>               | <u>0</u>                        | <u>184,238</u>   |

|  |                   |                 |                  |                  |                |                    |                    |
|--|-------------------|-----------------|------------------|------------------|----------------|--------------------|--------------------|
| Physical and economic environment                    |                   |                 |                  |                  |                |                    |                    |
| Community and Economic Development                   | 0                 | 453,378         | 0                | 0                | 0              | 0                  | <b>453,378</b>     |
| Transportation                                       |                   |                 |                  |                  |                |                    |                    |
| Public Works   | 580,000           | 0               | 0                | 0                | 0              | 0                  | <b>580,000</b>     |
| Health and welfare                                   |                   |                 |                  |                  |                |                    |                    |
| Community Services-Social Services                   | 0                 | 0               | 163,702          | 2,937,562        | 0              | 0                  | <b>3,101,264</b>   |
| Culture and recreation                               |                   |                 |                  |                  |                |                    |                    |
| Community Services-Recreation                        | 0                 | 0               | 0                | 0                | 256            | 0                  | <b>256</b>         |
| <b>Capital outlay:</b>                               |                   |                 |                  |                  |                |                    |                    |
| General government                                   |                   |                 |                  |                  |                |                    |                    |
| County Assessor                                      | 0                 | 0               | 0                | 0                | 32,437         | 0                  | 32,437             |
| County Clerk   | 0                 | 0               | 0                | 0                | 63,904         | 0                  | 63,904             |
| Public Safety  |                   |                 |                  |                  |                |                    |                    |
| Fire   | 0                 | 0               | 159,552          | 0                | 0              | 0                  | 159,552            |
| Police   | 0                 | 0               | 4,574            | 0                | 0              | 0                  | 4,574              |
| Community Services                                   | 0                 | 0               | 0                | 55,760           | 0              | 0                  | 55,760             |
|  | <b>0</b>          | <b>0</b>        | <b>164,126</b>   | <b>55,760</b>    | <b>96,341</b>  | <b>0</b>           | <b>316,227</b>     |
| <b>Debt service:</b>                                 |                   |                 |                  |                  |                |                    |                    |
| Principal  | 0                 | 0               | 0                | 0                | 0              | 3,545,000          | 3,545,000          |
| Interest   | 0                 | 0               | 0                | 0                | 0              | 1,007,409          | 1,007,409          |
|  | <b>0</b>          | <b>0</b>        | <b>0</b>         | <b>0</b>         | <b>0</b>       | <b>4,552,409</b>   | <b>4,552,409</b>   |
| <b>TOTAL EXPENDITURES</b>                            | <b>580,000</b>    | <b>453,378</b>  | <b>512,066</b>   | <b>2,993,322</b> | <b>338,209</b> | <b>4,552,409</b>   | <b>9,429,384</b>   |
| <b>EXCESS REVENUES OVER<br/>(UNDER) EXPENDITURES</b> | <b>(140,653)</b>  | <b>(17,728)</b> | <b>850,969</b>   | <b>353,825</b>   | <b>65,409</b>  | <b>(4,542,617)</b> | <b>(3,430,795)</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                   |                 |                  |                  |                |                    |                    |
| Transfers in   | 0                 | 0               | 11,700           | 650,000          | 30,000         | 4,552,409          | 5,244,109          |
|  | <b>0</b>          | <b>0</b>        | <b>11,700</b>    | <b>650,000</b>   | <b>30,000</b>  | <b>4,552,409</b>   | <b>5,244,109</b>   |
| <b>NET CHANGE IN FUND BALANCE</b>                    | <b>(140,653)</b>  | <b>(17,728)</b> | <b>862,669</b>   | <b>1,003,825</b> | <b>95,409</b>  | <b>9,792</b>       | <b>1,813,314</b>   |
| <b>FUND BALANCE</b>                                  |                   |                 |                  |                  |                |                    |                    |
| Beginning of fiscal year                             | 352,275           | 318,699         | 1,532,028        | 1,319,878        | 798,975        | 314,456            | 4,636,311          |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>             | <b>\$ 211,622</b> | <b>300,971</b>  | <b>2,394,697</b> | <b>2,323,703</b> | <b>894,384</b> | <b>324,248</b>     | <b>6,449,625</b>   |

See accompanying notes to financial statements



**INCORPORATED COUNTY OF LOS ALAMOS  
STATE SHARED REVENUES FUND**

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>    | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|-------------------|---|
| <b>REVENUES</b>   |                      |                       |                   |   |
| Intergovernmental   |                      |                       |                   |   |
| State shared revenues   | \$ 510,000           | 510,000               | 439,347           | (70,653)                                    |
| <b>TOTAL REVENUES</b>   | <u>510,000</u>       | <u>510,000</u>        | <u>439,347</u>    | <u>(70,653)</u>                             |
| <b>EXPENDITURES AND ENCUMBRANCES</b>                                  |                      |                       |                   |   |
| Public Works - major street maintenance                               |                      |                       |                   |   |
| Outside services  | 510,000              | 1,090,000             | 580,000           | 510,000                                     |
| <b>TOTAL EXPENDITURES<br/>AND ENCUMBRANCES</b>                        | <u>510,000</u>       | <u>1,090,000</u>      | <u>580,000</u>    | <u>510,000</u>                              |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENDITURES AND ENCUMBRANCES</b> | <u>0</u>             | <u>(580,000)</u>      | <u>(140,653)</u>  | <u>439,347</u>                              |
| <b>NET CHANGE IN FUND BALANCE</b>                                     | <u>\$ 0</u>          | <u>(580,000)</u>      | <u>(140,653)</u>  | <u>439,347</u>                              |
| <b>ADJUSTMENTS TO GAAP</b>  |                      |                       |                   |   |
| Encumbrances  |                      |                       | 0                 |   |
|   |                      |                       | <u>0</u>          |   |
| <b>GAAP BASIS</b>   |                      |                       | <u>(140,653)</u>  |   |
| <b>FUND BALANCE</b>   |                      |                       |                   |   |
| Beginning of fiscal year  |                      |                       | 352,275           |   |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>                              |                      |                       | <u>\$ 211,622</u> |   |

**INCORPORATED COUNTY OF LOS ALAMOS  
LODGERS' TAX FUND**

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|  | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>    | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|--|----------------------|-----------------------|-------------------|---|
| <b>REVENUES</b>                                |                      |                       |                   |   |
| <b>Taxes</b>                                   |                      |                       |                   |   |
| Selective gross receipt taxes                  | \$ 336,000           | 336,000               | 425,156           | 89,156                                      |
| <b>Miscellaneous revenues</b>                  |                      |                       |                   |   |
| Investment income                              | 6,000                | 6,000                 | 10,494            | 4,494                                       |
| <b>TOTAL REVENUES</b>                          | <u>342,000</u>       | <u>342,000</u>        | <u>435,650</u>    | <u>93,650</u>                               |
| <b>EXPENDITURES AND ENCUMBRANCES</b>           |                      |                       |                   |   |
| <b>Community and Economic Development</b>      |                      |                       |                   |   |
| Outside services                               | 491,702              | 491,702               | 475,439           | 16,263                                      |
| Intrafund/interfund services                   | 2,251                | 2,251                 | 2,251             | 0   |
| <b>TOTAL EXPENDITURES<br/>AND ENCUMBRANCES</b> | <u>493,953</u>       | <u>493,953</u>        | <u>477,690</u>    | <u>16,263</u>                               |
| <b>NET CHANGE IN FUND BALANCE</b>              | <u>\$ (151,953)</u>  | <u>(151,953)</u>      | <u>(42,040)</u>   | <u>109,913</u>                              |
| <b>ADJUSTMENTS TO GAAP</b>                     |                      |                       |                   |   |
| Encumbrances                                   |                      |                       | 24,312            |   |
| <b>GAAP BASIS</b>                              |                      |                       | <u>(17,728)</u>   |   |
| <b>FUND BALANCE</b>                            |                      |                       |                   |   |
| Beginning of fiscal year                       |                      |                       | 318,699           |   |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>       |                      |                       | <u>\$ 300,971</u> |   |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
STATE GRANTS/OTHER FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>      | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|---------------------|---|
| <b>REVENUES</b>   |                      |                       |                     |   |
| <b>Intergovernmental</b>  |                      |                       |                     |   |
| State grants-fire   | \$ 860,000           | 995,071               | 1,024,071           | 29,000                                      |
| State grants-police   | 45,000               | 89,450                | 89,449              | (1)   |
| State grants-other  | 126,461              | 219,452               | 187,546             | (31,906)                                    |
| <b>Miscellaneous revenues</b>   |                      |                       |                     |   |
| Investment income   | 29,000               | 29,000                | 61,114              | 32,114                                      |
| Other   | 0                    | 0                     | 855                 | 855   |
| <b>TOTAL REVENUES</b>   | <b>1,060,461</b>     | <b>1,332,973</b>      | <b>1,363,035</b>    | <b>30,062</b>                               |
| <b>EXPENDITURES AND ENCUMBRANCES</b>                                  |                      |                       |                     |   |
| <b>Community Services-Social services</b>                             |                      |                       |                     |   |
| DWI local grant   | 128,700              | 118,200               | 87,049              | 31,151                                      |
| Health council grant  | 9,461                | 100,000               | 76,653              | 23,347                                      |
|   | 138,161              | 218,200               | 163,702             | 54,498                                      |
| <b>Fire</b>   |                      |                       |                     |   |
| <b>Grants and contracts</b>   |                      |                       |                     |   |
| Fire marshal grant  | 850,000              | 2,404,319             | 413,058             | 1,991,261                                   |
| Fire - Emergency medical services grant                               | 10,000               | 10,424                | 10,055              | 369   |
|   | 860,000              | 2,414,743             | 423,113             | 1,991,630                                   |
| <b>Police</b>   |                      |                       |                     |   |
| <b>Grants and contracts</b>   |                      |                       |                     |   |
| Law enforcement protection grant                                      | 45,000               | 82,302                | 44,574              | 37,728                                      |
| Law enforcement retention fund  | 0                    | 11,450                | 11,449              | 1   |
|   | 45,000               | 93,752                | 56,023              | 37,729                                      |
| <b>TOTAL EXPENDITURES<br/>AND ENCUMBRANCES</b>                        | <b>1,043,161</b>     | <b>2,726,695</b>      | <b>642,838</b>      | <b>2,083,857</b>                            |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENDITURES AND ENCUMBRANCES</b> | <b>17,300</b>        | <b>(1,393,722)</b>    | <b>720,197</b>      | <b>2,113,919</b>                            |
| <b>OTHER FINANCING SOURCES (USES)</b>                                 |                      |                       |                     |   |
| <b>Transfers in from:</b>   |                      |                       |                     |   |
| General Fund  | 11,700               | 11,700                | 11,700              | 0   |
| <b>NET CHANGE IN FUND BALANCE</b>                                     | <b>\$ 29,000</b>     | <b>(1,382,022)</b>    | <b>731,897</b>      | <b>2,113,919</b>                            |
| <b>ADJUSTMENTS TO GAAP</b>  |                      |                       |                     |   |
| Encumbrances  |                      |                       | 130,772             |   |
| <b>GAAP BASIS</b>   |                      |                       | <b>862,669</b>      |   |
| <b>FUND BALANCE</b>   |                      |                       |                     |   |
| Beginning of fiscal year  |                      |                       | 1,532,028           |   |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>                              |                      |                       | <b>\$ 2,394,697</b> |   |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
HEALTH CARE ASSISTANCE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>      | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|---------------------|---|
| <b>REVENUES</b>   |                      |                       |                     |   |
| <b>Taxes</b>  |                      |                       |                     |   |
| General gross receipts taxes  | \$ 2,659,000         | 2,659,000             | 3,276,019           | 617,019                                     |
| <b>Miscellaneous revenues</b>   |                      |                       |                     |   |
| Investment income   | 31,000               | 31,000                | 40,128              | 9,128                                       |
| Buildings rental  | 0                    | 0                     | 31,000              | 31,000                                      |
| <b>TOTAL REVENUES</b>   | <b>2,690,000</b>     | <b>2,690,000</b>      | <b>3,347,147</b>    | <b>657,147</b>                              |
| <b>EXPENDITURES AND ENCUMBRANCES</b>                                  |                      |                       |                     |   |
| <b>Community Services-Social Services</b>                             |                      |                       |                     |   |
| Employee salaries and benefits  | 119,506              | 128,506               | 110,626             | 17,880                                      |
| Outside services  | 3,119,280            | 3,081,600             | 2,825,977           | 255,623                                     |
| Materials and supplies  | 17,662               | 1,000                 | 263                 | 737   |
| Capital outlay  | 0                    | 55,235                | 55,760              | (525)                                       |
| Debt and fiscal charges   | 696                  | 696                   | 696                 | 0   |
| <b>TOTAL EXPENDITURES<br/>AND ENCUMBRANCES</b>                        | <b>3,257,144</b>     | <b>3,267,037</b>      | <b>2,993,322</b>    | <b>273,715</b>                              |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENDITURES AND ENCUMBRANCES</b> | <b>(567,144)</b>     | <b>(577,037)</b>      | <b>353,825</b>      | <b>930,862</b>                              |
| <b>OTHER FINANCING SOURCES (USES)</b>                                 |                      |                       |                     |   |
| <b>Transfers in from:</b>   |                      |                       |                     |   |
| General Fund  | 650,000              | 650,000               | 650,000             | 0   |
| <b>NET CHANGE IN FUND BALANCE</b>                                     | <b>\$ 82,856</b>     | <b>72,963</b>         | <b>1,003,825</b>    | <b>930,862</b>                              |
| <b>ADJUSTMENTS TO GAAP</b>  |                      |                       |                     |   |
| Encumbrances  |                      |                       | 0                   |   |
| <b>GAAP BASIS</b>   |                      |                       | <b>1,003,825</b>    |   |
| <b>FUND BALANCE</b>   |                      |                       |                     |   |
| Beginning of fiscal year  |                      |                       | 1,319,878           |   |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>                              |                      |                       | <b>\$ 2,323,703</b> |   |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
OTHER SPECIAL REVENUES**

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>  | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|-----------------|---|
| <b>REVENUES</b>   |                      |                       |                 |   |
| <b>Fines and Forfeits</b>   |                      |                       |                 |   |
| Court ordered reimbursements  | \$ 3,300             | 3,300                 | 400             | (2,900)                                     |
| <b>Charges for Services</b>   |                      |                       |                 |   |
| Clerk fee   | 27,000               | 27,000                | 17,592          | (9,408)                                     |
| Finance/treasurer fees  | 225,000              | 225,000               | 232,510         | 7,510                                       |
|   | <u>252,000</u>       | <u>252,000</u>        | <u>250,102</u>  | <u>(1,898)</u>                              |
| <b>Miscellaneous revenues</b>   |                      |                       |                 |   |
| Investment income   | 12,000               | 12,000                | 24,182          | 12,182                                      |
| Donations   | 5,000                | 5,000                 | 100             | (4,900)                                     |
| Other   | 0                    | 127,000               | 128,834         | 1,834                                       |
|   | <u>17,000</u>        | <u>144,000</u>        | <u>153,116</u>  | <u>9,116</u>                                |
| <b>TOTAL REVENUES</b>   | <b>272,300</b>       | <b>399,300</b>        | <b>403,618</b>  | <b>4,318</b>                                |
| <b>EXPENDITURES AND ENCUMBRANCES</b>                                  |                      |                       |                 |   |
| <b>Municipal Court</b>  |                      |                       |                 |   |
| Bench warrant   | 32,486               | 35,486                | 2,000           | 33,486                                      |
| <b>County Assessor</b>  |                      |                       |                 |   |
| Property tax valuation  | 243,419              | 329,856               | 262,136         | 67,720                                      |
| <b>County Clerk</b>   |                      |                       |                 |   |
| Recording and equipment   | 26,700               | 201,966               | 185,179         | 16,787                                      |
| <b>Community Services</b>   |                      |                       |                 |   |
| Aquatic center gift   | 3,000                | 3,000                 | 256             | 2,744                                       |
| Library gift  | 3,200                | 3,200                 | 0               | 3,200                                       |
| LG Abatement Fund   | 0                    | 127,000               | 0               | 127,000                                     |
|   | <u>6,200</u>         | <u>133,200</u>        | <u>256</u>      | <u>132,944</u>                              |
| <b>TOTAL EXPENDITURES<br/>AND ENCUMBRANCES</b>                        | <b>308,805</b>       | <b>700,508</b>        | <b>449,571</b>  | <b>250,937</b>                              |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENDITURES AND ENCUMBRANCES</b> | <b>(36,505)</b>      | <b>(301,208)</b>      | <b>(45,953)</b> | <b>255,255</b>                              |

**OTHER FINANCING SOURCES (USES)**

|  |                             |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Transfers in from:                       |                             |                             |                             |                             |
| General Fund                             | 30,000                      | 30,000                      | 30,000                      | 0                           |
| Transfers out to:                        |                             |                             |                             |                             |
|  | <u>                    </u> | <u>                    </u> | <u>                    </u> | <u>                    </u> |
| <b>NET CHANGE IN FUND BALANCE</b>        | <b>\$ <u>(6,505)</u></b>    | <b><u>(271,208)</u></b>     | <b><u>(15,953)</u></b>      | <b><u>255,255</u></b>       |
| <b>ADJUSTMENTS TO GAAP</b>               |                             |                             |                             |                             |
| Encumbrances                             |                             |                             | 111,362                     |                             |
|  |                             |                             | <u>111,362</u>              |                             |
| <b>GAAP BASIS</b>                        |                             |                             | <b>95,409</b>               |                             |
| <b>FUND BALANCE</b>                      |                             |                             |                             |                             |
| Beginning of fiscal year                 |                             |                             | 798,975                     |                             |
| <b>FUND BALANCE - END OF FISCAL YEAR</b> |                             |                             | <b>\$ <u>894,384</u></b>    |                             |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
GROSS RECEIPTS TAX REVENUE BONDS FUND**

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u>   | <u>REVISED BUDGET</u> | <u>ACTUALS</u>           | VARIANCE<br>POSITIVE<br><br>(NEGATIVE) |
|---|------------------------|-----------------------|--------------------------|--|
| <b>REVENUES</b>   |                        |                       |                          |  |
| Miscellaneous revenues  |                        |                       |                          |  |
| Investment income   | \$ 6,000               | 6,000                 | 9,792                    | 3,792                                  |
| <b>EXPENDITURES AND ENCUMBRANCES</b>                                  |                        |                       |                          |  |
| Administrative Services - Finance Office                              |                        |                       |                          |  |
| Principal payment on debt   | 3,545,000              | 3,545,000             | 3,545,000                | 0                                      |
| Interest payment on debt  | 1,007,409              | 1,007,409             | 1,007,409                | 0                                      |
|   | <u>4,552,409</u>       | <u>4,552,409</u>      | <u>4,552,409</u>         | <u>0</u>                               |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENDITURES AND ENCUMBRANCES</b> | <b>(4,546,409)</b>     | <b>(4,546,409)</b>    | <b>(4,542,617)</b>       | <b>3,792</b>                           |
| <b>OTHER FINANCING SOURCES (USES)</b>                                 |                        |                       |                          |  |
| Transfers in from:  |                        |                       |                          |  |
| General Fund  | 4,552,409              | 4,552,409             | 4,552,409                | 0                                      |
| <b>NET CHANGE IN FUND BALANCE</b>                                     | <b>\$ <u>6,000</u></b> | <b><u>6,000</u></b>   | <b>9,792</b>             | <b><u>3,792</u></b>                    |
| <b>FUND BALANCE</b>   |                        |                       |                          |  |
| Beginning of fiscal year  |                        |                       | 314,456                  |  |
| <b>FUND BALANCE - END OF FISCAL YEAR</b>                              |                        |                       | <b>\$ <u>324,248</u></b> |  |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
CAPITAL PROJECTS PERMANENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|  | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>       | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|--|----------------------|-----------------------|----------------------|---|
| <b>REVENUES</b>                          |                      |                       |                      |   |
| Miscellaneous revenues                   |                      |                       |                      |   |
| Investment income                        | \$ 2,263,000         | 2,263,000             | 4,386,283            | 2,123,283                                   |
| <b>OTHER FINANCING SOURCES (USES)</b>    |                      |                       |                      |   |
| Transfers out to:                        |                      |                       |                      |   |
| Capital Improvement Projects Fund        | (1,575,170)          | (1,575,170)           | (1,575,170)          | 0   |
| <b>NET CHANGE IN FUND BALANCE</b>        | <b>\$ 687,830</b>    | <b>687,830</b>        | <b>2,811,113</b>     | <b>2,123,283</b>                            |
| <b>FUND BALANCE</b>                      |                      |                       |                      |   |
| Beginning of fiscal year                 |                      |                       | 30,774,792           |   |
| <b>FUND BALANCE - END OF FISCAL YEAR</b> |                      |                       | <b>\$ 33,585,905</b> |   |



**INCORPORATED COUNTY OF LOS ALAMOS**  
**PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS**  
 Year ended June 30, 2023

| PROJECT                                     | ACCOUNT NUMBER | PROJECT-LENGTH BUDGET APPROPRIATIONS | EXPENDED IN PRIOR YEARS | EXPENDED IN CURRENT YEAR | EXPENDED THROUGH JUNE 30, 2023 | UNEXPENDED AS OF JUNE 30, 2023 | ENCUMBRANCES AS OF JUNE 30, 2023 | REMAINING BALANCE AS OF JUNE 30, 2023 |
|---|----------------|--------------------------------------|-------------------------|--------------------------|--------------------------------|--------------------------------|----------------------------------|---------------------------------------|
| <b>CAPITAL IMPROVEMENT PROJECTS</b>         |                |                                      |                         |                          |                                |                                |                                  |                                       |
| Betty Ehart Senior Center Improvement       | CP1005         | 113,138                              | 0                       | 113,138                  | 113,138                        | 0                              | 0                                | 0                                     |
| WAC Building Design                         | CP1006         | 400,000                              | 81,769                  | 55,357                   | 137,126                        | 262,875                        | 235,457                          | 27,418                                |
| WR Bathroom-Truck Pads                      | CP1008         | 750,000                              | 0                       | 78,194                   | 78,194                         | 671,806                        | 46,221                           | 625,585                               |
| Deacon Street                               | CP4003         | 2,189,000                            | 0                       | 0                        | 0                              | 2,189,000                      | 0                                | 2,189,000                             |
| A-8-B Improvements (The Bluffs)             | CP4004         | 709,651                              | 0                       | 0                        | 0                              | 709,651                        | 10,000                           | 699,651                               |
| A-13 (Former LASO Site)                     | CP4005         | 1,009,253                            | 258,753                 | 322,719                  | 581,472                        | 427,781                        | 0                                | 427,781                               |
| A-16 Infrastructure                         | CP4006         | 171,738                              | 0                       | 0                        | 0                              | 171,738                        | 0                                | 171,738                               |
| N. Mesa Infrastructure                      | CP4007         | 1,225,000                            | 0                       | 0                        | 0                              | 1,225,000                      | 0                                | 1,225,000                             |
| DP Road Infrastructure                      | CP4009         | 5,177,309                            | 295,191                 | 6,384                    | 301,575                        | 4,875,734                      | 0                                | 4,875,734                             |
| Finch Street - Road Extension               | CP4010         | 1,476,609                            | 0                       | 0                        | 0                              | 1,476,609                      | 14,567                           | 1,462,042                             |
| North Mesa Housing - State Capital Outlay   | CP4011         | 375,132                              | 0                       | 0                        | 0                              | 375,132                        | 46,260                           | 328,872                               |
| Street CIP Allocation                       | CP5001         | 50,265                               | 0                       | 0                        | 0                              | 50,265                         | 0                                | 50,265                                |
| Pavement Condition Index Survey             | CP5010         | 14,284                               | 0                       | 0                        | 0                              | 14,284                         | 0                                | 14,284                                |
| Canyon Rim Trail West Phs 3                 | CP5012         | 403,275                              | 103,415                 | 0                        | 103,415                        | 299,860                        | 15,641                           | 284,219                               |
| Project Development, Standards & Guidelines | CP5015         | 133,419                              | 0                       | 0                        | 0                              | 133,419                        | 13,109                           | 120,310                               |
| Tsikuru Village Road Work                   | CP5017         | 20,930                               | 0                       | 0                        | 0                              | 20,930                         | 0                                | 20,930                                |
| Canyon Rim Trail Underpass                  | CP5018         | 199,538                              | 0                       | 0                        | 0                              | 199,538                        | 0                                | 199,538                               |
| Barranca Mesa Road Project                  | CP5019         | 165,026                              | 0                       | 0                        | 0                              | 165,026                        | 0                                | 165,026                               |
| Diamond Drive Pavement Rehab                | CP5021         | 3,982,867                            | 0                       | 0                        | 0                              | 3,982,867                      | 0                                | 3,982,867                             |
| Urban Trail Project                         | CP5022         | 2,654                                | 0                       | 0                        | 0                              | 2,654                          | 0                                | 2,654                                 |
| 20th Street Extension - Signal Light        | CP5024         | 398,000                              | 0                       | 0                        | 0                              | 398,000                        | 0                                | 398,000                               |
| Trinity Drive Safety & ADA Improvements     | CP5025         | 4,118,166                            | 0                       | 0                        | 0                              | 4,118,166                      | 514,851                          | 3,603,315                             |
| Transportation Planning                     | CP5026         | 195,492                              | 0                       | 0                        | 0                              | 195,492                        | 0                                | 195,492                               |
| North Mesa - Casa de Oro                    | CP5027         | 770,694                              | 0                       | 0                        | 0                              | 770,694                        | 0                                | 770,694                               |
| Sherwood Blvd Reconstruction                | CP5028         | 2,383,861                            | 1,178,157               | 1,128,956                | 2,307,113                      | 76,748                         | 52,785                           | 23,963                                |
| 33/34 Street and Arkansas                   | CP5029         | 2,974,291                            | 0                       | 1,976,321                | 1,976,321                      | 997,970                        | 775,331                          | 222,639                               |
| Cumbres Del Norte Road Project              | CP5031         | 55,157                               | 0                       | 0                        | 0                              | 55,157                         | 0                                | 55,157                                |
| Urban Trail Project Phase I                 | CP5032         | 1,200,000                            | 0                       | 0                        | 0                              | 1,200,000                      | 0                                | 1,200,000                             |
| Public Art (Continuing)                     | CP7001         | 128,665                              | 0                       | 0                        | 0                              | 128,665                        | 54,692                           | 73,973                                |
| Parks Small Capital Projects (Continuing)   | CP7002         | 1,053,545                            | 0                       | 0                        | 0                              | 1,053,545                      | 209,398                          | 844,147                               |
| Ice Rink Improvements Project               | CP7004         | 797,622                              | 0                       | 0                        | 0                              | 797,622                        | 0                                | 797,622                               |
| Golf Course Improvement                     | CP7011         | 4,835,552                            | 131,325                 | 473,526                  | 604,851                        | 4,230,701                      | 189,714                          | 4,040,987                             |
| Pinion Park Splash Pad                      | CP7012         | 704,758                              | 0                       | 0                        | 0                              | 704,758                        | 0                                | 704,758                               |
| Leisure Lagoon                              | CP7013         | 141,394                              | 0                       | 0                        | 0                              | 141,394                        | 63,523                           | 77,871                                |
| Community Recreation Space Design           | CP7014         | 349,999                              | 46,716                  | 285,431                  | 332,147                        | 17,852                         | 17,713                           | 139                                   |
| Tween Center Construction                   | CP7015         | 4,455,000                            | 0                       | 0                        | 0                              | 4,455,000                      | 0                                | 4,455,000                             |
| White Rock Community Rec Space              | CP7016         | 7,456,268                            | 0                       | 0                        | 0                              | 7,456,268                      | 0                                | 7,456,268                             |
| Tennis Court With Lights                    | CP7017         | 2,612,263                            | 0                       | 0                        | 0                              | 2,612,263                      | 0                                | 2,612,263                             |
| CSD Infrastructure - IMP & ADA              | CP7018         | 495,000                              | 0                       | 12,266                   | 12,266                         | 482,734                        | 33,816                           | 448,918                               |
| Information Technology (Continuing)         | CP9003         | 3,264,950                            | 0                       | 0                        | 0                              | 3,264,950                      | 474,298                          | 2,790,652                             |
|   |                | <u>56,959,765</u>                    | <u>2,095,326</u>        | <u>4,452,292</u>         | <u>6,547,618</u>               | <u>50,412,147</u>              | <u>2,767,376</u>                 | <u>47,644,771</u>                     |
| <b>PROJECTS COMPLETED IN FY2023</b>         |                |                                      |                         |                          |                                |                                |                                  |                                       |
|   | \$             |                                      |                         |                          |                                | 0                              | 0                                | 0                                     |
| Betty Ehart Senior Center Improvement       | CP1005         | 13,162                               | 0                       | 13,162                   | 13,162                         | 0                              | 0                                | 0                                     |
| Finch Street - Road Extension               | CP4010         | 9,958                                | 0                       | 9,958                    | 9,958                          | 0                              | 0                                | 0                                     |
| North Mesa Housing - State Capital Outlay   | CP4011         | 45,355                               | 0                       | 45,355                   | 45,355                         | 0                              | 0                                | 0                                     |
| NM 502 Knecht to Tewa                       | CP5003         | 13,633                               | 0                       | 12,645                   | 12,645                         | 988                            | 0                                | 988                                   |
| Project Development, Standards & Guidelines | CP5015         | 33,138                               | 0                       | 33,138                   | 33,138                         | 0                              | 0                                | 0                                     |
| Canyon Rim Trail Underpass                  | CP5018         | 185,920                              | 0                       | 185,920                  | 185,920                        | 0                              | 0                                | 0                                     |
| Urban Trail Project                         | CP5022         | 211,234                              | 171,046                 | 40,188                   | 211,234                        | 0                              | 0                                | 0                                     |
| Trinity Drive Safety & ADA Improvements     | CP5025         | 126,765                              | 69,718                  | 57,047                   | 126,765                        | 0                              | 0                                | 0                                     |
| Transportation Planning                     | CP5026         | 4,508                                | 0                       | 4,508                    | 4,508                          | 0                              | 0                                | 0                                     |
| Canyon Road Project                         | CP5030         | 4,038,892                            | 0                       | 4,038,892                | 4,038,892                      | 0                              | 0                                | 0                                     |
| Cumbres Del Norte Road Project              | CP5031         | 1,267,843                            | 406,884                 | 860,959                  | 1,267,843                      | 0                              | 0                                | 0                                     |
| Public Art (Continuing)                     | CP7001         | 51,433                               | 0                       | 51,433                   | 51,433                         | 0                              | 0                                | 0                                     |
| Parks Small Capital Projects (Continuing)   | CP7002         | 574,705                              | 0                       | 574,705                  | 574,705                        | 0                              | 0                                | 0                                     |
| Pajarito Mountain Bike Trails               | CP7007         | 10,823                               | 0                       | 10,823                   | 10,823                         | 0                              | 0                                | 0                                     |
| Golf Course Improvement                     | CP7011         | 1,501                                | 0                       | 1,501                    | 1,501                          | 0                              | 0                                | 0                                     |
| Leisure Lagoon                              | CP7013         | 7,982,291                            | 7,584,395               | 397,896                  | 7,982,291                      | 0                              | 0                                | 0                                     |
| White Rock Community Rec Space              | CP7016         | 21,986                               | 21,986                  | 0                        | 21,986                         | 0                              | 0                                | 0                                     |
| Tennis Court With Lights                    | CP7017         | 12,737                               | 0                       | 12,737                   | 12,737                         | 0                              | 0                                | 0                                     |
| Information Technology (Continuing)         | CP9003         | 758,798                              | 16,097                  | 742,701                  | 758,798                        | 0                              | 0                                | 0                                     |
|   |                | <u>15,364,562</u>                    | <u>8,270,006</u>        | <u>7,093,567</u>         | <u>15,363,573</u>              | <u>989</u>                     | <u>0</u>                         | <u>989</u>                            |
| <b>TOTAL PROJECTS COMPLETED IN FY2023</b>   |                |                                      |                         |                          |                                |                                |                                  |                                       |
|   | \$             | <u>72,324,327</u>                    | <u>10,365,332</u>       | <u>11,545,860</u>        | <u>21,911,192</u>              | <u>50,413,135</u>              | <u>2,767,376</u>                 | <u>47,645,760</u>                     |

Note: Project Length Budget Appropriations is the total appropriated since FY2015 reduced by the amounts capitalized in prior years.



## Joint Utility System Subfunds

The Joint Utility System is presented as a major fund. This section provides combining schedules for the individual utility subfunds and industry format financial schedules.

**Electric Utility Subfund 510** - accounts for the provision of electric utility services to the county.

**Gas Utility Subfund 531** - accounts for the provision of gas utility services to the county.

**Water Utility Subfund 540** - accounts for the provision of water utility services to the county.

**Wastewater Utility Subfund 551** - accounts for the provision of wastewater utility services to the county.



LOS ALAMOS

**INCORPORATED COUNTY OF LOS ALAMOS**  
**JOINT UTILITY SYSTEM SUBFUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**June 30, 2023**

|   | <u>ELECTRIC</u>          | <u>GAS</u>               | <u>WATER</u>             | <u>WASTEWATER</u>        | <u>TOTAL<br/>JOINT UTILITY<br/>SYSTEM</u> |
|---|--------------------------|--------------------------|--------------------------|--------------------------|---|
| <b>ASSETS</b>   |                          |                          |                          |                          |   |
| <b>CURRENT ASSETS</b>                                   |                          |                          |                          |                          |   |
| Equity (deficit) in pooled cash and investments         | \$ 1,116,334             | (882,306)                | 9,750,937                | 3,867,330                | 13,852,295                                |
| Receivables, net of allowance for uncollectibles        |                          |                          |                          |                          |   |
| Accounts  | 3,936,054                | 358,300                  | 2,501,184                | 427,616                  | 7,223,154                                 |
| Interest  | 462                      | 0                        | 0                        | 0                        | 462                                       |
| Unbilled  | 659,605                  | 151,313                  | 480,854                  | 295,310                  | 1,587,082                                 |
| Leases  | 210,086                  | 0                        | 0                        | 0                        | 210,086                                   |
| Due from other governments                              | 135,600                  | 0                        | 15,719                   | 0                        | 151,319                                   |
| Due from other subfunds (not included in total column)  | 0                        | 0                        | 91,053                   | 0                        | 0   |
| Inventories and prepayments                             |                          |                          |                          |                          |   |
| Inventories   | 1,829,937                | 97,643                   | 305,516                  | 10,598                   | 2,243,694                                 |
| Prepayments   | 663,446                  | 0                        | 0                        | 0                        | 663,446                                   |
|   | <u>8,551,524</u>         | <u>(275,050)</u>         | <u>13,145,263</u>        | <u>4,600,854</u>         | <u>25,931,538</u>                         |
| <b>RESTRICTED ASSETS</b>                                |                          |                          |                          |                          |   |
| Cash and cash equivalents                               |                          |                          |                          |                          |   |
| Debt reserves and debt service                          | 3,082,361                | 0                        | 190,983                  | 0                        | 3,273,344                                 |
| Operations and maintenance                              | 11,412,292               | 0                        | 0                        | 1,057,055                | 12,469,347                                |
|   | <u>14,494,653</u>        | <u>0</u>                 | <u>190,983</u>           | <u>1,057,055</u>         | <u>15,742,691</u>                         |
| <b>PROPERTY, PLANT AND EQUIPMENT</b>                    |                          |                          |                          |                          |   |
| Land  | 0                        | 0                        | 0                        | 2,959,328                | 2,959,328                                 |
| Utility plant in service                                | 130,661,896              | 18,974,668               | 102,970,270              | 43,882,395               | 296,489,229                               |
| Machinery and equipment                                 | 2,290,768                | 172,620                  | 723,345                  | 481,142                  | 3,667,875                                 |
| Less accumulated depreciation                           | (91,277,602)             | (7,105,175)              | (36,989,092)             | (16,860,101)             | (152,231,970)                             |
| Construction in progress                                | 1,506,038                | 31,983                   | 1,625,845                | 21,171,632               | 24,335,498                                |
| Right-to-use assets                                     |                          |                          |                          |                          |   |
| Subscription based IT arrangements, net of amortization | 102,068                  | 0                        | 0                        | 0                        | 102,068                                   |
|   | <u>43,283,168</u>        | <u>12,074,096</u>        | <u>68,330,368</u>        | <u>51,634,396</u>        | <u>175,322,028</u>                        |
| <b>OTHER ASSETS</b>                                     |                          |                          |                          |                          |   |
| <b>TOTAL ASSETS</b>                                     | <b><u>66,329,345</u></b> | <b><u>11,799,046</u></b> | <b><u>81,666,614</u></b> | <b><u>57,292,305</u></b> | <b><u>216,996,257</u></b>                 |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>                  |                          |                          |                          |                          |   |
| Deferred amounts from refunding of debt (debits)        | 198,081                  | 0                        | 0                        | 0                        | 198,081                                   |
| Deferred other post employment benefits                 | 684,404                  | 105,368                  | 137,296                  | 115,155                  | 1,042,223                                 |
| Deferred pensions                                       | 1,329,865                | 495,019                  | 113,333                  | 124,009                  | 2,062,226                                 |
| Deferred decommissioning cost                           | 2,474,890                | 0                        | 0                        | 0                        | 2,474,890                                 |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>             | <b><u>4,687,240</u></b>  | <b><u>600,387</u></b>    | <b><u>250,629</u></b>    | <b><u>239,164</u></b>    | <b><u>5,777,420</u></b>                   |

## LIABILITIES

### **CURRENT LIABILITIES**

|  |                  |                |                  |                  |                  |
|--|------------------|----------------|------------------|------------------|------------------|
| Accounts payable   | 2,960,191        | 87,160         | 997,385          | 1,368,668        | 5,413,404        |
| Accrued salaries including benefits payable                      | 113,080          | 9,219          | 29,843           | 20,098           | 172,240          |
| Accrued compensated absences                                     | 592,212          | 57,925         | 97,399           | 55,055           | 802,591          |
| Customer deposits payable  | 217,239          | 178,595        | 173,176          | 0                | 569,010          |
| Due to other governments   | 51,762           | 21,204         | 29,335           | 23,779           | 126,080          |
| Due to other subfunds (not included in total column)             | 0                | 0              | 0                | 91,053           | 0                |
| Subscription based IT arrangements liability                     | 7,614            | 0              | 0                | 0                | 7,614            |
| Interest payable on subscription based IT arrangements liability | 369              | 0              | 0                | 0                | 369              |
| Unearned revenue   | 0                | 0              | 317,313          | 0                | 317,313          |
|  | <u>3,942,467</u> | <u>354,103</u> | <u>1,644,451</u> | <u>1,558,653</u> | <u>7,408,621</u> |

### **LIABILITIES PAYABLE FROM RESTRICTED ASSETS**

|  |                  |          |                |                |                  |
|--|------------------|----------|----------------|----------------|------------------|
| Current portion of revenue bonds payable     | 1,027,378        | 0        | 332,622        | 0              | 1,360,000        |
| Contracts and intergovernmental debt payable | 0                | 0        | 121,180        | 724,359        | 845,539          |
| Interest payable on debt                     | 46,388           | 0        | 5,810          | 11,922         | 64,120           |
|  | <u>1,073,766</u> | <u>0</u> | <u>459,612</u> | <u>736,281</u> | <u>2,269,659</u> |

### **NON-CURRENT LIABILITIES**

|  |                   |                  |                  |                   |                   |
|--|-------------------|------------------|------------------|-------------------|-------------------|
| Revenue bonds payable                        | 10,705,003        | 0                | 606,358          | 0                 | 11,311,361        |
| Special closure costs                        | 11,397,852        | 0                | 0                | 0                 | 11,397,852        |
| Accrued compensated absences                 | 276,176           | 69,223           | 71,601           | 18,583            | 435,583           |
| Contracts and intergovernmental debt payable | 0                 | 0                | 6,509,389        | 19,734,151        | 26,243,540        |
| Subscription based IT arrangements liability | 56,161            | 0                | 0                | 0                 | 56,161            |
| Net other post employment benefits liability | 1,723,085         | 948,330          | 43,842           | 95,261            | 2,810,518         |
| Net pension liability                        | 8,157,831         | 2,121,653        | 1,177,232        | 1,008,220         | 12,464,936        |
|  | <u>32,316,108</u> | <u>3,139,206</u> | <u>8,408,422</u> | <u>20,856,215</u> | <u>64,719,951</u> |

### **TOTAL LIABILITIES**

|  |                          |                         |                          |                          |                          |
|--|--------------------------|-------------------------|--------------------------|--------------------------|--------------------------|
|  | <u><b>37,332,341</b></u> | <u><b>3,493,309</b></u> | <u><b>10,512,485</b></u> | <u><b>23,151,149</b></u> | <u><b>74,398,231</b></u> |
|--|--------------------------|-------------------------|--------------------------|--------------------------|--------------------------|

### **DEFERRED INFLOWS OF RESOURCES:**

|   |           |         |         |         |           |
|---|-----------|---------|---------|---------|-----------|
| Deferred other post employment benefits | 1,755,383 | 384,699 | 324,097 | 262,631 | 2,726,810 |
| Deferred pensions                       | 101,966   | 30,979  | 9,075   | 0       | 142,020   |
| Deferred leases                         | 207,133   | 0       | 0       | 0       | 207,133   |

### **TOTAL DEFERRED INFLOWS OF RESOURCES**

|  |                         |                       |                       |                       |                         |
|--|-------------------------|-----------------------|-----------------------|-----------------------|-------------------------|
|  | <u><b>2,064,482</b></u> | <u><b>415,678</b></u> | <u><b>333,172</b></u> | <u><b>262,631</b></u> | <u><b>3,075,963</b></u> |
|--|-------------------------|-----------------------|-----------------------|-----------------------|-------------------------|

### **NET POSITION**

|  |                             |                         |                          |                          |                           |
|--|-----------------------------|-------------------------|--------------------------|--------------------------|---------------------------|
| Net investment in capital assets                   | 31,685,093                  | 12,074,096              | 60,760,819               | 31,175,886               | 135,695,894               |
| Restricted assets for, net of related liabilities: |                             |                         |                          |                          |                           |
| Debt service                                       | 3,050,413                   | 0                       | 185,173                  | 1,045,133                | 4,280,719                 |
| Unrestricted                                       | (3,115,744)                 | (3,583,650)             | 10,125,594               | 1,896,670                | 5,322,870                 |
| <b>TOTAL NET POSITION</b>                          | <u><b>\$ 31,619,762</b></u> | <u><b>8,490,446</b></u> | <u><b>71,071,586</b></u> | <u><b>34,117,689</b></u> | <u><b>145,299,483</b></u> |

See accompanying notes to financial statements



LOS ALAMOS

**INCORPORATED COUNTY OF LOS ALAMOS**  
**JOINT UTILITY SYSTEM SUBFUNDS**  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
Year ended June 30, 2023

|   | <u>ELECTRIC</u>             | <u>GAS</u>              | <u>WATER</u>             | <u>WASTEWATER</u>        | <u>TOTAL<br/>JOINT UTILITY<br/>SYSTEM</u> |
|---|-----------------------------|-------------------------|--------------------------|--------------------------|---|
| <b>OPERATING REVENUES</b>                               |                             |                         |                          |                          |   |
| Utility sales and service                               | \$ 56,999,472               | 10,603,730              | 7,632,404                | 6,184,880                | 81,420,486                                |
| Rentals   | 13,942                      | 0                       | 0                        | 0                        | 13,942                                    |
| Intergovernmental                                       | 135,600                     | 0                       | 1,170,509                | 0                        | 1,306,109                                 |
| Miscellaneous operating revenue                         | 97,644                      | 34,724                  | 66,382                   | 860                      | 199,610                                   |
|   | <u>57,246,658</u>           | <u>10,638,454</u>       | <u>8,869,295</u>         | <u>6,185,740</u>         | <u>82,940,147</u>                         |
| <b>OPERATING EXPENSES</b>                               |                             |                         |                          |                          |   |
| Employee salaries and benefits                          | 7,613,143                   | 818,363                 | 1,644,551                | 1,537,994                | 11,614,051                                |
| Contractual services                                    | 46,782,442                  | 11,430,717              | 4,001,088                | 2,306,094                | 64,520,341                                |
| Materials and supplies                                  | 433,907                     | 112,148                 | 225,269                  | 251,121                  | 1,022,445                                 |
| Depreciation and amortization                           | 2,448,402                   | 398,337                 | 2,093,752                | 854,007                  | 5,794,498                                 |
| Special closure costs                                   | 1,916,112                   | 0                       | 0                        | 0                        | 1,916,112                                 |
| Other   | 23,488                      | 0                       | 12,388                   | 126,850                  | 162,726                                   |
|   | <u>59,217,494</u>           | <u>12,759,565</u>       | <u>7,977,048</u>         | <u>5,076,066</u>         | <u>85,030,173</u>                         |
| <b>OPERATING INCOME (LOSS)</b>                          | <b>(1,970,836)</b>          | <b>(2,121,111)</b>      | <b>892,247</b>           | <b>1,109,674</b>         | <b>(2,090,026)</b>                        |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                 |                             |                         |                          |                          |   |
| Gain (loss) on disposition of capital assets            | (21,449,388)                | (237,004)               | (1,876,868)              | (4,903)                  | (23,568,163)                              |
| Investment income (loss)                                | 683,520                     | 27,344                  | 398,473                  | 198,827                  | 1,308,164                                 |
| Interest on long-term debt                              | (601,324)                   | 0                       | (77,113)                 | (128,517)                | (806,954)                                 |
| Inventory adjustment                                    | 370,804                     | (2,899)                 | 50,650                   | (1,129)                  | 417,426                                   |
|   | <u>(20,996,388)</u>         | <u>(212,559)</u>        | <u>(1,504,858)</u>       | <u>64,278</u>            | <u>(22,649,527)</u>                       |
| <b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b> | <b>(22,967,224)</b>         | <b>(2,333,670)</b>      | <b>(612,611)</b>         | <b>1,173,952</b>         | <b>(24,739,553)</b>                       |
| <b>TRANSFERS AND CONTRIBUTIONS</b>                      |                             |                         |                          |                          |   |
| Transfers in  | 0                           | 0                       | 2,000,000                | 0                        | 2,000,000                                 |
| Transfers out   | (726,983)                   | (360,258)               | (28,826)                 | (14,413)                 | (1,130,480)                               |
| Intergovernmental - capital grants                      | 101,926                     | 0                       | 27,576                   | 0                        | 129,502                                   |
|   | <u>101,926</u>              | <u>0</u>                | <u>27,576</u>            | <u>0</u>                 | <u>129,502</u>                            |
| <b>NET INCOME (LOSS)</b>                                | <b>(23,592,281)</b>         | <b>(2,693,928)</b>      | <b>1,386,139</b>         | <b>1,159,539</b>         | <b>(23,740,531)</b>                       |
| <b>NET POSITION</b>                                     |                             |                         |                          |                          |   |
| Beginning of fiscal year                                | 55,212,043                  | 11,184,374              | 70,759,630               | 32,958,150               | 170,114,197                               |
| Prior period restatement GASB Statement 33 (Note 25)    | 0                           | 0                       | (1,074,183)              | 0                        | (1,074,183)                               |
| Beginning of fiscal year, as restated                   | <u>55,212,043</u>           | <u>11,184,374</u>       | <u>69,685,447</u>        | <u>32,958,150</u>        | <u>169,040,014</u>                        |
| <b>NET POSITION - END OF FISCAL YEAR</b>                | <b>\$ <u>31,619,762</u></b> | <b><u>8,490,446</u></b> | <b><u>71,071,586</u></b> | <b><u>34,117,689</u></b> | <b><u>145,299,483</u></b>                 |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
JOINT UTILITY SYSTEM SUBFUNDS**

COMBINING STATEMENT OF CASH FLOWS  
Year ended June 30, 2023

|   | <u>ELECTRIC</u>      | <u>GAS</u>         | <u>WATER</u>       | <u>WASTEWATER</u>  | <u>TOTAL</u>        |
|---|----------------------|--------------------|--------------------|--------------------|---------------------|
| <b>CASH FLOWS - OPERATING ACTIVITIES</b>                                |                      |                    |                    |                    |                     |
| Cash received from customers and users                                  | \$ 58,798,680        | 10,790,615         | 7,054,500          | 6,264,050          | 82,907,845          |
| Cash paid to suppliers for goods and services                           | (49,667,066)         | (11,812,299)       | (3,516,912)        | (2,066,064)        | (67,062,341)        |
| Cash paid to employees  | (7,177,732)          | (906,236)          | (1,634,855)        | (1,610,417)        | (11,329,240)        |
| Taxes received from customers and users                                 | 824,564              | 690,682            | 293,459            | 297,754            | 2,106,459           |
| Taxes remitted to State (from customers and users)                      | (827,291)            | (690,246)          | (302,617)          | (297,048)          | (2,117,202)         |
| <b>NET CASH FLOWS - OPERATING ACTIVITIES</b>                            | <b>1,951,155</b>     | <b>(1,927,484)</b> | <b>1,893,575</b>   | <b>2,588,275</b>   | <b>4,505,521</b>    |
| <b>CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES</b>                     |                      |                    |                    |                    |                     |
| Transfers to other funds  | (654,033)            | (345,845)          | 0                  | 0                  | (999,878)           |
| Transfers from other funds  | 0                    | 0                  | 2,000,000          | 0                  | 2,000,000           |
| Cash received from short-term intra subfund loans                       | 0                    | 0                  | 179,455            | 0                  | 179,455             |
| Cash paid for short-term intra subfund loans                            | 0                    | 0                  | 0                  | (179,454)          | (179,454)           |
| <b>NET CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES</b>                 | <b>(654,033)</b>     | <b>(345,845)</b>   | <b>2,179,455</b>   | <b>(179,454)</b>   | <b>1,000,123</b>    |
| <b>CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES</b>            |                      |                    |                    |                    |                     |
| Cash received from capital grants                                       | 101,926              | 0                  | 32,532             | -                  | 134,458             |
| Proceeds received from loans  | 0                    | 0                  | 3,453,050          | 10,578,993         | 14,032,043          |
| Principal repaid  | (100,073)            | 0                  | (444,869)          | (318,328)          | (863,270)           |
| Special closure costs paid  | 3,157,154            | 0                  | 0                  | 0                  | 3,157,154           |
| Interest and other debt service paid                                    | (609,724)            | 0                  | (411,260)          | (128,517)          | (1,149,501)         |
| Cash paid for acquisition of capital assets                             | (3,055,838)          | (1,131,961)        | (5,925,729)        | (16,217,567)       | (26,331,095)        |
| Proceeds from sale of capital assets                                    | (3,308,052)          | (119)              | 0                  | (4,903)            | (3,313,074)         |
| <b>NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES</b>        | <b>(3,814,607)</b>   | <b>(1,132,080)</b> | <b>(3,296,276)</b> | <b>(6,090,322)</b> | <b>(14,333,285)</b> |
| <b>CASH FLOWS - INVESTING ACTIVITIES</b>                                |                      |                    |                    |                    |                     |
| Loss on investments   | 0                    | 27,344             | 398,473            | 198,827            | 624,644             |
| <b>NET CASH FLOWS - INVESTING ACTIVITIES</b>                            | <b>0</b>             | <b>27,344</b>      | <b>398,473</b>     | <b>198,827</b>     | <b>624,644</b>      |
| <b>NET INCREASE (DECREASE) IN CASH</b>                                  | <b>(2,517,485)</b>   | <b>(3,378,065)</b> | <b>1,175,227</b>   | <b>(3,482,674)</b> | <b>(8,202,997)</b>  |
| <b>EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR</b> | <b>18,128,472</b>    | <b>2,495,759</b>   | <b>8,766,693</b>   | <b>8,407,059</b>   | <b>37,797,983</b>   |
| <b>EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR</b>       | <b>\$ 15,610,987</b> | <b>(882,306)</b>   | <b>9,941,920</b>   | <b>4,924,385</b>   | <b>29,594,986</b>   |

(Joint Utility System Fund and Environmental Services Fund cash balances are shown in both Equity in Pooled Cash and Investments and Restricted Cash on the Proprietary Funds Statement of Net Position)



## RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES

|   |    |                  |                    |                  |                  |                  |
|---|----|------------------|--------------------|------------------|------------------|------------------|
| <b>OPERATING INCOME(LOSS)</b>   | \$ | (1,970,836)      | (2,121,111)        | 892,247          | 1,109,674        | (2,090,026)      |
| <b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO<br/>NET CASH FLOWS - OPERATING ACTIVITIES</b> |    |                  |                    |                  |                  |                  |
| Depreciation and amortization expense   |    | 2,448,402        | 398,337            | 2,093,752        | 854,007          | 5,794,498        |
| Amortization of special closure costs   |    | 2,534,835        | 0                  | 0                | 0                | 2,534,835        |
| Provision for uncollectible accounts receivable   |    | 32,130           | 0                  | 12,388           | 26,627           | 71,145           |
| Change in assets and liabilities:   |    |                  |                    |                  |                  |                  |
| Accounts and other receivables  |    | 1,488,294        | 122,880            | (1,828,133)      | (26,627)         | (243,586)        |
| Inventories   |    | (1,515,319)      | (16,292)           | (110,079)        | (256)            | (1,641,946)      |
| Prepayments and other   |    | 0                | 0                  | 3,111            | 0                | 3,111            |
| Accounts and retentions payable   |    | (289,591)        | (253,142)          | 816,413          | 704,707          | 978,387          |
| Salaries and benefits payable   |    | 435,411          | (87,873)           | 9,696            | (80,563)         | 276,671          |
| Other current liabilities   |    | (1,209,444)      | 29,281             | 13,338           | 0                | (1,166,825)      |
| Due to other governments  |    | (2,727)          | 436                | (9,158)          | 706              | (10,743)         |
| <b>Total adjustments</b>  |    | <b>3,921,991</b> | <b>193,627</b>     | <b>1,001,328</b> | <b>1,478,601</b> | <b>6,595,547</b> |
| <b>NET CASH FLOWS - OPERATING ACTIVITIES</b>  | \$ | <b>1,951,155</b> | <b>(1,927,484)</b> | <b>1,893,575</b> | <b>2,588,275</b> | <b>4,505,521</b> |

## SCHEDULE OF NON CASH CAPITAL AND RELATED FINANCING ACTIVITIES

### NON CASH TRANSACTIONS:

|                                     |    |                 |                 |          |               |                 |
|-------------------------------------|----|-----------------|-----------------|----------|---------------|-----------------|
| Asset transfers - proprietary funds | \$ | (72,950)        | (14,413)        | 0        | 14,413        | (72,950)        |
| <b>TOTAL NON CASH TRANSACTIONS</b>  | \$ | <b>(72,950)</b> | <b>(14,413)</b> | <b>0</b> | <b>14,413</b> | <b>(72,950)</b> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
JOINT UTILITY SYSTEM**

SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u>  | <u>REVISED BUDGET</u> | <u>ACTUALS</u>      | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|-----------------------|-----------------------|---------------------|---|
| <b>REVENUES</b>   |                       |                       |                     |   |
| Intergovernmental   | \$ 1,311,560          | 1,447,160             | 1,435,611           | (11,549)                                    |
| Charges for services  | 75,180,491            | 93,870,091            | 81,553,243          | (12,316,848)                                |
| Miscellaneous revenues  | 8,008,486             | 8,008,486             | 1,501,558           | (6,506,928)                                 |
| <b>TOTAL REVENUES</b>   | <b>84,500,537</b>     | <b>103,325,737</b>    | <b>84,490,412</b>   | <b>(18,835,325)</b>                         |
| <b>EXPENSES AND ENCUMBRANCES</b>                                  |                       |                       |                     |   |
| <b>Department of Public Utilities</b>                             |                       |                       |                     |   |
| Electric Subfund  | 53,223,661            | 66,191,200            | 60,653,110          | 5,538,090                                   |
| Gas Subfund   | 7,892,217             | 19,848,316            | 13,712,301          | 6,136,015                                   |
| Water Subfund   | 18,666,995            | 30,649,264            | 17,694,161          | 12,955,103                                  |
| Wastewater Subfund  | 7,872,867             | 37,614,330            | 33,080,797          | 4,533,533                                   |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <b>87,655,740</b>     | <b>154,303,110</b>    | <b>125,140,369</b>  | <b>29,162,741</b>                           |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b>(3,155,203)</b>    | <b>(50,977,373)</b>   | <b>(40,649,957)</b> | <b>10,327,416</b>                           |
| <b>OTHER FINANCING SOURCES (USES)</b>                             |                       |                       |                     |   |
| Transfers in  | 2,000,000             | 2,898,500             | 2,000,000           | (898,500)                                   |
| Transfers out   | (999,878)             | (999,878)             | (999,878)           | 0   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                       | <b>1,000,122</b>      | <b>1,898,622</b>      | <b>1,000,122</b>    | <b>(898,500)</b>                            |
| <b>NET CHANGE IN FUND BALANCE</b>                                 | <b>\$ (2,155,081)</b> | <b>(49,078,751)</b>   | <b>(39,649,835)</b> | <b>9,428,916</b>                            |
| <b>ADJUSTMENTS TO GAAP</b>  |                       |                       |                     |   |
| Encumbrances  |                       |                       | 18,191,075          |   |
| Changes in compensated absences                                   |                       |                       | (12,432)            |   |
| Bad debt adjustment   |                       |                       | 52,810              |   |
| Depreciation and amortization                                     |                       |                       | (5,794,498)         |   |
| Adjustments to inventory  |                       |                       | 417,426             |   |
| Special closure costs   |                       |                       | (1,916,112)         |   |

|  |                              |
|--|------------------------------|
| Net book value of disposed capital assets    | (22,788,390)                 |
| Assets transferred - proprietary funds       | (130,602)                    |
| Capital outlay capitalized                   | 25,507,842                   |
| Principal on interfund loan                  | (179,454)                    |
| Pension expense                              | 510,421                      |
| Principal on debt service                    | 2,007,618                    |
|  | <u>15,865,704</u>            |
| <b>GAAP BASIS</b>                            | <b>(23,784,131)</b>          |
| <br>   |                              |
| <b>NET POSITION</b>                          |                              |
| Beginning of fiscal year                     | 170,114,197                  |
| Prior period restatement - GASB Statement 33 | (1,074,183)                  |
| <b>NET POSITION - END OF FISCAL YEAR</b>     | <b>\$ <u>145,255,883</u></b> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
ELECTRIC SUBFUND**

**SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)**  
Year ended June 30, 2023

|  | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>    | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|--|----------------------|-----------------------|-------------------|---|
| <b>REVENUES</b>                            |                      |                       |                   |   |
| <b>Intergovernmental</b>                   |                      |                       |                   |   |
| Federal subsidy                            | \$ 33,984            | 33,984                | 101,926           | 67,942                                      |
| State grants-other                         | 0                    | 135,600               | 135,600           | 0   |
| <b>Charges for services</b>                |                      |                       |                   |   |
| Residential                                | 15,210,079           | 15,210,079            | 7,379,081         | (7,830,998)                                 |
| Commercial and industrial                  | 0                    | 0                     | 4,009,917         | 4,009,917                                   |
| Public street and highway lighting         | 0                    | 0                     | 89,523            | 89,523                                      |
| Municipal                                  | 0                    | 0                     | 1,533,699         | 1,533,699                                   |
| Educational                                | 0                    | 0                     | 595,672           | 595,672                                     |
| Wholesale                                  | 37,706,981           | 45,706,981            | 43,391,580        | (2,315,401)                                 |
| Miscellaneous services                     | 258,101              | 258,101               | 65,514            | (192,587)                                   |
|  | <u>53,175,161</u>    | <u>61,175,161</u>     | <u>57,064,986</u> | <u>(4,110,175)</u>                          |
| <b>Interfund/interdepartmental charges</b> |                      |                       |                   |   |
| Rentals                                    | 0                    | 0                     | 13,942            | 13,942                                      |
|  | <u>0</u>             | <u>0</u>              | <u>13,942</u>     | <u>13,942</u>                               |
| <b>Miscellaneous revenues</b>              |                      |                       |                   |   |
| Interest income (loss)                     | 197,942              | 197,942               | 679,337           | 481,395                                     |
| Gain (loss) on investments                 | 0                    | 0                     | 876               | 876   |
|  | <u>197,942</u>       | <u>197,942</u>        | <u>683,520</u>    | <u>485,578</u>                              |
| <b>TOTAL REVENUES</b>                      | <b>53,407,087</b>    | <b>61,542,687</b>     | <b>57,999,974</b> | <b>(3,542,713)</b>                          |
| <b>EXPENSES AND ENCUMBRANCES</b>           |                      |                       |                   |   |
| <b>Department of Public Utilities</b>      |                      |                       |                   |   |
| <b>Electric production</b>                 |                      |                       |                   |   |
| Employee salaries and benefits             | 1,971,994            | 2,128,994             | 2,192,612         | (63,618)                                    |
| Outside services                           | 42,567,477           | 52,164,244            | 47,770,370        | 4,393,874                                   |
| Materials and supplies                     | 92,750               | 92,750                | 546,863           | (454,113)                                   |
| Intrafund/interfund services               | 1,233,866            | 1,233,866             | 1,452,953         | (219,087)                                   |
| Capital outlay                             | 10,000               | 10,000                | 85                | 9,915                                       |
| Debt and fiscal charges                    | 601,674              | 601,674               | 607,178           | (5,504)                                     |
|  | <u>46,477,761</u>    | <u>56,231,528</u>     | <u>52,570,061</u> | <u>3,661,467</u>                            |
| <b>Electric distribution</b>               |                      |                       |                   |   |
| Employee salaries and benefits             | 4,975,955            | 5,396,172             | 5,357,280         | 38,892                                      |
| Outside services                           | 2,130,291            | 4,391,495             | 2,321,711         | 2,069,784                                   |
| Materials and supplies                     | 495,825              | 539,027               | 1,537,864         | (998,837)                                   |

|   |                            |                           |                             |                         |
|---|----------------------------|---------------------------|-----------------------------|-------------------------|
| Intrafund/interfund services                                      | 2,155,440                  | 2,155,440                 | 1,836,317                   | 319,123                 |
| Capital outlay  | 166,000                    | 620,368                   | 130,171                     | 490,197                 |
| Debt and fiscal charges   | 982,377                    | 982,377                   | 993,327                     | (10,950)                |
|   | <u>10,905,888</u>          | <u>14,084,879</u>         | <u>12,176,670</u>           | <u>1,908,209</u>        |
| General and administrative  |                            |                           |                             |                         |
| Employee salaries and benefits                                    | 574,719                    | 609,500                   | 445,366                     | 164,134                 |
| Outside services  | 287,500                    | 287,500                   | 48,887                      | 238,613                 |
| Materials and supplies  | 24,000                     | 24,000                    | 58,654                      | (34,654)                |
| Intrafund/interfund services                                      | (5,046,207)                | (5,046,207)               | (4,646,528)                 | (399,679)               |
|   | <u>(4,159,988)</u>         | <u>(4,125,207)</u>        | <u>(4,093,621)</u>          | <u>(31,586)</u>         |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <b><u>53,223,661</u></b>   | <b><u>66,191,200</u></b>  | <b><u>60,653,110</u></b>    | <b><u>5,538,090</u></b> |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b>183,426</b>             | <b>(4,648,513)</b>        | <b>(2,653,136)</b>          | <b>1,995,377</b>        |
| <b>OTHER FINANCING SOURCES (USES)</b>                             |                            |                           |                             |                         |
| Transfers in from:  |                            |                           |                             |                         |
| General Fund  | 0                          | 573,617                   | 0                           | (573,617)               |
| Transfers out to:   |                            |                           |                             |                         |
| General Fund  | (654,033)                  | (654,033)                 | (654,033)                   | 0                       |
| Proceeds from issuance of long-term debt                          |                            |                           |                             |                         |
| <b>NET CHANGE IN FUND BALANCE</b>                                 | <b>\$ <u>(470,607)</u></b> | <b><u>(4,728,929)</u></b> | <b><u>(3,307,169)</u></b>   | <b><u>1,421,760</u></b> |
| <b>ADJUSTMENTS TO GAAP</b>  |                            |                           |                             |                         |
| Encumbrances  |                            |                           | 890,594                     |                         |
| Changes in compensated absences                                   |                            |                           | (62,746)                    |                         |
| Bad debt adjustment   |                            |                           | 32,130                      |                         |
| Depreciation and amortization                                     |                            |                           | (2,448,402)                 |                         |
| Adjustments to inventory  |                            |                           | 370,804                     |                         |
| Special closure costs   |                            |                           | (1,916,112)                 |                         |
| Net book value of disposed capital assets                         |                            |                           | (20,669,615)                |                         |
| Assets transferred - proprietary funds                            |                            |                           | (72,950)                    |                         |
| Capital outlay capitalized  |                            |                           | 2,232,464                   |                         |
| Pension expense   |                            |                           | 339,427                     |                         |
| Principal on debt service   |                            |                           | 975,694                     |                         |
|   |                            |                           | <u>(20,328,712)</u>         |                         |
| <b>GAAP BASIS</b>   |                            |                           | <b>(23,635,881)</b>         |                         |
| <b>NET POSITION</b>   |                            |                           |                             |                         |
| Beginning of fiscal year  |                            |                           | 55,212,043                  |                         |
| <b>NET POSITION - END OF FISCAL YEAR</b>                          |                            |                           | <b>\$ <u>31,576,162</u></b> |                         |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
GAS SUBFUND**

**SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u>    | <u>REVISED BUDGET</u>    | <u>ACTUALS</u>           | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|-------------------------|--------------------------|--------------------------|---|
| <b>REVENUES</b>   |                         |                          |                          |   |
| <b>Charges for services</b>                                       |                         |                          |                          |   |
| Residential   | \$ 7,426,594            | 18,116,194               | 7,895,861                | (10,220,333)                                |
| Commercial and industrial   | 0                       | 0                        | 1,916,377                | 1,916,377                                   |
| Municipal   | 0                       | 0                        | 473,629                  | 473,629                                     |
| Educational   | 0                       | 0                        | 272,051                  | 272,051                                     |
| Miscellaneous services  | 0                       | 0                        | 45,815                   | 45,815                                      |
|   | <u>7,426,594</u>        | <u>18,116,194</u>        | <u>10,603,733</u>        | <u>(7,512,461)</u>                          |
| <b>Miscellaneous revenues</b>                                     |                         |                          |                          |   |
| Interest income   | 51,158                  | 51,158                   | 27,344                   | (23,814)                                    |
|   | <u>51,158</u>           | <u>51,158</u>            | <u>27,344</u>            | <u>(23,814)</u>                             |
| <b>TOTAL REVENUES</b>   | <b><u>7,477,752</u></b> | <b><u>18,167,352</u></b> | <b><u>10,631,077</u></b> | <b><u>(7,536,275)</u></b>                   |
| <b>EXPENSES AND ENCUMBRANCES</b>                                  |                         |                          |                          |   |
| <b>Department of Public Utilities</b>                             |                         |                          |                          |   |
| <b>Gas</b>  |                         |                          |                          |   |
| Employee salaries and benefits                                    | 644,032                 | 777,033                  | 926,806                  | (149,773)                                   |
| Outside services  | 5,523,716               | 17,259,124               | 11,207,555               | 6,051,569                                   |
| Materials and supplies  | 206,300                 | 286,570                  | 481,927                  | (195,357)                                   |
| Intrafund/interfund services                                      | 1,402,793               | 1,402,793                | 1,070,644                | 332,149                                     |
| Capital outlay  | 115,376                 | 122,796                  | 25,369                   | 97,427                                      |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <b><u>7,892,217</u></b> | <b><u>19,848,316</u></b> | <b><u>13,712,301</u></b> | <b><u>6,136,015</u></b>                     |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b>(414,465)</b>        | <b>(1,680,964)</b>       | <b>(3,081,224)</b>       | <b>(1,400,260)</b>                          |

**OTHER FINANCING SOURCES (USES)**

|                                   |                                   |                                  |                                  |                                  |
|-----------------------------------|-----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b>Transfers in from:</b>         |                                   |                                  |                                  |                                  |
| Gas subfund                       | <u>0</u>                          | <u>324,883</u>                   | <u>0</u>                         | <u>(324,883)</u>                 |
| <b>Transfer out to:</b>           |                                   |                                  |                                  |                                  |
| General Fund                      | <u>(345,845)</u>                  | <u>(345,845)</u>                 | <u>(345,845)</u>                 | <u>0</u>                         |
| <b>NET CHANGE IN FUND BALANCE</b> | <b>\$ <u><u>(760,310)</u></u></b> | <b><u><u>(1,701,926)</u></u></b> | <b><u><u>(3,427,069)</u></u></b> | <b><u><u>(1,725,143)</u></u></b> |

**ADJUSTMENTS TO GAAP**

|   |                    |
|---|--------------------|
| Encumbrances                              | 124,812            |
| Changes in compensated absences           | 61,625             |
| Bad debt adjustment                       | 34,724             |
| Depreciation and amortization             | (398,337)          |
| Adjustments to inventory                  | (2,899)            |
| Net book value of disposed capital assets | (237,004)          |
| Assets transferred - proprietary funds    | (14,413)           |
| Capital outlay capitalized                | 1,132,082          |
| Pension expense                           | 32,551             |
|   | <u>733,141</u>     |
| <b>GAAP BASIS</b>                         | <b>(2,693,928)</b> |

**NET POSITION**

|  |                                   |
|--|-----------------------------------|
| Beginning of fiscal year                 | <u>11,184,374</u>                 |
| <b>NET POSITION - END OF FISCAL YEAR</b> | <b>\$ <u><u>8,490,445</u></u></b> |

**INCORPORATED COUNTY OF LOS ALAMOS  
WATER SUBFUND**

SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|                                       | ANNUAL BUDGET     | REVISED BUDGET    | ACTUALS          | VARIANCE<br>POSITIVE<br>(NEGATIVE) |
|---------------------------------------|-------------------|-------------------|------------------|------------------------------------|
| <b>REVENUES</b>                       |                   |                   |                  |                                    |
| <b>Intergovernmental</b>              |                   |                   |                  |                                    |
| Federal direct                        | \$ 0              | 0                 | 756,870          | 756,870                            |
| Federal indirect                      | 0                 | 0                 | 40,976           | 40,976                             |
| Federal subsidy                       | 27,576            | 27,576            | 27,576           | 0                                  |
| State grants-other                    | 1,250,000         | 1,250,000         | 372,663          | (877,337)                          |
|                                       | <u>1,277,576</u>  | <u>1,277,576</u>  | <u>1,198,085</u> | <u>(79,491)</u>                    |
| <b>Charges for services</b>           |                   |                   |                  |                                    |
| Residential                           | 6,168,597         | 6,168,597         | 4,452,007        | (1,716,590)                        |
| Commercial and industrial             | 0                 | 0                 | 607,079          | 607,079                            |
| Municipal                             | 234,837           | 234,837           | 689,267          | 454,430                            |
| Educational                           | 0                 | 0                 | 196,073          | 196,073                            |
| Wholesale                             | 1,627,500         | 1,627,500         | 1,668,380        | 40,880                             |
| Miscellaneous services                | 31,370            | 31,370            | 85,979           | 54,609                             |
|                                       | <u>8,062,304</u>  | <u>8,062,304</u>  | <u>7,698,785</u> | <u>(363,519)</u>                   |
| <b>Miscellaneous revenues</b>         |                   |                   |                  |                                    |
| Interest income                       | 124,444           | 124,444           | 390,356          | 265,912                            |
| Other                                 | 0                 | 0                 | 8,115            | 8,115                              |
| Other                                 | 1,210,485         | 1,210,485         | 0                | (1,210,485)                        |
| Interfund loan repayment              | 5,065,789         | 5,065,789         | 179,454          | (4,886,335)                        |
|                                       | <u>6,400,718</u>  | <u>6,400,718</u>  | <u>577,925</u>   | <u>(5,822,793)</u>                 |
| <b>TOTAL REVENUES</b>                 | <b>15,740,598</b> | <b>15,740,598</b> | <b>9,474,795</b> | <b>(6,265,803)</b>                 |
| <b>EXPENSES AND ENCUMBRANCES</b>      |                   |                   |                  |                                    |
| <b>Department of Public Utilities</b> |                   |                   |                  |                                    |
| Water distribution                    |                   |                   |                  |                                    |
| Employee salaries and benefits        | 754,219           | 891,219           | 673,485          | 217,734                            |
| Outside services                      | 275,500           | 1,317,527         | 1,295,702        | 21,825                             |
| Materials and supplies                | 394,200           | 742,799           | 256,465          | 486,334                            |
| Intrafund/interfund services          | 1,202,530         | 1,202,530         | 826,623          | 375,907                            |
| Capital outlay                        | 330,816           | 661,027           | 54,651           | 606,376                            |
|                                       | <u>2,957,265</u>  | <u>4,815,102</u>  | <u>3,106,926</u> | <u>1,708,176</u>                   |
| Water production                      |                   |                   |                  |                                    |
| Employee salaries and benefits        | 1,151,747         | 1,262,747         | 1,133,246        | 129,501                            |
| Outside services                      | 11,299,340        | 21,084,784        | 10,398,515       | 10,686,269                         |
| Materials and supplies                | 298,100           | 422,334           | 227,628          | 194,706                            |



|   |                            |                            |                             |                          |
|---|----------------------------|----------------------------|-----------------------------|--------------------------|
| Intrafund/interfund services                                      | 1,982,775                  | 2,074,511                  | 2,243,941                   | (169,430)                |
| Capital outlay  | 322,980                    | 334,998                    | 61,940                      | 273,058                  |
| Debt and fiscal charges   | 654,788                    | 654,788                    | 521,965                     | 132,823                  |
|   | <u>15,709,730</u>          | <u>25,834,162</u>          | <u>14,587,235</u>           | <u>11,246,927</u>        |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <b><u>18,666,995</u></b>   | <b><u>30,649,264</u></b>   | <b><u>17,694,161</u></b>    | <b><u>12,955,103</u></b> |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b>(2,926,397)</b>         | <b>(14,908,666)</b>        | <b>(8,219,366)</b>          | <b>6,689,300</b>         |
| <b>OTHER FINANCING SOURCES (USES)</b>                             |                            |                            |                             |                          |
| Transfers in from:  |                            |                            |                             |                          |
| Economic Development Fund   | 2,000,000                  | 2,000,000                  | 2,000,000                   | 0                        |
| <b>NET CHANGE IN FUND BALANCE</b>                                 | <b>\$ <u>(926,397)</u></b> | <b><u>(12,908,666)</u></b> | <b><u>(6,219,366)</u></b>   | <b><u>6,689,300</u></b>  |
| <b>ADJUSTMENTS TO GAAP</b>  |                            |                            |                             |                          |
| Encumbrances  |                            |                            | 5,324,924                   |                          |
| Changes in compensated absences                                   |                            |                            | (26,069)                    |                          |
| Bad debt adjustment   |                            |                            | (12,388)                    |                          |
| Depreciation and amortization                                     |                            |                            | (2,093,752)                 |                          |
| Adjustments to inventory  |                            |                            | 50,650                      |                          |
| Net book value of disposed capital assets                         |                            |                            | (1,876,868)                 |                          |
| Assets transferred - proprietary funds                            |                            |                            | (28,826)                    |                          |
| Capital outlay capitalized  |                            |                            | 5,925,729                   |                          |
| Principal on interfund loans                                      |                            |                            | (179,454)                   |                          |
| Pension expense   |                            |                            | 76,708                      |                          |
| Principal on debt service   |                            |                            | 444,851                     |                          |
|   |                            |                            | <u>7,605,505</u>            |                          |
| <b>GAAP BASIS</b>   |                            |                            | <b>1,386,139</b>            |                          |
| <b>NET POSITION</b>   |                            |                            |                             |                          |
| Beginning of fiscal year  |                            |                            | 70,759,630                  |                          |
| Prior period restatement - GASB Statement 33                      |                            |                            | (1,074,183)                 |                          |
| <b>NET POSITION - END OF FISCAL YEAR</b>                          |                            |                            | <b>\$ <u>71,071,586</u></b> |                          |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
WASTEWATER SUBFUND**

SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u>    | <u>REVISED BUDGET</u>      | <u>ACTUALS</u>             | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|-------------------------|----------------------------|----------------------------|---|
| <b>REVENUES</b>   |                         |                            |                            |   |
| <b>Intergovernmental</b>  |                         |                            |                            |   |
| <b>Charges for services</b>                                       |                         |                            |                            |   |
| Wastewater collection   | \$ 6,516,432            | 6,516,432                  | 5,423,383                  | (1,093,049)                                 |
| Commercial and industrial   | 0                       | 0                          | 761,496                    | 761,496                                     |
| Miscellaneous services  | 0                       | 0                          | 860                        | 860   |
|   | <u>6,516,432</u>        | <u>6,516,432</u>           | <u>6,185,739</u>           | <u>(330,693)</u>                            |
| <b>Miscellaneous revenues</b>                                     |                         |                            |                            |   |
| Interest income   | 158,668                 | 158,668                    | 198,827                    | 40,159                                      |
| Interfund loans (principal)                                       | 1,200,000               | 1,200,000                  | 0                          | (1,200,000)                                 |
|   | <u>1,358,668</u>        | <u>1,358,668</u>           | <u>198,827</u>             | <u>(1,159,841)</u>                          |
| <b>TOTAL REVENUES</b>   | <b><u>7,875,100</u></b> | <b><u>7,875,100</u></b>    | <b><u>6,384,566</u></b>    | <b><u>(1,490,534)</u></b>                   |
| <b>EXPENSES AND ENCUMBRANCES</b>                                  |                         |                            |                            |   |
| <b>Department of Public Utilities</b>                             |                         |                            |                            |   |
| <b>Wastewater</b>   |                         |                            |                            |   |
| Employee salaries and benefits                                    | 1,697,336               | 1,904,337                  | 1,614,486                  | 289,851                                     |
| Outside services  | 2,962,500               | 32,236,254                 | 28,371,710                 | 3,864,544                                   |
| Materials and supplies  | 426,100                 | 532,506                    | 291,129                    | 241,377                                     |
| Intrafund/interfund services                                      | 1,819,617               | 1,841,304                  | 1,919,364                  | (78,060)                                    |
| Capital outlay  | 269,000                 | 276,420                    | 43,324                     | 233,096                                     |
| Debt and fiscal charges   | 698,314                 | 823,508                    | 840,784                    | (17,276)                                    |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <b><u>7,872,867</u></b> | <b><u>37,614,330</u></b>   | <b><u>33,080,797</u></b>   | <b><u>4,533,533</u></b>                     |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b><u>2,233</u></b>     | <b><u>(29,739,230)</u></b> | <b><u>(26,696,231)</u></b> | <b><u>3,042,999</u></b>                     |
| <b>NET CHANGE IN FUND BALANCE</b>                                 | <b><u>\$ 2,233</u></b>  | <b><u>(29,739,230)</u></b> | <b><u>(26,696,231)</u></b> | <b><u>3,042,999</u></b>                     |

**ADJUSTMENTS TO GAAP**

|   |            |
|---|------------|
| Encumbrances                              | 11,850,745 |
| Changes in compensated absences           | 14,758     |
| Bad debt adjustment                       | (1,656)    |
| Depreciation and amortization             | (854,007)  |
| Adjustments to inventory                  | (1,129)    |
| Net book value of disposed capital assets | (4,903)    |
| Assets transferred - proprietary funds    | (14,413)   |
| Capital outlay capitalized                | 16,217,567 |
| Pension expense                           | 61,735     |
| Principal on debt service                 | 587,073    |

**27,855,770**

**GAAP BASIS**

**1,159,539**

**NET POSITION**

Beginning of fiscal year

**32,958,150**

**NET POSITION - END OF FISCAL YEAR**

\$ **34,117,689**



LOS ALAMOS

# Enterprise Funds

Enterprise Funds account for activities financed and operated in a manner similar to private business enterprises. These activities generally provide goods or services to the public on a continuing basis and are financed primarily through charges to users.

## **Other Enterprise Funds:**

**Environmental Services Fund 611** - accounts for the provision of refuse collection and landfill services to the county.

**Transit Fund 651** - accounts for the operation of the Atomic City Transit (ACT) public transportation system.

**Fire Fund 660** - accounts for fire protection services provided to Los Alamos National Laboratory and the community through a cooperative agreement with the National Nuclear Security Administration.

**Airport Fund 681** - accounts for the operation and maintenance of the Los Alamos Airport.



LOS ALAMOS

where discoveries are made

**INCORPORATED COUNTY OF LOS ALAMOS  
ENVIRONMENTAL SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u>                       | <u>REVISED BUDGET</u> | <u>ACTUALS</u>   | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|--|-----------------------|------------------|---|
| <b>REVENUES</b>   |  |                       |                  |   |
| <b>Taxes</b>  |  |                       |                  |   |
| Selective gross receipt taxes                                     | \$ 1,337,000                               | 1,337,000             | 1,638,009        | 301,009                                     |
| State grants-other  | 0  | 92,878                | 74,125           | (18,753)                                    |
| <b>Charges for services</b>                                       |  |                       |                  |   |
| Sales of food or merchandise (trash bags)                         | 0  | 0                     | 1,708            | 1,708                                       |
| Residential   | 2,244,000                                  | 2,244,000             | 2,248,337        | 4,337                                       |
| Commercial and industrial   | 689,600                                    | 689,600               | 627,044          | (62,556)                                    |
| Other charges for services  | 500,000                                    | 500,000               | 387,681          | (112,319)                                   |
|   | <u>3,433,600</u>                           | <u>3,433,600</u>      | <u>3,264,770</u> | <u>(168,830)</u>                            |
| <b>Interfund/interdepartmental charges</b>                        |  |                       |                  |   |
| Interdepartmental services  | 74,000                                     | 74,000                | 51,862           | (22,138)                                    |
| <b>Miscellaneous revenues</b>                                     |  |                       |                  |   |
| Interest income   | 30,000                                     | 30,000                | 138,600          | 108,600                                     |
| Interest charges-delinquent accounts                              | 0  | 0                     | 10,460           | 10,460                                      |
| Other   | 115,000                                    | 115,000               | 153,398          | 38,398                                      |
|   | <u>145,000</u>                             | <u>145,000</u>        | <u>302,458</u>   | <u>157,458</u>                              |
| <b>TOTAL REVENUES</b>   | <b>4,989,600</b>                           | <b>5,082,478</b>      | <b>5,331,224</b> | <b>248,746</b>                              |
| <b>EXPENSES AND ENCUMBRANCES</b>                                  |  |                       |                  |   |
| <b>Public Works</b>   |  |                       |                  |   |
| Environmental Services  |  |                       |                  |   |
| Employee salaries and benefits                                    | 1,591,003                                  | 1,703,003             | 1,495,982        | 207,021                                     |
| Outside services  | 1,469,894                                  | 1,721,346             | 1,639,217        | 82,129                                      |
| Materials and supplies  | 255,700                                    | 2,697,889             | 1,201,168        | 1,496,721                                   |
| Intrafund/interfund services                                      | 1,349,129                                  | 1,349,129             | 1,328,490        | 20,639                                      |
| Capital outlay  | 209,218                                    | 368,712               | 132,232          | 236,480                                     |
| Debt and fiscal charges   | 326,985                                    | 326,985               | 330,114          | (3,129)                                     |
|   | <u>TOTAL EXPENSES<br/>AND ENCUMBRANCES</u> | <u>8,167,064</u>      | <u>6,127,203</u> | <u>2,039,861</u>                            |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b>(212,329)</b>                           | <b>(3,084,586)</b>    | <b>(795,979)</b> | <b>2,288,607</b>                            |

|  |    |                  |                    |                  |                  |
|--|----|------------------|--------------------|------------------|------------------|
| <b>NET CHANGE IN FUND BALANCE</b>        | \$ | <u>(212,329)</u> | <u>(3,084,586)</u> | (795,979)        | <u>2,288,607</u> |
| <b>ADJUSTMENTS TO GAAP</b>               |    |                  |                    |                  |                  |
| Encumbrances                             |    |                  |                    | 125,523          |                  |
| Changes in compensated absences          |    |                  |                    | (27,999)         |                  |
| Bad debt adjustment                      |    |                  |                    | 3,356            |                  |
| Depreciation and amortization            |    |                  |                    | (187,170)        |                  |
| Special closure costs                    |    |                  |                    | 58,077           |                  |
| Capital outlay capitalized               |    |                  |                    | 57,823           |                  |
| Assets transferred - proprietary funds   |    |                  |                    | (57,823)         |                  |
| Principal on debt service                |    |                  |                    | 244,664          |                  |
| Pension expense                          |    |                  |                    | 63,610           |                  |
|  |    |                  |                    | <u>280,061</u>   |                  |
| <b>GAAP BASIS</b>                        |    |                  |                    | <u>(515,918)</u> |                  |
| <b>NET POSITION</b>                      |    |                  |                    |                  |                  |
| Beginning of fiscal year                 |    |                  |                    | 4,587,707        |                  |
| <b>NET POSITION - END OF FISCAL YEAR</b> | \$ |                  |                    | <u>4,071,789</u> |                  |



**INCORPORATED COUNTY OF LOS ALAMOS  
TRANSIT FUND**

SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>     | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|--------------------|---|
| <b>REVENUES</b>   |                      |                       |                    |   |
| <b>Intergovernmental</b>  |                      |                       |                    |   |
| Federal direct  | \$ 195,577           | 198,938               | 123,495            | (75,443)                                    |
| Federal indirect  | 2,949,924            | 4,327,134             | 1,678,952          | (2,648,182)                                 |
| Other intergovernmental (NCRTD)                                   | 1,609,967            | 1,821,640             | 1,600,000          | (221,640)                                   |
|   | <u>4,755,468</u>     | <u>6,347,712</u>      | <u>3,402,447</u>   | <u>(2,945,265)</u>                          |
| <b>Interfund/interdepartmental charges</b>                        |                      |                       |                    |   |
| <b>Miscellaneous revenues</b>                                     |                      |                       |                    |   |
| Interest income   | 39,597               | 39,597                | 67,097             | 27,500                                      |
| <b>TOTAL REVENUES</b>   | <u>4,795,065</u>     | <u>6,387,309</u>      | <u>3,469,544</u>   | <u>(2,917,765)</u>                          |
| <b>EXPENSES AND ENCUMBRANCES</b>                                  |                      |                       |                    |   |
| <b>Public Works</b>   |                      |                       |                    |   |
| Transit (Atomic City Transit)                                     |                      |                       |                    |   |
| Employee salaries and benefits                                    | 3,142,046            | 2,501,798             | 2,404,266          | 97,532                                      |
| Outside services  | 178,367              | 2,008,075             | 237,266            | 1,770,809                                   |
| Materials and supplies  | 39,675               | 39,675                | 22,525             | 17,150                                      |
| Intrafund/interfund services                                      | 1,736,229            | 1,736,229             | 1,736,545          | (316)                                       |
| Capital outlay  | 1,155,964            | 3,012,402             | 1,708,812          | 1,303,590                                   |
| Debt and fiscal charges   | 0                    | 0                     | 43                 | (43)  |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <u>6,252,281</u>     | <u>9,298,179</u>      | <u>6,109,457</u>   | <u>3,188,722</u>                            |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <u>(1,457,216)</u>   | <u>(2,910,870)</u>    | <u>(2,639,913)</u> | <u>270,957</u>                              |
| <b>OTHER FINANCING SOURCES (USES)</b>                             |                      |                       |                    |   |
| Transfers in from:  |                      |                       |                    |   |
| General Fund  | 1,050,000            | 1,050,000             | 1,050,000          | 0   |
| <b>NET CHANGE IN FUND BALANCE</b>                                 | <u>\$ (407,216)</u>  | <u>(1,860,870)</u>    | <u>(1,589,913)</u> | <u>270,957</u>                              |

**ADJUSTMENTS TO GAAP**

|                                 |           |
|---------------------------------|-----------|
| Encumbrances                    | 1,710,950 |
| Changes in compensated absences | (39,523)  |
| Depreciation and amortization   | (176,955) |
| Lease expense capitalized       | 16,067    |
| Pension expense                 | 107,517   |

---

**1,618,056****GAAP BASIS**

---

**28,143****NET POSITION**

|                          |           |
|--------------------------|-----------|
| Beginning of fiscal year | (130,621) |
|--------------------------|-----------|

**NET POSITION - END OF FISCAL YEAR**

---

**\$ (102,478)**

---

**INCORPORATED COUNTY OF LOS ALAMOS  
FIRE FUND**

**SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>    | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|-------------------|---|
| <b>REVENUES</b>                             |                      |                       |                   |   |
| <b>Taxes</b>                                |                      |                       |                   |   |
| Fire excise tax                             | \$ 2,659,000         | 2,659,000             | 3,276,049         | 617,049                                     |
| <b>Intergovernmental revenue</b>            |                      |                       |                   |   |
| Federal direct - NNSA cooperative agreement | 21,107,642           | 21,107,642            | 22,648,555        | 1,540,913                                   |
| State grants-other                          | 474,838              | 474,838               | 2,086             | (472,752)                                   |
| <b>Charges for services</b>                 |                      |                       |                   |   |
| Ambulance services                          | 620,000              | 620,000               | 723,379           | 103,379                                     |
| <b>Interfund/interdepartmental charges</b>  |                      |                       |                   |   |
| County share of fire services               | 7,416,199            | 7,702,199             | 7,679,815         | (22,384)                                    |
| <b>Miscellaneous revenues</b>               |                      |                       |                   |   |
| Other                                       | 0                    | 0                     | 666               | 666   |
| <b>TOTAL REVENUES</b>                       | <u>32,277,679</u>    | <u>32,563,679</u>     | <u>34,330,550</u> | <u>1,766,871</u>                            |
| <b>EXPENSES AND ENCUMBRANCES</b>            |                      |                       |                   |   |
| <b>Fire Department</b>                      |                      |                       |                   |   |
| <b>Operations</b>                           |                      |                       |                   |   |
| Employee salaries and benefits              | 18,397,810           | 19,777,811            | 18,931,202        | 846,609                                     |
| Outside services                            | 20,632               | 20,825                | 20,530            | 295   |
| Materials and supplies                      | 291,725              | 499,027               | 494,673           | 4,354                                       |
|   | <u>18,710,167</u>    | <u>20,297,663</u>     | <u>19,446,405</u> | <u>851,258</u>                              |
| <b>Life Safety</b>                          |                      |                       |                   |   |
| Employee salaries and benefits              | 0                    | 0                     | 16,285            | (16,285)                                    |
| Outside services                            | 139,374              | 78,360                | 59,398            | 18,962                                      |
| Materials and supplies                      | 330,372              | 599,353               | 579,866           | 19,487                                      |
|   | <u>469,746</u>       | <u>677,713</u>        | <u>655,549</u>    | <u>22,164</u>                               |
| <b>Training</b>                             |                      |                       |                   |   |
| Employee salaries and benefits              | 0                    | 0                     | 1,268,353         | (1,268,353)                                 |
| Outside services                            | 364,096              | 357,508               | 177,624           | 179,884                                     |
| Materials and supplies                      | 102,400              | 108,708               | 146,656           | (37,948)                                    |
| Intrafund/interfund services                | 0                    | 0                     | 0                 | 0   |
|   | <u>466,496</u>       | <u>466,216</u>        | <u>1,592,633</u>  | <u>(1,126,417)</u>                          |

|   |                          |                           |                               |                           |
|---|--------------------------|---------------------------|-------------------------------|---------------------------|
| Emergency Medical Services  |                          |                           |                               |                           |
| Employee salaries and benefits                                    | 0                        | 0                         | 135,665                       | (135,665)                 |
| Outside services  | 159,940                  | 218,105                   | 208,156                       | 9,949                     |
| Materials and supplies  | 166,101                  | 213,689                   | 180,015                       | 33,674                    |
|   | <u>326,041</u>           | <u>431,794</u>            | <u>523,836</u>                | <u>(92,042)</u>           |
| Non contract-administration                                       |                          |                           |                               |                           |
| Employee salaries and benefits                                    | 243,621                  | 243,621                   | 1,860                         | 241,761                   |
| Outside services  | 71,200                   | 74,770                    | 72,523                        | 2,247                     |
| Materials and supplies  | 25,578                   | 25,578                    | 0                             | 25,578                    |
| Intrafund/interfund services                                      | 174,439                  | 174,439                   | 173,489                       | 950                       |
| Debt and fiscal charges   | 0                        | 0                         | 17,467                        | (17,467)                  |
|   | <u>514,838</u>           | <u>518,408</u>            | <u>265,339</u>                | <u>253,069</u>            |
| Administration  |                          |                           |                               |                           |
| Employee salaries and benefits                                    | 2,860,596                | 2,910,595                 | 2,843,018                     | 67,577                    |
| Outside services  | 448,070                  | 448,175                   | 213,428                       | 234,747                   |
| Materials and supplies  | 82,520                   | 92,520                    | 90,378                        | 2,142                     |
| Intrafund/interfund services                                      | 5,160,205                | 5,160,205                 | 5,160,205                     | 0                         |
| Capital outlay  | 0                        | 0                         | 229,180                       | (229,180)                 |
|   | <u>8,551,391</u>         | <u>8,611,495</u>          | <u>8,536,209</u>              | <u>75,286</u>             |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <b><u>29,038,679</u></b> | <b><u>31,003,289</u></b>  | <b><u>31,019,971</u></b>      | <b><u>(16,682)</u></b>    |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b>3,239,000</b>         | <b>1,560,390</b>          | <b>3,310,579</b>              | <b>(1,750,189)</b>        |
| <b>OTHER FINANCING SOURCES (USES)</b>                             |                          |                           |                               |                           |
| Transfers out to:   |                          |                           |                               |                           |
| General Fund  | <u>(2,659,000)</u>       | <u>(2,659,000)</u>        | <u>(2,659,000)</u>            | <u>0</u>                  |
| <b>NET CHANGE IN FUND BALANCE</b>                                 | <b>\$ <u>580,000</u></b> | <b><u>(1,098,610)</u></b> | <b><u>651,579</u></b>         | <b><u>(1,750,189)</u></b> |
| <b>ADJUSTMENTS TO GAAP</b>  |                          |                           |                               |                           |
| Encumbrances  |                          |                           | 174,015                       |                           |
| Changes in compensated absences                                   |                          |                           | (777,882)                     |                           |
| Bad debt expense  |                          |                           | (38,787)                      |                           |
| Depreciation and amortization                                     |                          |                           | (1,001,196)                   |                           |
| Non-lease component expense                                       |                          |                           | (44,030)                      |                           |
| Lease expense capitalized   |                          |                           | 283,759                       |                           |
| Net book value of disposed capital assets                         |                          |                           | 217,595                       |                           |
| Pension expense   |                          |                           | 2,536,074                     |                           |
|   |                          |                           | <u>1,349,548</u>              |                           |
| <b>GAAP BASIS</b>   |                          |                           | <b><u>2,001,127</u></b>       |                           |
| <b>NET POSITION</b>   |                          |                           |                               |                           |
| Beginning of fiscal year  |                          |                           | (44,919,638)                  |                           |
| <b>NET POSITION - END OF FISCAL YEAR</b>                          |                          |                           | <b>\$ <u>(42,918,511)</u></b> |                           |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
AIRPORT FUND**

**SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u> | <u>REVISED BUDGET</u> | <u>ACTUALS</u>   | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------|-----------------------|------------------|---|
| <b>REVENUES</b>   |                      |                       |                  |   |
| <b>Licenses and permits</b>                                       |                      |                       |                  |   |
| <b>Intergovernmental</b>  |                      |                       |                  |   |
| Federal direct  | 0                    | 1,406,390             | 1,164,128        | (242,262)                                   |
| State grants-other  | 11,270,545           | 2,051,605             | 150,332          | (1,901,273)                                 |
|   | <u>11,270,545</u>    | <u>3,457,995</u>      | <u>1,314,460</u> | <u>(2,143,535)</u>                          |
| <b>Charges for services</b>                                       |                      |                       |                  |   |
| Airport fees  | 0                    | 0                     | 76,846           | 76,846                                      |
| <b>Miscellaneous revenues</b>                                     |                      |                       |                  |   |
| Interest income   | 0                    | 0                     | 34,659           | 34,659                                      |
| Interest charges-delinquent accounts                              | 80,000               | 80,000                | 0                | (80,000)                                    |
|   | <u>80,000</u>        | <u>80,000</u>         | <u>34,659</u>    | <u>(45,341)</u>                             |
| <b>TOTAL REVENUES</b>   | <b>11,350,545</b>    | <b>3,537,995</b>      | <b>1,425,965</b> | <b>(2,112,030)</b>                          |
| <b>EXPENSES AND ENCUMBRANCES</b>                                  |                      |                       |                  |   |
| <b>Public Works</b>   |                      |                       |                  |   |
| Airport operations  |                      |                       |                  |   |
| Employee salaries and benefits                                    | 107,699              | 114,049               | 117,118          | (3,069)                                     |
| Outside services  | 254,150              | 318,184               | 1,558,646        | (1,240,462)                                 |
| Materials and supplies  | 47,481               | 47,841                | 24,295           | 23,546                                      |
| Intrafund/interfund services                                      | 152,545              | 152,545               | 150,065          | 2,480                                       |
| Capital outlay  | 12,091,000           | 3,650,799             | 40,000           | 3,610,799                                   |
| Debt and fiscal charges   | 1,591                | 1,591                 | 237              | 1,354                                       |
|   | <u>12,654,466</u>    | <u>4,285,010</u>      | <u>1,890,361</u> | <u>2,394,649</u>                            |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <b>12,654,466</b>    | <b>4,285,010</b>      | <b>1,890,361</b> | <b>2,394,649</b>                            |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b>(1,303,921)</b>   | <b>(747,015)</b>      | <b>(464,396)</b> | <b>282,619</b>                              |

**OTHER FINANCING SOURCES (USES)**

Transfers in from:

General Fund

|                  |                  |                  |          |
|------------------|------------------|------------------|----------|
| 1,217,555        | 1,217,555        | 1,217,555        | 0        |
| <u>1,217,555</u> | <u>1,217,555</u> | <u>1,217,555</u> | <u>0</u> |

**NET CHANGE IN FUND BALANCE**

|                           |                       |                       |                       |
|---------------------------|-----------------------|-----------------------|-----------------------|
| \$ <u><u>(86,366)</u></u> | <u><u>470,540</u></u> | <u><u>753,159</u></u> | <u><u>282,619</u></u> |
|---------------------------|-----------------------|-----------------------|-----------------------|

**ADJUSTMENTS TO GAAP**

Encumbrances

272,320

Changes in compensated absences

3,618

Depreciation and amortization

(589,834)

Net book value of disposed capital assets

(6,093)

Capital outlay capitalized

40,000

Pension expense

5,734

(274,255)

478,904

**GAAP BASIS**

**NET POSITION**

Beginning of fiscal year

12,529,188

**NET POSITION - END OF FISCAL YEAR**

\$ 13,008,092



LOS ALAMOS

## Internal Service Funds

Internal Service Funds account for the financing of goods and services provided by one department or agency to other departments or agencies of a government on a cost-reimbursement basis. The County's internal service funds primarily serve the business-type activities of the County.

**Equipment Fund 720** - accounts for the maintenance and replacement of the County's central equipment pool.

**Risk Management Fund 730** - accounts for the County's insurance for health, workers compensation, unemployment, retiree health care, property and general liability.

## Custodial Fund

**Custodial Fund 871** - accounts for the collection and payment to the State and local School District of property taxes billed and collected by the County and all contributions and benefits made to and from the Employee Assistance Fund, Recreation Programs and Utility Assistance Programs. The Statement of Net Position and the Statement of Changes in Net Position are required fund financial statements for the Custodial Fund, and are presented immediately following the Internal Service Funds financial statements.





**INCORPORATED COUNTY OF LOS ALAMOS**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**June 30, 2023**

|  | <u>EQUIPMENT</u>            | <u>RISK<br/>MANAGEMENT</u> | <u>TOTAL</u>             |
|--|-----------------------------|----------------------------|--------------------------|
| <b>ASSETS</b>                                    |                             |                            |                          |
| <b>CURRENT ASSETS</b>                            |                             |                            |                          |
| Equity in pooled cash and investments            | \$ 7,169,739                | 12,515,555                 | 19,685,294               |
| Receivables, net of allowance for uncollectibles |                             |                            |                          |
| Accounts   | 19,797                      | 3,762                      | 23,559                   |
| Inventories and prepayments                      |                             |                            |                          |
|  | <u>7,189,536</u>            | <u>12,519,317</u>          | <u>19,708,853</u>        |
| <b>PROPERTY, PLANT AND EQUIPMENT</b>             |                             |                            |                          |
| Machinery and equipment                          | 30,514,946                  | 0                          | 30,514,946               |
| Less accumulated depreciation                    | (21,477,465)                | 0                          | (21,477,465)             |
|  | <u>9,037,481</u>            | <u>0</u>                   | <u>9,037,481</u>         |
| <b>TOTAL ASSETS</b>                              | <b><u>16,227,017</u></b>    | <b><u>12,519,317</u></b>   | <b><u>28,746,334</u></b> |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>            |                             |                            |                          |
| Deferred other post employment benefits          | 94,930                      | 26,258                     | 121,188                  |
| Deferred pensions                                | 198,377                     | 54,598                     | 252,975                  |
| <b>LIABILITIES</b>                               |                             |                            |                          |
| <b>CURRENT LIABILITIES</b>                       |                             |                            |                          |
| Accounts payable                                 | 54,050                      | 821,797                    | 875,847                  |
| Claims and judgments payable                     | 0                           | 544,236                    | 544,236                  |
| Accrued salaries including benefits payable      | 15,278                      | 5,295                      | 20,573                   |
| Accrued compensated absences                     | 98,807                      | 42,329                     | 141,136                  |
|  | <u>168,135</u>              | <u>1,413,657</u>           | <u>1,581,792</u>         |
| <b>NONCURRENT LIABILITIES</b>                    |                             |                            |                          |
| Accrued compensated absences                     | 54,230                      | 6,785                      | 61,015                   |
| Claims and judgments payable                     | 0                           | 29,389                     | 29,389                   |
| Net other post employment benefits liability     | 274,155                     | 116,503                    | 390,658                  |
| Net pension liability                            | 1,157,569                   | 350,728                    | 1,508,297                |
|  | <u>1,485,954</u>            | <u>503,405</u>             | <u>1,989,359</u>         |
| <b>TOTAL LIABILITIES</b>                         | <b><u>1,654,089</u></b>     | <b><u>1,917,062</u></b>    | <b><u>3,571,151</u></b>  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>             |                             |                            |                          |
| Deferred other post employment benefits          | 255,602                     | 92,031                     | 347,633                  |
| <b>NET POSITION</b>                              |                             |                            |                          |
| Net investment in capital assets                 | 9,037,481                   | 0                          | 9,037,481                |
| Unrestricted                                     | 5,573,152                   | 10,591,080                 | 16,164,232               |
| <b>TOTAL NET POSITION</b>                        | <b><u>\$ 14,610,633</u></b> | <b><u>10,591,080</u></b>   | <b><u>25,201,713</u></b> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
INTERNAL SERVICE FUNDS**

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
Year ended June 30, 2023

|   | <u>EQUIPMENT</u>            | <u>RISK<br/>MANAGEMENT</u>  | <u>TOTAL</u>             |
|---|-----------------------------|-----------------------------|--------------------------|
| <b>OPERATING REVENUES</b>                               |                             |                             |                          |
| Interfund charges for services                          | \$ 5,363,892                | 345                         | 5,364,237                |
| Insurance and pension contributions                     |                             |                             |                          |
| County  | 0                           | 8,508,971                   | 8,508,971                |
| Employees and retirees                                  | 0                           | 1,755,891                   | 1,755,891                |
| Miscellaneous operating revenue                         | 180,617                     | 0                           | 180,617                  |
|   | <u>5,544,509</u>            | <u>10,265,207</u>           | <u>15,809,716</u>        |
| <b>OPERATING EXPENSES</b>                               |                             |                             |                          |
| Employee salaries and benefits                          | 1,018,715                   | 412,687                     | 1,431,402                |
| Contractual services                                    | 1,123,649                   | 8,323,397                   | 9,447,046                |
| Materials and supplies                                  | 1,628,877                   | 19,397                      | 1,648,274                |
| Depreciation and amortization                           | 2,198,678                   | 0                           | 2,198,678                |
| Other   | 0                           | 252                         | 252                      |
|   | <u>5,969,919</u>            | <u>8,755,733</u>            | <u>14,725,652</u>        |
| <b>OPERATING INCOME (LOSS)</b>                          | <b>(425,410)</b>            | <b>1,509,474</b>            | <b>1,084,064</b>         |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                 |                             |                             |                          |
| Gain (loss) on disposition of fixed assets              | 194,672                     | 0                           | 194,672                  |
| Investment income                                       | 215,844                     | 380,908                     | 596,752                  |
|   | <u>410,516</u>              | <u>380,908</u>              | <u>791,424</u>           |
| <b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b> | <b>(14,894)</b>             | <b>1,890,382</b>            | <b>1,875,488</b>         |
| <b>TRANSFERS AND CONTRIBUTIONS</b>                      |                             |                             |                          |
| Transfers in  | 292,709                     | 0                           | 292,709                  |
| Transfers out   | 0                           | (26,284)                    | (26,284)                 |
| Contributed capital assets - governmental activities    | 465,607                     | (52,569)                    | 413,038                  |
|   | <u>758,316</u>              | <u>(78,853)</u>             | <u>679,463</u>           |
| <b>NET INCOME (LOSS)</b>                                | <b>743,422</b>              | <b>1,811,529</b>            | <b>2,554,951</b>         |
| <b>NET POSITION</b>                                     |                             |                             |                          |
| Beginning of fiscal year                                | 13,867,211                  | 8,779,551                   | 22,646,762               |
| <b>NET POSITION - END OF FISCAL YEAR</b>                | <b>\$ <u>14,610,633</u></b> | <b>\$ <u>10,591,080</u></b> | <b><u>25,201,713</u></b> |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS  
INTERNAL SERVICE FUNDS**

**COMBINING STATEMENT OF CASH FLOWS  
Year ended June 30, 2023**

|   | <u>EQUIPMENT</u>    | <u>RISK<br/>MANAGEMENT</u> | <u>TOTAL</u>       |
|---|---------------------|----------------------------|--------------------|
| <b>CASH FLOWS - OPERATING ACTIVITIES</b>                                |                     |                            |                    |
| Cash received from customers and users                                  | \$ 5,533,355        | 6                          | 5,533,361          |
| Cash received from contributions-employer and employees                 | 0                   | 10,264,862                 | 10,264,862         |
| Cash paid to suppliers for goods and services                           | (2,702,336)         | (10,273,647)               | (12,975,983)       |
| Cash paid to employees  | (1,065,808)         | (413,229)                  | (1,479,037)        |
| <b>NET CASH FLOWS - OPERATING ACTIVITIES</b>                            | <u>1,765,211</u>    | <u>(422,008)</u>           | <u>1,343,203</u>   |
| <b>CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES</b>                     |                     |                            |                    |
| Transfers from other funds  | 78,000              | 0                          | 78,000             |
| <b>NET CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES</b>                 | <u>78,000</u>       | <u>0</u>                   | <u>78,000</u>      |
| <b>CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES</b>            |                     |                            |                    |
| Cash paid for acquisition of capital assets                             | (1,317,878)         | (78,853)                   | (1,396,731)        |
| Proceeds from sale of capital assets                                    | 194,672             | 0                          | 194,672            |
| <b>NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES</b>        | <u>(1,123,206)</u>  | <u>(78,853)</u>            | <u>(1,202,059)</u> |
| <b>CASH FLOWS - INVESTING ACTIVITIES</b>                                |                     |                            |                    |
| Interest received on investments  | <u>215,844</u>      | <u>380,908</u>             | <u>596,752</u>     |
| <b>NET INCREASE (DECREASE) IN CASH</b>                                  | <b>935,849</b>      | <b>(119,953)</b>           | <b>815,896</b>     |
| <b>EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR</b> | <u>6,233,890</u>    | <u>12,635,508</u>          | <u>18,869,398</u>  |
| <b>EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR</b>       | <u>\$ 7,169,739</u> | <u>12,515,555</u>          | <u>19,685,294</u>  |

## RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES

|   |                     |                    |                  |
|---|---------------------|--------------------|------------------|
| <b>OPERATING INCOME(LOSS)</b>   | \$ (425,410)        | 1,509,474          | 1,084,064        |
| <b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES</b> |                     |                    |                  |
| Depreciation and amortization expense   | 2,198,678           | 0                  | 2,198,678        |
| Change in assets and liabilities:   |                     |                    |                  |
| Accounts and other receivables  | (11,154)            | (87)               | (11,241)         |
| Accounts payable  | 50,190              | 147,423            | 197,613          |
| Salaries and benefits payable   | (47,093)            | (542)              | (47,635)         |
| Claims and judgments payable  | 0                   | (2,078,276)        | (2,078,276)      |
| <b>Total adjustments</b>  | <u>2,190,621</u>    | <u>(1,931,482)</u> | <u>259,139</u>   |
| <b>NET CASH FLOWS - OPERATING ACTIVITIES</b>  | \$ <u>1,765,211</u> | <u>(422,008)</u>   | <u>1,343,203</u> |

## SCHEDULE OF NON CASH CAPITAL AND RELATED FINANCING ACTIVITIES

### NON CASH TRANSACTIONS:

|  |                   |                 |                |
|--|-------------------|-----------------|----------------|
| Asset transfers - proprietary funds                  | \$ 214,709        | (26,284)        | 188,425        |
| Contributed capital assets - governmental activities | 465,607           | (52,569)        | 413,038        |
| <b>TOTAL NON CASH CAPITAL ACQUISITIONS</b>           | \$ <u>680,316</u> | <u>(78,853)</u> | <u>601,463</u> |

**INCORPORATED COUNTY OF LOS ALAMOS  
EQUIPMENT FUND**

**SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)**

Year ended June 30, 2023

|   | <u>ANNUAL BUDGET</u>    | <u>REVISED BUDGET</u>   | <u>ACTUALS</u>          | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|-------------------------|-------------------------|-------------------------|---|
| <b>REVENUES</b>   |                         |                         |                         |   |
| Intergovernmental   |                         |                         |                         |   |
| Interfund/interdepartmental charges                               |                         |                         |                         |   |
| Charges for special services                                      | \$ 5,363,895            | 5,363,895               | 5,363,892               | (3)   |
| Miscellaneous revenues  |                         |                         |                         |   |
| Investment income (loss)  | 142,000                 | 142,000                 | 215,844                 | 73,844                                      |
| Other   | 100,000                 | 100,000                 | 180,617                 | 80,617                                      |
|   | <u>342,000</u>          | <u>342,000</u>          | <u>396,461</u>          | <u>54,461</u>                               |
| <b>TOTAL REVENUES</b>   | <b><u>5,705,895</u></b> | <b><u>5,705,895</u></b> | <b><u>5,760,353</u></b> | <b><u>54,458</u></b>                        |
| <b>EXPENSES AND ENCUMBRANCES</b>                                  |                         |                         |                         |   |
| Public Works  |                         |                         |                         |   |
| Fleet management-equipment maintenance                            |                         |                         |                         |   |
| Employee salaries and benefits                                    | 1,125,210               | 1,133,210               | 1,069,500               | 63,710                                      |
| Outside services  | 172,200                 | 172,200                 | 143,063                 | 29,137                                      |
| Materials and supplies  | 1,545,400               | 1,655,400               | 1,630,056               | 25,344                                      |
| Intrafund/interfund services                                      | 976,084                 | 976,084                 | 980,660                 | (4,576)                                     |
| Capital outlay  | 0                       | 0                       | 0                       | 0   |
|   | <u>3,818,894</u>        | <u>3,936,894</u>        | <u>3,823,279</u>        | <u>113,615</u>                              |
| Fleet management-equipment replacement                            |                         |                         |                         |   |
| Materials and supplies  | 0                       | 2,300                   | 4,900                   | (2,600)                                     |
| Capital outlay  | 1,816,116               | 2,604,258               | 2,009,478               | 594,780                                     |
|   | <u>1,816,116</u>        | <u>2,606,558</u>        | <u>2,014,378</u>        | <u>592,180</u>                              |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>                        | <b><u>5,635,010</u></b> | <b><u>6,543,452</u></b> | <b><u>5,837,657</u></b> | <b><u>705,795</u></b>                       |
| <b>EXCESS REVENUES OVER (UNDER)<br/>EXPENSES AND ENCUMBRANCES</b> | <b>70,885</b>           | <b>(837,557)</b>        | <b>(77,304)</b>         | <b>760,253</b>                              |

**OTHER FINANCING SOURCES (USES)**

|                                      |                          |                         |                       |                       |
|--------------------------------------|--------------------------|-------------------------|-----------------------|-----------------------|
| <b>Transfers in from:</b>            |                          |                         |                       |                       |
| General Fund                         | 78,000                   | 78,000                  | 78,000                | 0                     |
| Proceeds from sale of capital assets | <u>250,000</u>           | <u>250,000</u>          | <u>194,672</u>        | <u>(55,328)</u>       |
| <b>NET CHANGE IN NET POSITION</b>    | <b>\$ <u>398,885</u></b> | <b><u>(509,557)</u></b> | <b><u>195,368</u></b> | <b><u>704,925</u></b> |

**ADJUSTMENTS TO GAAP**

|  |  |  |                       |  |
|--|--|--|-----------------------|--|
| Encumbrances   |  |  | 697,753               |  |
| Changes in compensated absences                      |  |  | 2,699                 |  |
| Depreciation and amortization                        |  |  | (2,198,678)           |  |
| Capital outlay capitalized                           |  |  | 1,317,878             |  |
| Asset transfers - proprietary funds                  |  |  | 214,709               |  |
| Contributed capital assets - governmental activities |  |  | 465,607               |  |
| Pension expense                                      |  |  | <u>48,086</u>         |  |
|  |  |  | <b><u>548,054</u></b> |  |
| <b>GAAP BASIS</b>                                    |  |  | <b>743,422</b>        |  |

**NET POSITION**

|  |  |  |                             |  |
|--|--|--|-----------------------------|--|
| Beginning of fiscal year                 |  |  | <u>13,867,211</u>           |  |
| <b>NET POSITION - END OF FISCAL YEAR</b> |  |  | <b>\$ <u>14,610,633</u></b> |  |

**INCORPORATED COUNTY OF LOS ALAMOS  
RISK MANAGEMENT FUND**

SCHEDULE OF REVENUES, EXPENSES, ENCUMBRANCES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGET BASIS)  
Year ended June 30, 2023

|  | <u>ANNUAL BUDGET</u>     | <u>REVISED BUDGET</u>    | <u>ACTUALS</u>           | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|--|--------------------------|--------------------------|--------------------------|---|
| <b>REVENUES</b>                                  |                          |                          |                          |   |
| <b>Charges for services</b>                      |                          |                          |                          |   |
| Administrative charges for services              | \$ 0                     | 0                        | 345                      | 345   |
| <b>Interfund/interdepartmental charges</b>       |                          |                          |                          |   |
| County insurance contributions                   | 10,156,121               | 10,156,121               | 8,508,971                | (1,647,150)                                 |
| <b>Miscellaneous revenues</b>                    |                          |                          |                          |   |
| Investment income                                | 196,180                  | 196,180                  | 380,908                  | 184,728                                     |
| Group insurance contributions                    |                          |                          |                          |   |
| Employees  | 2,018,287                | 2,018,287                | 1,755,891                | (262,396)                                   |
|  | <u>2,214,467</u>         | <u>2,214,467</u>         | <u>2,136,799</u>         | <u>(77,668)</u>                             |
| <b>TOTAL REVENUES</b>                            | <b><u>12,370,588</u></b> | <b><u>12,370,588</u></b> | <b><u>10,646,115</u></b> | <b><u>(1,724,473)</u></b>                   |
| <b>EXPENSES AND ENCUMBRANCES</b>                 |                          |                          |                          |   |
| <b>Administrative Services - Human Resources</b> |                          |                          |                          |   |
| Group insurance                                  |                          |                          |                          |   |
| Outside services                                 | 683,360                  | 683,360                  | 529,077                  | 154,283                                     |
| Intrafund/interfund services                     | (29,900)                 | (29,900)                 | (36,025)                 | 6,125                                       |
|  | <u>653,460</u>           | <u>653,460</u>           | <u>493,052</u>           | <u>160,408</u>                              |
| Medical Insurance                                |                          |                          |                          |   |
| Outside services                                 | 8,347,247                | 8,347,247                | 8,059,108                | 288,139                                     |
| Unemployment insurance                           |                          |                          |                          |   |
| Outside services                                 | 70,000                   | 70,000                   | 0                        | 70,000                                      |
| Workers' compensation insurance                  |                          |                          |                          |   |
| Outside services                                 | 600,000                  | 600,000                  | 418,416                  | 181,584                                     |
| Administration and other insurance               |                          |                          |                          |   |
| Employee salaries and benefits                   | 385,983                  | 419,983                  | 414,891                  | 5,092                                       |
| Outside services                                 | 1,578,743                | 1,669,425                | 1,404,982                | 264,443                                     |
| Materials and supplies                           | 28,130                   | 128,130                  | 19,397                   | 108,733                                     |
| Intrafund/interfund services                     | 37,371                   | 37,371                   | 43,496                   | (6,125)                                     |
| Capital outlay                                   | 6,000                    | 6,000                    | 78,853                   | (72,853)                                    |
|  | <u>2,036,227</u>         | <u>2,260,909</u>         | <u>1,961,619</u>         | <u>299,290</u>                              |
| <b>TOTAL EXPENSES<br/>AND ENCUMBRANCES</b>       | <b><u>11,706,934</u></b> | <b><u>11,931,616</u></b> | <b><u>10,932,195</u></b> | <b><u>999,421</u></b>                       |
| <b>NET CHANGE IN NET POSITION</b>                | <b><u>\$ 663,654</u></b> | <b><u>438,972</u></b>    | <b><u>(286,080)</u></b>  | <b><u>(725,052)</u></b>                     |



**ADJUSTMENTS TO GAAP**

|  |           |
|--|-----------|
| Encumbrances   | 17,380    |
| Changes in compensated absences                      | (14,414)  |
| Bad debt expense                                     | (252)     |
| Capital outlay capitalized                           | 78,853    |
| Asset transfers - proprietary funds                  | (26,284)  |
| Contributed capital assets - governmental activities | (52,569)  |
| Incurred but not reported claims adjustment          | 2,078,277 |
| Pension expense                                      | 16,618    |

|                  |
|------------------|
| <u>2,097,609</u> |
| <u>1,811,529</u> |

**GAAP BASIS**

**NET POSITION**

|                          |           |
|--------------------------|-----------|
| Beginning of fiscal year | 8,779,551 |
|--------------------------|-----------|

**NET POSITION - END OF FISCAL YEAR**

|                             |
|-----------------------------|
| \$ <u><u>10,591,080</u></u> |
|-----------------------------|

**INCORPORATED COUNTY OF LOS ALAMOS**  
**CUSTODIAL FUNDS**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

|   | <u>Property<br/>Taxes</u> | <u>Employee<br/>Assistance<br/>Fund</u> | <u>Recreation<br/>Contributions</u> | <u>Utility<br/>Assistance<br/>Program</u> | <u>Total</u>          |
|---|---------------------------|---|-------------------------------------|---|-----------------------|
| <b>ASSETS</b>                                     |                           |   |                                     |   |                       |
| Cash and cash equivalents                         | \$ 69,761                 | 18,476                                  | 44,289                              | 14,681                                    | 147,207               |
| Receivables, net of allowance for uncollectibles: |                           |   |                                     |   |                       |
| Property taxes                                    | 375,921                   | 0                                       | 0                                   | 0   | 375,921               |
| Others  | 313                       | 0                                       | 0                                   | 0   | 313                   |
| Total receivables                                 | <u>376,234</u>            | <u>0</u>                                | <u>0</u>                            | <u>0</u>                                  | <u>376,234</u>        |
| <b>TOTAL ASSETS</b>                               | <b><u>\$ 445,995</u></b>  | <b><u>18,476</u></b>                    | <b><u>44,289</u></b>                | <b><u>14,681</u></b>                      | <b><u>523,441</u></b> |
| <b>LIABILITIES</b>                                |                           |   |                                     |   |                       |
| Accounts payable and other liabilities            | \$ 445,995                | 0                                       | 0                                   | 0   | 445,995               |
| <b>TOTAL LIABILITIES</b>                          | <b><u>445,995</u></b>     | <b><u>0</u></b>                         | <b><u>0</u></b>                     | <b><u>0</u></b>                           | <b><u>445,995</u></b> |
| <b>NET POSITION</b>                               |                           |   |                                     |   |                       |
| Restricted for:                                   |                           |   |                                     |   |                       |
| Employee fund                                     | 0                         | 18,476                                  | 0                                   | 0   | 18,476                |
| Recreation Programs                               | 0                         | 0                                       | 44,289                              | 0   | 44,289                |
| Utility Assistance Program                        | 0                         | 0                                       | 0                                   | 14,681                                    | 14,681                |
| <b>TOTAL NET POSITION</b>                         | <b><u>\$ 0</u></b>        | <b><u>18,476</u></b>                    | <b><u>44,289</u></b>                | <b><u>14,681</u></b>                      | <b><u>77,446</u></b>  |

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS**  
**CUSTODIAL FUNDS**  
**STATEMENT OF CHANGES IN NET POSITION**  
**Year Ended June 30, 2023**

|   | <u>Property Taxes</u>    | <u>Employee<br/>Assistance<br/>Fund</u> | <u>Recreation<br/>Contributions</u> | <u>Utility<br/>Assistance<br/>Program</u> | <u>Total</u>             |
|---|--------------------------|---|-------------------------------------|---|--------------------------|
| <b>ADDITIONS</b>                                  |                          |   |                                     |   |                          |
| Contributions:                                    |                          |   |                                     |   |                          |
| Customers   | \$ 0                     | 0                                       | 0                                   | 11,434                                    | 11,434                   |
| Property tax received                             | 38,041,306               | 0                                       | 0                                   | 0   | 38,041,306               |
| Donations for recreation programs                 | 0                        | 0                                       | 1,180                               | 0   | 1,180                    |
| Employee fund                                     | 0                        | 18,476                                  | 0                                   | 0   | 18,476                   |
| Total contributions                               | <u>38,041,306</u>        | <u>18,476</u>                           | <u>1,180</u>                        | <u>11,434</u>                             | <u>38,072,396</u>        |
| Sales tax collections for other governments       | 2,557,013                | 0                                       | 0                                   | 0   | 2,557,013                |
| Fee collections for other governments             | 5,911                    | 0                                       | 0                                   | 0   | 5,911                    |
| <b>TOTAL ADDITIONS</b>                            | <b><u>40,604,230</u></b> | <b><u>18,476</u></b>                    | <b><u>1,180</u></b>                 | <b><u>11,434</u></b>                      | <b><u>40,635,320</u></b> |
| <b>DEDUCTIONS</b>                                 |                          |   |                                     |   |                          |
| Benefits paid to participants or beneficiaries    | 0                        | 0                                       | 0                                   | 23,534                                    | 23,534                   |
| Payment to State                                  | 2,579,031                | 0                                       | 0                                   | 0   | 2,579,031                |
| Property tax payment                              | 38,025,199               | 0                                       | 0                                   | 0   | 38,025,199               |
| Employee fund                                     | 0                        | 22,573                                  | 0                                   | 0   | 22,573                   |
| <b>TOTAL DEDUCTIONS</b>                           | <b><u>40,604,230</u></b> | <b><u>22,573</u></b>                    | <b><u>0</u></b>                     | <b><u>23,534</u></b>                      | <b><u>40,650,337</u></b> |
| Net increase (decrease) in custodial net position | 0                        | (4,097)                                 | 1,180                               | (12,100)                                  | (15,017)                 |
| <b>NET POSITION</b>                               |                          |   |                                     |   |                          |
| Beginning of fiscal year                          | 431,038                  | 22,573                                  | 43,109                              | 26,781                                    | 523,501                  |
| Prior period restatement (Note 25)                | (431,038)                | 0                                       | 0                                   | 0   | (431,038)                |
| Beginning of fiscal year, as restated             | <u>0</u>                 | <u>22,573</u>                           | <u>43,109</u>                       | <u>26,781</u>                             | <u>92,463</u>            |
| <b>NET POSITION - END OF FISCAL YEAR</b>          | <b><u>\$ 0</u></b>       | <b><u>18,476</u></b>                    | <b><u>44,289</u></b>                | <b><u>14,681</u></b>                      | <b><u>77,446</u></b>     |



# Statistical Section

This section of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the County's overall financial health. This section is presented in five general categories as described below.

**Financial trends information** is intended to assist readers in understanding and assessing how the County's financial position has changed over time.

**Revenue capacity information** is intended to assist users in understanding and assessing the factors affecting the County's ability to generate its "own-source revenues". Own-source revenues are revenues that are generated by the County itself. The County's largest own-source revenues are Joint Utility System charges, thus there are several required tables showing the Joint Utility Fund customer base, charge rates, and revenues by customer category. **Additional tables, although not required, show gross receipts tax revenue history and information about property taxes.**

**Debt capacity information** is intended to assist readers in understanding and assessing the County's debt burden and its ability to issue additional debt.

**Demographic and economic information** is intended (1) to assist readers in understanding the socioeconomic environment within which the County operates and (2) to provide information that facilitates comparisons of financial information over time and among governments.

**Operating information** is intended to provide contextual information about the County's operations and resources to assist readers in using financial statement information to understand and assess the County's economic condition.

**INCORPORATED COUNTY OF LOS ALAMOS  
NET POSITION BY COMPONENT**

Table 1

(ACCRUAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS

|   | <u>FY2014</u>         | <u>FY2015</u>      | <u>FY2016</u>      | <u>FY2017</u>      | <u>FY2018</u>      | <u>FY2019</u>      | <u>FY2020</u>      | <u>FY2021</u>      | <u>FY2022</u>      | <u>FY2023</u>      |
|---|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Governmental activities                         |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Net investment in capital assets                | \$ 239,254,295        | 250,108,256        | 252,531,286        | 259,802,145        | 245,740,292        | 243,608,904        | 241,821,819        | 244,701,611        | 250,230,434 [f]    | 257,547,997        |
| Restricted                                      | 34,988,485            | 34,249,549         | 33,470,637         | 36,167,913         | 37,428,930         | 38,583,131         | 41,161,171         | 51,636,358         | 45,553,518         | 51,180,896         |
| Unrestricted                                    | 65,417,024            | 24,828,055 [b]     | 23,440,469         | 11,708,367         | (14,208,320) [c]   | (9,962,668)        | (4,966,319)        | 13,286,669 [e]     | 29,906,366 [g]     | 58,331,700         |
| Total governmental activities net position [a]  | <u>\$ 339,659,804</u> | <u>309,185,860</u> | <u>309,442,392</u> | <u>307,678,425</u> | <u>268,960,902</u> | <u>272,229,367</u> | <u>278,016,671</u> | <u>309,624,638</u> | <u>325,690,318</u> | <u>367,060,593</u> |
| Business-type activities                        |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Net investment in capital assets                | \$ 181,756,242        | 179,372,871        | 184,426,198        | 188,228,999        | 189,991,534        | 190,686,814        | 190,251,621        | 192,208,314        | 188,408,786        | 171,196,423        |
| Restricted                                      | 22,978,409            | 18,360,915         | 14,083,223         | 12,158,471         | 10,098,323         | 7,166,671          | 18,728,201         | 13,944,183         | 17,565,599         | 4,821,440          |
| Unrestricted                                    | 32,720,327            | (13,031,536) [b]   | (11,155,982)       | (19,209,288)       | (47,684,553) [c]   | (45,260,431) [d]   | (55,904,827)       | (46,157,528)       | (39,151,053)       | (30,380,460)       |
| Total business-type activities net position [a] | <u>\$ 237,454,978</u> | <u>184,702,250</u> | <u>187,353,439</u> | <u>181,178,182</u> | <u>152,405,304</u> | <u>152,593,054</u> | <u>153,074,995</u> | <u>159,994,969</u> | <u>166,823,332</u> | <u>145,637,403</u> |
| Primary government                              |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Net investment in capital assets                | \$ 421,010,537        | 429,481,127        | 436,957,484        | 448,031,144        | 435,731,826        | 434,295,718        | 432,073,440        | 436,909,925        | 438,639,220        | 428,744,420        |
| Restricted                                      | 57,966,894            | 52,610,464         | 47,553,860         | 48,326,384         | 47,527,253         | 45,749,802         | 59,889,372         | 65,580,541         | 63,119,117         | 56,002,336         |
| Unrestricted                                    | 98,137,351            | 11,796,519 [b]     | 12,284,487         | (7,500,921)        | (61,892,873) [c]   | (55,223,099) [d]   | (60,871,146)       | (32,870,859)       | (9,244,687)        | 27,951,240         |
| Total primary government net position [a]       | <u>\$ 577,114,782</u> | <u>493,888,110</u> | <u>496,795,831</u> | <u>488,856,607</u> | <u>421,366,206</u> | <u>424,822,421</u> | <u>431,091,666</u> | <u>469,619,607</u> | <u>492,513,650</u> | <u>512,697,996</u> |

Source: Los Alamos County ACFRs

Notes:

[a] The County implemented GASB 63 during FY2013 in which formerly titled "Net Assets" are now named "Net Position".

[b] The County implemented GASB 68 during FY2015 which includes net pension liability. The reduction of net position is related to the recording of pension expense and the associated deferred inflows and outflows of resources.

[c] The County implemented GASB 75 during FY2018 which includes net other post employment benefits liability. The reduction of net position is related to the recording of other post employment expense and the associated deferred inflows and outflows of resources.

[d] The County implemented GASB 83 during FY2019 for certain Asset Retirement Obligations and the associated deferred outflows of resources.

[e] The County received a settlement from New Mexico Taxation and Revenue Department as well as an increase in gross receipts taxes, which increased the Unrestricted Net Position.

[f] The County implemented GASB 96 during FY2023 for certain subscription based IT arrangements, which increased the net investment in capital assets.

[g] Due to favorable market conditions, the County's investment earnings significantly increased unrestricted net position.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**CHANGES IN NET POSITION**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**LAST TEN FISCAL YEARS**

Table 2

|  | <u>FY2014</u>         | <u>FY2015</u>      | <u>FY2016</u>      | <u>FY2017</u>      | <u>FY2018</u>      | <u>FY2019</u>      | <u>FY2020</u>      | <u>FY2021</u>      | <u>FY2022</u>      | <u>FY2023</u>      |
|--|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                                |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Governmental activities:                       |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| General government                             | \$ 14,792,046         | 15,786,864         | 15,346,876         | 15,742,286         | 16,153,556         | 19,043,406         | 14,263,560         | 13,393,900         | 16,360,363         | 20,676,315         |
| Public safety                                  | 13,888,177            | 12,144,576         | 13,360,596         | 16,408,125         | 16,302,563         | 15,797,548         | 16,656,101         | 18,345,645         | 18,264,576         | 20,738,869         |
| Physical and economic environment              | 1,704,968             | 1,625,567          | 2,958,513          | 3,153,938          | 3,720,214          | 4,163,026          | 3,663,039          | 3,976,600          | 5,431,571          | 3,930,581          |
| Transportation                                 | 11,592,103            | 10,612,552         | 11,818,676         | 11,961,231         | 11,313,990         | 11,464,191         | 9,926,041          | 9,211,396          | 8,994,009          | 10,205,310         |
| Health and welfare                             | 2,413,003             | 3,454,239          | 3,365,393          | 3,875,543          | 3,852,592          | 4,057,282          | 4,834,931          | 4,868,243          | 5,335,149          | 5,481,122          |
| Culture and recreation                         | 8,539,264             | 8,499,131          | 9,048,935          | 10,887,483         | 10,597,328         | 10,314,762         | 10,508,678         | 9,743,003          | 10,656,894         | 11,781,094         |
| Interest on long-term debt                     | 3,143,244             | 3,089,731          | 2,918,556          | 2,729,727          | 2,525,526          | 1,666,726          | 1,694,656          | 1,322,450          | 1,097,603          | 865,146            |
| Total governmental activities expenses         | <u>56,072,805</u>     | <u>55,212,660</u>  | <u>58,817,545</u>  | <u>64,758,333</u>  | <u>64,465,769</u>  | <u>66,506,941</u>  | <u>61,547,006</u>  | <u>60,861,237</u>  | <u>66,140,165</u>  | <u>73,678,437</u>  |
| Business-type activities:                      |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Joint Utilities                                |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Electric                                       | 43,960,638            | 47,510,797         | 40,530,631         | 41,151,605         | 42,051,970         | 45,127,608         | 41,918,130         | 47,336,014         | 47,692,328         | 80,721,534         |
| Gas  | 6,075,188             | 4,442,941          | 3,917,505          | 4,541,525          | 4,415,685          | 5,077,295          | 4,328,197          | 5,868,459          | 8,319,740          | 12,968,995         |
| Water  | 6,663,350             | 7,037,166          | 7,476,966          | 7,204,526          | 6,683,631          | 6,955,455          | 7,239,170          | 7,362,681          | 8,177,163          | 9,828,332          |
| Wastewater                                     | 3,943,016             | 4,294,289          | 4,013,980          | 4,136,049          | 4,189,896          | 4,242,789          | 4,453,683          | 4,498,210          | 4,940,905          | 5,162,592          |
| Environmental Services                         | 4,225,768             | 3,984,802          | 3,669,075          | 4,601,666          | 4,488,772          | 4,803,463          | 3,833,069          | 5,108,761          | 4,175,763          | 5,738,530          |
| Transit (Atomic City Transit)                  | 3,993,193             | 4,050,193          | 3,665,719          | 4,038,842          | 4,239,082          | 4,113,106          | 4,236,488          | 3,927,810          | 4,226,671          | 4,421,882          |
| Fire   | 22,908,775            | 23,455,765         | 25,081,899         | 29,027,727         | 26,744,125         | 28,057,775         | 27,975,499         | 23,570,955         | 27,372,994         | 29,142,067         |
| Airport  | 1,537,667             | 1,251,229          | 1,777,165          | 1,628,521          | 1,134,060          | 931,841            | 924,622            | 827,233            | 1,240,670          | 2,162,626          |
| Total business-type activities expenses        | <u>93,307,595</u>     | <u>96,027,182</u>  | <u>90,132,940</u>  | <u>96,330,461</u>  | <u>93,947,221</u>  | <u>99,309,332</u>  | <u>94,908,858</u>  | <u>98,500,123</u>  | <u>106,146,234</u> | <u>150,146,558</u> |
| Total primary government expenses              | <u>\$ 149,380,400</u> | <u>151,239,842</u> | <u>148,950,485</u> | <u>161,088,794</u> | <u>158,412,990</u> | <u>165,816,273</u> | <u>156,455,864</u> | <u>159,361,360</u> | <u>172,286,399</u> | <u>223,824,995</u> |
| <b>Program Revenues</b>                        |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Governmental activities:                       |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Charges for Services:                          |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| General government                             | \$ 957,045            | 1,038,897          | 1,271,004          | 1,316,695          | 1,378,903          | 1,692,841          | 1,541,893          | 1,393,398          | 1,153,161          | 1,254,372          |
| Public safety                                  | 10,075                | 27,970             | 21,186             | 33,262             | 32,631             | 38,749             | 103,530            | 209,150            | 128,997            | 59,174             |
| Physical and economic environment              | 297,164               | 285,865            | 267,346            | 350,571            | 394,274            | 391,345            | 585,986            | 933,120            | 848,415            | 670,006            |
| Health and welfare                             | 0                     | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0 [d]              | 448,462 [d]        | 128,834            |
| Culture and recreation                         | 1,095,508             | 1,054,444          | 1,049,593          | 1,002,205          | 884,437            | 549,841            | 417,634            | 528,851            | 1,037,267          | 1,226,187          |
| Operating grants and contributions             | 3,193,079             | 1,686,315          | 2,215,748          | 2,775,875          | 1,167,725          | 482,275            | 1,459,864          | 4,333,989          | 3,724,606          | 3,165,504          |
| Capital grants and contributions               | 710,953               | 895,715            | 702,911            | 2,937,044          | 3,253,923          | 2,273,796          | 4,039,402          | 2,120,077          | 1,682,093          | 3,392,657          |
| Total governmental activities program revenues | <u>6,263,824</u>      | <u>4,989,206</u>   | <u>5,527,788</u>   | <u>8,415,652</u>   | <u>7,111,893</u>   | <u>5,428,847</u>   | <u>8,148,309</u>   | <u>9,518,585</u>   | <u>9,023,001</u>   | <u>9,896,734</u>   |
| Business-type activities:                      |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Charges for services:                          |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Joint Utilities                                |                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Electric                                       | 46,479,599            | 41,641,654         | 45,701,692         | 40,655,034         | 42,778,437         | 43,810,731         | 41,311,524         | 45,915,681         | 48,751,796         | 57,246,658         |
| Gas  | 6,714,276             | 5,383,259          | 4,910,279          | 4,502,630          | 4,213,834          | 5,481,552          | 4,729,484          | 5,701,589          | 7,164,213          | 10,638,454         |
| Water  | 4,913,083             | 4,614,815          | 4,901,704          | 5,305,884          | 6,204,782          | 5,917,490          | 6,749,100          | 7,593,028          | 7,511,526          | 8,869,295          |
| Wastewater                                     | 4,019,962             | 4,286,041          | 4,643,528          | 4,962,215          | 5,274,729          | 5,519,652          | 5,856,991          | 6,046,495          | 6,158,366          | 6,185,740          |
| Environmental Services                         | 3,096,701             | 2,719,249          | 2,951,773          | 3,180,855          | 3,359,964          | 3,380,819          | 3,597,243          | 3,559,229          | 3,745,170          | 3,480,490          |
| Transit (Atomic City Transit)                  | 150,000               | 0                  | 0                  | 11,701             | 18,830             | 0                  | 0                  | 0                  | 0                  | 0                  |
| Fire   | 4,702,845             | 4,399,490          | 4,829,236          | 5,415,618          | 5,597,906          | 5,515,946          | 6,461,392          | 7,200,160          | 7,981,002          | 8,403,860          |
| Airport  | 100,434               | 88,639             | 87,389             | 90,208             | 96,942             | 115,787            | 130,428            | 71,711             | 76,289             | 76,846             |
| Operating grants and contributions             | 20,631,902            | 20,167,450         | 20,747,128         | 22,035,279         | 22,230,633         | 21,041,542         | 22,592,220         | 24,018,567         | 24,726,106         | 27,307,528         |
| Capital grants and contributions               | 11,953,592            | 2,484,713          | 1,577,799          | 777,875            | 766,530            | 1,382,160          | 925,955            | 428,961            | 1,099,961          | 263,647            |

|  |                        |                         |                     |                     |                         |                        |                      |                       |                       |                     |
|--|------------------------|-------------------------|---------------------|---------------------|-------------------------|------------------------|----------------------|-----------------------|-----------------------|---------------------|
| Total business-type activities program revenues              | <u>102,762,394</u>     | <u>85,785,310</u>       | <u>90,350,528</u>   | <u>86,937,299</u>   | <u>90,542,137</u>       | <u>92,165,679</u>      | <u>92,354,337</u>    | <u>100,535,421</u>    | <u>107,214,429</u>    | <u>122,472,518</u>  |
| Total primary government program revenues                    | \$ <u>109,026,218</u>  | <u>90,774,516</u>       | <u>95,878,316</u>   | <u>95,352,951</u>   | <u>97,654,030</u>       | <u>97,594,526</u>      | <u>100,502,646</u>   | <u>110,054,006</u>    | <u>116,237,430</u>    | <u>132,369,252</u>  |
| <b>Net (Expenses)/Revenues</b>                               |                        |                         |                     |                     |                         |                        |                      |                       |                       |                     |
| Governmental activities                                      | \$ (49,808,981)        | (50,223,454)            | (53,289,757)        | (56,342,681)        | (57,353,876)            | (61,078,094)           | (53,398,697)         | (51,342,652)          | (57,117,164)          | (63,781,703)        |
| Business-type activities                                     | 9,454,799              | (10,241,872)            | 217,588             | (9,393,162)         | (3,405,084)             | (7,143,653)            | (2,554,521)          | 2,035,298             | 1,068,195             | (27,674,040)        |
| Total primary government net expense                         | \$ <u>(40,354,182)</u> | <u>(60,465,326)</u>     | <u>(53,072,169)</u> | <u>(65,735,843)</u> | <u>(60,758,960)</u>     | <u>(68,221,747)</u>    | <u>(55,953,218)</u>  | <u>(49,307,354)</u>   | <u>(56,048,969)</u>   | <u>(91,455,743)</u> |
| <b>General Revenues and Other Changes in Net Position</b>    |                        |                         |                     |                     |                         |                        |                      |                       |                       |                     |
| Governmental activities:                                     |                        |                         |                     |                     |                         |                        |                      |                       |                       |                     |
| Taxes  |                        |                         |                     |                     |                         |                        |                      |                       |                       |                     |
| Gross receipts taxes   | \$ 22,376,156          | 22,340,980              | 25,455,540          | 24,315,050          | 26,366,908              | 31,443,202             | 31,193,301           | 34,881,631            | 44,209,808            | 58,009,664          |
| Property taxes   | 5,328,528              | 5,336,098               | 6,974,747           | 7,020,492           | 7,183,982               | 7,295,432              | 7,757,444            | 8,025,363             | 8,262,390             | 8,630,254           |
| Franchise taxes  | 481,665                | 472,261                 | 512,974             | 566,033             | 491,995                 | 528,970                | 524,930              | 533,848               | 526,930               | 669,861             |
| Grants and contribution not restricted to specific programs  | 1,451,287              | 817,545                 | 1,392,069           | 847,665             | 889,846                 | 1,222,801              | 934,392              | 870,136               | 12,008,825            | 959,951             |
| State shared tax revenue not restricted to specific program: | 14,979,816             | 14,911,175              | 17,009,401          | 16,816,686          | 18,170,327              | 21,565,567             | 21,320,542           | 23,792,023            | 24,504,284            | 33,529,142          |
| Unrestricted investment earnings                             | 8,321,837              | 1,359,032               | 55,063              | 4,961,233           | 3,719,637               | 3,467,279              | 2,623,382            | 14,620,287            | (13,043,668)          | 7,086,363           |
| Gain on exchange of capital assets                           | 0                      | 337,133                 | 0                   | 0                   | (12,210,226)            | (2,719,594)            | (6,038,219)          | (476,875)             | 0                     | 0                   |
| Transfers  | (807,895)              | 347,887                 | 2,146,495           | 51,556              | 1,460,372               | 1,542,902              | 870,229              | 704,206               | (3,285,725)           | (1,099,716)         |
| Total governmental activities                                | <u>52,131,394</u>      | <u>45,922,111</u>       | <u>53,546,289</u>   | <u>54,578,715</u>   | <u>46,072,841</u>       | <u>64,346,559</u>      | <u>59,186,001</u>    | <u>82,950,619</u>     | <u>73,182,844</u>     | <u>107,785,519</u>  |
| Business-type activities:                                    |                        |                         |                     |                     |                         |                        |                      |                       |                       |                     |
| Gross receipts taxes   | 2,197,573              | 2,190,204               | 2,498,560           | 2,382,482           | 2,584,525               | 3,084,255              | 3,063,986            | 3,439,281             | 3,549,824             | 4,914,058           |
| Grants and contribution not restricted to specific programs  | 0                      | 0                       | 0                   | 0                   | 0                       | 0                      | 0                    | 0                     | 0                     | 0                   |
| Unrestricted investment earnings                             | 898,846                | 157,053                 | 127,936             | 886,979             | 779,323                 | 831,079                | 737,305              | 1,991,428             | (1,075,381)           | 1,548,520           |
| Gain on restructuring of San Juan ownership agreement        | 0                      | 0 [b]                   | 1,953,600           | 0                   | 0                       | 0                      | 0                    | 0                     | 0                     | 0                   |
| Gain (loss) on exchange of capital assets                    | 0                      | 0                       | 0                   | 0                   | (998,192)               | (609,531)              | 105,401              | 158,173               | 0                     | 0                   |
| Transfers  | 807,895                | (347,887)               | (2,146,495)         | (51,556)            | (1,460,372)             | (1,542,902)            | (870,229)            | (704,206)             | 3,285,725             | 1,099,716           |
| Total business-type activities                               | <u>3,904,314</u>       | <u>1,999,370</u>        | <u>2,433,601</u>    | <u>3,217,905</u>    | <u>905,284</u>          | <u>1,762,901</u>       | <u>3,036,463</u>     | <u>4,884,676</u>      | <u>5,760,168</u>      | <u>7,562,294</u>    |
| Total primary government                                     | \$ <u>56,035,708</u>   | <u>47,921,481</u>       | <u>55,979,890</u>   | <u>57,796,620</u>   | <u>46,978,125</u>       | <u>66,109,460</u>      | <u>62,222,464</u>    | <u>87,835,295</u>     | <u>78,943,012</u>     | <u>115,347,813</u>  |
| <b>Change in Net Position</b>                                |                        |                         |                     |                     |                         |                        |                      |                       |                       |                     |
| Governmental activities                                      | \$ 2,322,413           | (4,301,343)             | 256,532             | (1,763,966)         | (11,281,035)            | 3,268,465              | 5,787,304            | 31,607,967            | 16,065,680            | 44,003,816          |
| Business-type activities                                     | 13,359,113             | (8,242,502)             | 2,651,189           | (6,175,257)         | (2,499,800)             | (5,380,752)            | 481,942              | 6,919,974             | 6,828,363             | (20,111,746)        |
| Total primary government net expense                         | \$ <u>15,681,526</u>   | <u>(12,543,845) [a]</u> | <u>2,907,721</u>    | <u>(7,939,223)</u>  | <u>(13,780,835) [c]</u> | <u>(2,112,287) [c]</u> | <u>6,269,246 [c]</u> | <u>38,527,941 [c]</u> | <u>22,894,043 [c]</u> | <u>23,892,070</u>   |

Source: Los Alamos County ACFRs

**Notes:**

[a] The County implemented GASB Statement No. 68 in FY2015 which included restated beginning balances of (\$70.68M) related to the net effect of deferred inflows and outflows relative to net pension liabilities.

[b] The owners of the San Juan generating station restructured ownership agreement when some owners withdrew. The result was a gain for the other owners. This gain was recorded in the Joint Utility System Fund and appears in the business-type activities.

[c] The County implemented GASB Statement No. 75 in FY2018 which included restated beginning balances of (\$52.84M) related to the net effect of deferred inflows and outflows relative to net other post employment benefits liabilities.

[d] The County received a settlement from New Mexico Taxation and Revenue Department of which a part was attributable to Health and Welfare.



L  S A L A M O  S

**INCORPORATED COUNTY OF LOS ALAMOS**  
**FUND BALANCE, GOVERNMENTAL FUNDS (modified accrual basis of accounting)**  
**LAST TEN FISCAL YEARS**

Table 3

|                                    | <u>FY2014</u>     | <u>FY2015 [c]</u> | <u>FY2016</u>     | <u>FY2017</u>     | <u>FY2018</u>     | <u>FY2019</u>     | <u>FY2020</u>     | <u>FY2021</u>     | <u>FY2022</u>     | <u>FY2023</u>     |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund                       |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Nonspendable                       | 2,370,466         | 2,086,644         | 1,543,084         | 1,495,689         | 1,520,487         | 1,569,759         | 1,739,237         | 1,801,502         | 1,863,862         | 2,291,502         |
| Restricted                         | 4,578,105         | 4,662,147         | 4,725,850         | 4,817,028         | 4,719,414         | 4,904,811         | 6,549,439         | 8,074,861         | 9,227,336         | 10,179,872        |
| Committed                          | 11,216,517        | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Assigned                           | 0                 | 2,735,989         | 2,552,924         | 1,441,333         | 5,886,465         | 2,389,590         | 3,869,407 [d]     | 10,428,819        | 11,802,830        | 14,112,692        |
| Unassigned                         | 10,946,134        | 16,030,633        | 10,988,354        | 10,122,214        | 13,177,552        | 25,370,753        | 30,409,028 [e]    | 27,392,196 [g]    | 36,606,315 [i]    | 52,017,651        |
| Total General Fund                 | <u>29,111,222</u> | <u>25,515,413</u> | <u>19,810,212</u> | <u>17,876,264</u> | <u>25,303,918</u> | <u>34,234,913</u> | <u>42,567,111</u> | <u>47,697,378</u> | <u>59,500,343</u> | <u>78,601,717</u> |
| All Other Governmental Funds       |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Nonspendable                       | 25,177,558        | 25,472,184        | 24,580,311        | 24,958,847        | 25,830,386        | 15,450            | 15,450            | 15,450            | 15,450            | 29,331,758        |
| Restricted                         | 5,377,454         | 4,153,960         | 3,426,972         | 5,617,945         | 6,094,484         | 32,850,984        | 33,756,368        | 42,672,219 [h]    | 35,395,653        | 10,703,772        |
| Committed                          | 43,694,827        | 787,738           | 522,781           | 509,644           | 475,383           | 436,126           | 544,471           | 568,920           | 57,700            | 128,664           |
| Assigned                           | 0                 | 31,376,364        | 36,492,709        | 28,601,685        | 26,816,584        | 26,969,685        | 25,180,170 [f]    | 40,876,071        | 45,460,250        | 53,976,512        |
| Unassigned [a]                     | (2,733,870) [b]   | 0                 | 0                 | 0                 | (796,699)         | (510,303)         | 69,994            | 69,993            | 69,993            | 0                 |
| Total All Other Governmental Funds | <u>71,515,969</u> | <u>61,790,246</u> | <u>65,022,773</u> | <u>59,688,121</u> | <u>58,420,138</u> | <u>59,761,942</u> | <u>59,566,453</u> | <u>84,202,653</u> | <u>80,999,046</u> | <u>94,140,706</u> |

Source: Los Alamos County ACFRs

Notes:

- [a] The Unassigned fund balance deficit relates to the individual Las Conchas Fire Fund incurring reimbursable expenditures which were not received within the County's period of availability for accrual (60 days).
- [b] The Unassigned fund balance deficit relates to the individual Emergency Declarations Fund, formerly Las Conchas Fire Fund, incurring reimbursable expenditures which were not received within the County's period of availability for accrual (60 days).
- [c] The County made policy changes and restructured its fund balances, making many fund balances that were previously reported as committed as either assigned or unrestricted.
- [d] The increase in Assigned fund balance is due to an increase in continuing appropriations carried forward to complete projects in the next fiscal year.
- [e] The decrease in Unassigned fund balance is due to the County carrying forward a significant amount in assigned fund balance to complete projects in the next fiscal year.
- [f] The increase in Assigned fund balance is due to the Emergency Declarations Fund receiving corona virus relief funds and the significant increase in funding for capital projects in the Capital Improvement Projects Fund.
- [g] The increase in Unassigned fund balance relates to the settlement the County received from New Mexico Tax and Revenue.
- [h] The decrease in Restricted fund balance relates to the loss on investments in the Capital Projects Permanent Fund.
- [i] The increase in Unassigned fund balance relates to the County implementing and reporting GASB 87 for lease receivables in the General Fund

**INCORPORATED COUNTY OF LOS ALAMOS**  
**CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS (modified accrual basis of accounting)**  
**LAST TEN FISCAL YEARS**

Table 4

|  | <u>FY2014</u>         | <u>FY2015</u>       | <u>FY2016</u>      | <u>FY2017</u>      | <u>FY2018</u>     | <u>FY2019</u>     | <u>FY2020</u>        | <u>FY2021</u>      | <u>FY2022</u>      | <u>FY2023</u>      |
|--|-----------------------|---------------------|--------------------|--------------------|-------------------|-------------------|----------------------|--------------------|--------------------|--------------------|
| Revenues:  |                       |                     |                    |                    |                   |                   |                      |                    |                    |                    |
| Taxes and special assessments                            | \$ 28,507,405         | 28,494,458          | 33,406,693         | 32,370,821         | 34,508,399        | 39,741,012        | 39,934,857           | 43,857,792         | 53,606,223         | 67,727,046         |
| Licenses and permits                                     | 274,320               | 252,091             | 241,250            | 282,417            | 292,869           | 271,167           | 397,269              | 560,069            | 310,007            | 359,897            |
| Intergovernmental  | 17,067,419            | 19,881,600          | 21,218,380         | 21,429,688         | 20,174,079        | 24,159,020        | 24,346,020           | 34,384,924         | 30,460,894         | 40,573,124         |
| Fines forfeitures and penalties                          | 167,241               | 154,697             | 185,658            | 208,610            | 190,910           | 142,993           | 101,454              | 112,718            | 94,880             | 62,836             |
| Charges for services                                     | 1,230,420             | 1,204,594           | 1,217,041          | 1,282,751          | 1,273,973         | 1,023,331         | 1,000,884            | 1,385,207          | 1,431,273          | 1,448,207          |
| Interfund/Interdepartmental charges                      | 7,493,187             | 6,602,030           | 6,301,361          | 7,190,007          | 7,224,440         | 7,130,081         | 8,023,975            | 8,004,968          | 8,826,224          | 9,313,081          |
| Investment Income  | 8,321,837 [b]         | 1,359,032 [b]       | 55,063 [a]         | 4,961,233 [b]      | 3,719,637 [b]     | 3,467,279 [b]     | 2,623,382 [a]        | 14,620,287 [b]     | (13,043,668) [a]   | 7,086,363          |
| Other revenues   | 1,286,404             | 1,482,134           | 1,613,461          | 1,043,009          | 1,684,264         | 1,855,709         | 1,695,655            | 3,262,980          | 12,556,699         | 1,648,712          |
| <b>Total revenues</b>                                    | <b>64,348,233</b>     | <b>59,430,636</b>   | <b>64,238,907</b>  | <b>68,768,536</b>  | <b>69,068,571</b> | <b>77,790,592</b> | <b>78,123,496</b>    | <b>106,188,945</b> | <b>94,242,532</b>  | <b>128,219,266</b> |
| Expenditures   |                       |                     |                    |                    |                   |                   |                      |                    |                    |                    |
| General government                                       | 18,478,112            | 19,795,338          | 19,716,655         | 18,962,346         | 18,872,265        | 22,558,333        | 20,133,201           | 22,088,973         | 24,224,186         | 29,496,510         |
| Public safety  | 13,365,914            | 11,897,415          | 13,083,180         | 15,115,676         | 14,813,375        | 14,078,315        | 15,020,479           | 17,989,556         | 17,954,063         | 20,312,319         |
| Physical and economic environment                        | 1,714,917             | 1,660,995           | 3,006,055          | 3,011,403          | 3,535,192         | 3,951,468         | 3,471,347            | 4,079,822          | 5,543,713          | 3,997,229          |
| Transportation   | 4,613,400             | 3,737,857           | 4,296,240          | 3,749,900          | 3,519,442         | 4,907,804         | 4,274,507            | 3,957,613          | 3,673,960          | 4,654,156          |
| Health and welfare                                       | 2,414,606             | 3,461,538           | 3,371,456          | 3,855,380          | 3,831,088         | 4,028,652         | 4,809,190            | 4,883,588          | 5,347,004          | 5,500,430          |
| Culture and recreation                                   | 7,788,712             | 7,805,286           | 7,947,403          | 8,477,156          | 8,689,730         | 8,188,393         | 8,287,118            | 8,491,488          | 9,294,639          | 10,009,084         |
| Capital Projects/Outlay                                  | 11,688,570            | 18,701,900          | 10,508,740         | 17,417,464         | 4,860,632         | 4,601,011 [e]     | 9,885,442            | 11,153,948         | 11,841,718         | 14,392,552         |
| Debt service   |                       |                     |                    |                    |                   |                   |                      |                    |                    |                    |
| Principal  | 3,615,000             | 3,795,000           | 3,970,000          | 4,175,000          | 4,395,000         | 4,620,000         | 3,090,000            | 3,215,000          | 3,380,000          | 3,545,000          |
| Interest   | 2,542,740             | 2,475,396           | 2,299,109          | 2,089,646          | 1,873,597         | 1,645,558         | 1,460,759            | 1,337,159          | 1,176,409          | 1,007,409          |
| Bond issuance costs                                      | 0                     | 0                   | 0                  | 0                  | 0                 | 0                 | 0                    | 0                  | 0                  | 0                  |
| <b>Total expenditures</b>                                | <b>66,221,971</b>     | <b>73,330,725</b>   | <b>68,198,838</b>  | <b>76,853,971</b>  | <b>64,390,321</b> | <b>68,579,534</b> | <b>70,432,043</b>    | <b>77,197,147</b>  | <b>82,435,692</b>  | <b>92,914,689</b>  |
| Excess of revenues over (under) expenditures             | (1,873,738)           | (13,900,089)        | (3,959,931)        | (8,085,435)        | 4,678,250         | 9,211,058         | 7,691,453            | 28,991,798         | 11,806,840         | 35,304,577         |
| Other Financial Sources (Uses)                           |                       |                     |                    |                    |                   |                   |                      |                    |                    |                    |
| Transfers in   | 21,359,159            | 17,779,053          | 25,518,449         | 15,751,408         | 13,417,513        | 14,779,710        | 15,502,538           | 28,578,479         | 24,026,348         | 31,906,691         |
| Transfers out  | (21,126,363)          | (17,200,496)        | (24,031,192)       | (14,934,572)       | (11,936,092)      | (13,717,969)      | (14,459,880)         | (27,803,810)       | (27,233,830)       | (32,593,368)       |
| Issuance of long-term debt                               | 0                     | 0                   | 0                  | 0                  | 0                 | 0                 | 0                    | 0                  | 0                  | 0                  |
| Payment to escrow - refunding debt                       | 0                     | 0                   | 0                  | 0                  | 0                 | 0                 | 0                    | 0                  | 0                  | 0                  |
| Loss on disposal of asset held for resale                | 0                     | 0                   | 0                  | 0                  | 0                 | 0                 | (597,402)            | 0                  | 0                  | 0                  |
| <b>Total other financial sources (uses)</b>              | <b>232,796</b>        | <b>578,557</b>      | <b>1,487,257</b>   | <b>816,836</b>     | <b>1,481,421</b>  | <b>1,061,741</b>  | <b>445,256</b>       | <b>774,669</b>     | <b>(3,207,482)</b> | <b>(686,677)</b>   |
| <b>Net change in fund balance</b>                        | <b>\$ (1,640,942)</b> | <b>(13,321,532)</b> | <b>(2,472,674)</b> | <b>(7,268,599)</b> | <b>6,159,671</b>  | <b>10,272,799</b> | <b>8,136,709 [f]</b> | <b>29,766,467</b>  | <b>8,599,358</b>   | <b>34,617,900</b>  |
| Debt service as a percentage of non-capital expenditures |                       |                     |                    |                    |                   |                   |                      |                    |                    |                    |
|  | 11.29%                | 11.48%              | 10.87%             | 10.54%             | 10.53%            | 9.79%             | 7.52%                | 6.89%              | 6.45%              | 5.80%              |

**Source:** Los Alamos County ACFRs

**Notes:**

[a] The increase in investment income reflects higher cash and investment balances and higher returns in the overall market.

[b] The decrease in investment income reflects lower cash and investment balances and lower returns in the overall market.

[c] The County refunded a portion of the 2008 GRT Revenue Bonds with Series 2013 GRT Refunding Revenue Bonds, and contributed \$6.7M to defray future debt service payments.

[d] Proceeds from issuance of 2013 GRT Refunding Revenue Bonds are shown here net of premiums and discounts.

[e] The County significantly reduced capital outlay spending as many of the capital projects were completed in the prior year, and the majority of new capital project were not started until fiscal year 2019.

[f] The positive change in fund balance is due to a significant increase in investment income based on higher returns in the overall market.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**JOINT UTILITY SYSTEM CUSTOMER BASE**  
**LAST TEN FISCAL YEARS**

---

Table 5

| Fiscal Year | Number of customer accounts |       |       |            |
|-------------|-----------------------------|-------|-------|------------|
|             | Electric                    | Gas   | Water | Wastewater |
| 2014        | 8,900                       | 7,544 | 7,064 | 6,765      |
| 2015        | 8,647                       | 7,439 | 6,984 | 6,696      |
| 2016        | 8,796                       | 7,584 | 7,042 | 6,694      |
| 2017        | 8,830                       | 7,553 | 7,095 | 6,986      |
| 2018        | 8,774                       | 7,602 | 7,088 | 6,721      |
| 2019        | 8,561                       | 7,620 | 7,240 | 6,926      |
| 2020        | 8,701                       | 7,472 | 6,954 | 6,725      |
| 2021        | 8,745                       | 7,589 | 7,050 | 6,942      |
| 2022        | 8,841                       | 7,715 | 7,205 | 6,886      |
| 2023        | 8,666                       | 7,581 | 7,076 | 6,810      |

**Source:** Utility Department operating records (average customer accounts per consumption report)

**INCORPORATED COUNTY OF LOS ALAMOS  
JOINT UTILITY SYSTEM OPERATING REVENUE AND SALES**

Table 6

LAST TEN FISCAL YEARS

| Fiscal Year | ELECTRIC   |             | GAS        |                | WATER     |                  | Wastewater | Joint Utility System |
|-------------|------------|-------------|------------|----------------|-----------|------------------|------------|----------------------|
|             | Revenue    | Sales (KWh) | Revenue    | Sales (Therms) | Revenue   | Sales (MGal) [a] | Revenue    | Revenue              |
| 2014        | 46,574,314 | 531,795,566 | 6,714,276  | 9,030,531      | 4,938,708 | 1,029,057        | 4,019,962  | 62,247,260           |
| 2015        | 41,736,139 | 514,619,427 | 5,383,259  | 8,085,720      | 4,640,379 | 964,069          | 4,286,041  | 56,045,818           |
| 2016        | 45,701,692 | 566,018,259 | 4,910,279  | 8,416,085      | 4,901,704 | 974,848          | 4,643,528  | 60,157,203           |
| 2017        | 40,655,034 | 572,259,534 | 4,502,630  | 7,649,471      | 5,305,884 | 1,035,300        | 4,962,215  | 55,425,763           |
| 2018        | 42,778,437 | 592,979,847 | 4,213,834  | 7,642,815      | 6,204,782 | 1,056,892        | 5,274,729  | 58,471,782           |
| 2019        | 43,810,731 | 558,286,940 | 5,481,552  | 9,229,011      | 5,917,490 | 963,397          | 5,519,652  | 60,729,425           |
| 2020        | 41,311,524 | 537,001,455 | 4,729,484  | 8,625,811      | 6,749,101 | 1,076,150        | 5,856,991  | 58,647,100           |
| 2021        | 45,915,681 | 517,689,041 | 5,701,589  | 8,383,838      | 7,593,028 | 1,141,059        | 6,046,495  | 65,256,793           |
| 2022        | 48,751,796 | 465,324,603 | 7,164,213  | 8,026,356      | 8,012,201 | 1,088,045        | 6,158,366  | 70,086,576           |
| 2023        | 57,246,658 | 488,607,791 | 10,638,454 | 9,431,652      | 8,869,295 | 1,015,985        | 6,185,740  | 82,940,147           |

**Sources:** All operating revenue - Joint Utility System audited financial statements

Sales - Electric, Gas, Water and Wastewater Quantity Report; UB709 Report; Department of Public Utilities Annual Report

**Notes:**

[a] Water sales include wholesale water and Mgal sales.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**JOINT UTILITY SYSTEM OPERATING REVENUE BY TYPE OF CUSTOMER**

Table 7

LAST TEN FISCAL YEARS

|  | <u>FY2014</u>        | <u>FY2015</u>     | <u>FY2016</u>     | <u>FY2017</u>     | <u>FY2018</u>     | <u>FY2019</u>     | <u>FY2020</u>     | <u>FY2021</u>     | <u>FY2022</u>     | <u>FY2023</u>     |
|--|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Type of Customer:                              |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Electric Utility                               |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Residential                                    | \$ 5,801,691         | 6,203,978         | 7,113,594         | 6,949,869         | 6,812,700         | 7,183,448         | 7,749,030         | 8,155,745         | 7,766,476         | 7,379,081         |
| Commercial and industrial                      | 3,888,005            | 4,286,822         | 4,780,023         | 4,535,052         | 4,532,289         | 4,365,731         | 4,384,843         | 4,059,412         | 4,114,966         | 4,009,917         |
| Public street and highway lighting             | 66,035               | 67,436            | 67,941            | 68,043            | 88,041            | 78,252            | 101,212           | 95,549            | 99,093            | 89,523            |
| Municipal                                      | 1,444,776            | 1,402,431         | 1,563,086         | 1,673,078         | 1,544,364         | 1,467,655         | 1,312,790         | 1,529,417         | 1,577,441         | 1,533,699         |
| Educational                                    | 473,886              | 469,886           | 530,129           | 531,812           | 499,448           | 471,040           | 483,927           | 449,572           | 411,687           | 595,672           |
| Wholesale                                      | 34,425,200           | 29,056,585        | 31,402,138        | 26,577,782        | 29,133,071        | 30,195,212        | 27,184,281        | 31,625,986        | 34,577,658        | 43,391,580        |
| Miscellaneous                                  | 474,721              | 249,001           | 244,781           | 319,398           | 168,524           | 33,575            | 95,441            | 0                 | 204,475           | 65,514            |
| Total electric utility                         | <u>46,574,314</u>    | <u>41,736,139</u> | <u>45,701,692</u> | <u>40,655,034</u> | <u>42,778,437</u> | <u>43,794,913</u> | <u>41,311,524</u> | <u>45,915,681</u> | <u>48,751,796</u> | <u>57,064,986</u> |
| Gas Utility                                    |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Residential                                    | 5,068,656            | 4,150,914         | 3,825,203         | 3,549,664         | 3,304,944         | 4,076,050         | 3,502,206         | 4,232,945         | 5,210,517         | 7,895,861         |
| Commercial and industrial                      | 879,141              | 786,424           | 704,292           | 593,836           | 585,317           | 1,004,232         | 847,877           | 1,059,474         | 1,287,149         | 1,916,377         |
| Municipal                                      | 322,610              | 228,955           | 196,661           | 165,999           | 174,770           | 200,144           | 156,721           | 219,084           | 311,391           | 473,629           |
| Educational                                    | 227,578              | 177,991           | 161,799           | 163,585           | 114,868           | 127,685           | 95,318            | 130,779           | 173,323           | 272,051           |
| Miscellaneous                                  | 216,291              | 38,975            | 22,324            | 29,546            | 33,935            | 73,441            | 127,362           | 59,307            | 181,833           | 45,815            |
| Total gas utility                              | <u>6,714,276</u>     | <u>5,383,259</u>  | <u>4,910,279</u>  | <u>4,502,630</u>  | <u>4,213,834</u>  | <u>5,481,552</u>  | <u>4,729,484</u>  | <u>5,701,589</u>  | <u>7,164,213</u>  | <u>10,603,733</u> |
| Water Utility                                  |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Residential                                    | 3,112,239            | 3,010,161         | 3,114,535         | 3,488,643         | 4,001,151         | 3,738,794         | 4,477,349         | 4,930,764         | 4,896,045         | 4,452,007         |
| Commercial and industrial                      | 418,078              | 459,150           | 431,565           | 457,437           | 504,663           | 499,347           | 543,179           | 538,537           | 547,763           | 607,079           |
| Municipal                                      | 310,255              | 259,569           | 303,355           | 296,167           | 469,475           | 485,779           | 381,593           | 727,590           | 720,287           | 689,267           |
| Educational                                    | 122,780              | 115,167           | 123,883           | 138,134           | 180,863           | 165,780           | 207,412           | 201,195           | 220,510           | 196,073           |
| Wholesale                                      | 898,229              | 734,950           | 850,800           | 858,738           | 999,950           | 962,792           | 1,009,607         | 1,102,041         | 999,848           | 1,668,380         |
| Miscellaneous                                  | 77,127               | 61,382            | 77,566            | 66,765            | 48,680            | 64,982            | 129,960           | 92,901            | 127,073           | 85,979            |
| Total water utility                            | <u>4,938,708</u>     | <u>4,640,379</u>  | <u>4,901,704</u>  | <u>5,305,884</u>  | <u>6,204,782</u>  | <u>5,917,474</u>  | <u>6,749,100</u>  | <u>7,593,028</u>  | <u>7,511,526</u>  | <u>7,698,785</u>  |
| Wastewater Utility                             |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Wastewater collection                          | 4,008,411            | 4,274,921         | 4,632,768         | 4,950,622         | 5,263,954         | 5,492,597         | 5,853,950         | 6,036,819         | 6,135,488         | 6,184,879         |
| Municipal (non-potable water)                  | 0                    | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Miscellaneous                                  | 11,551               | 11,120            | 10,760            | 11,593            | 10,775            | 27,055            | 3,041             | 9,676             | 22,878            | 860               |
| Total wastewater utility                       | <u>4,019,962</u>     | <u>4,286,041</u>  | <u>4,643,528</u>  | <u>4,962,215</u>  | <u>5,274,729</u>  | <u>5,519,652</u>  | <u>5,856,991</u>  | <u>6,046,495</u>  | <u>6,158,366</u>  | <u>6,185,739</u>  |
| Total operating revenues- Joint Utility System | <u>\$ 62,247,260</u> | <u>56,045,818</u> | <u>60,157,203</u> | <u>55,425,763</u> | <u>58,471,782</u> | <u>60,713,591</u> | <u>58,647,099</u> | <u>65,256,793</u> | <u>69,585,901</u> | <u>81,553,243</u> |

Source: ACFRs, Budget to Actual Statements

[a] Non-potable water sales are included in the municipal Water Sub-fund revenues starting in FY2008. Prior to FY2008 they were accounted for in the Wastewater Sub-fund.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**JOINT UTILITY SYSTEM RATE STRUCTURE**  
**LAST TEN FISCAL YEARS**

Table 8

|                           | <u>FY2014</u>     | <u>FY2015</u>     | <u>FY2016</u>     | <u>FY2017</u>     | <u>FY2018</u>     | <u>FY2019</u>      | <u>FY2020</u>      | <u>FY2021</u>      | <u>FY2022</u>     | <u>FY2023</u>     |
|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|-------------------|-------------------|
| Electric Utility          |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Residential               |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Rate per kilowatt hour    | \$0.1028          | \$0.1152          | \$0.1152          | \$0.1152          | \$0.1152          | \$0.1152           | \$0.1152           | \$0.1152           | \$0.1152          | \$0.1152          |
| Monthly flat service fee  | \$6.43            | \$12.00           | \$12.00           | \$12.00           | \$12.00           | \$12.00            | \$12.00            | \$12.00            | \$12.0000         | \$12.0000         |
| Commercial                |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Rate per kilowatt hour    | \$0.0662 - .09074 | \$0.0821-0.1111   | \$0.0821-0.1111   | \$0.0821-0.1111   | \$0.0821-0.1111   | \$0.0821-0.1111    | \$0.0821-0.1111    | \$0.0821-0.1111    | \$0.0821-0.1111   | \$0.0821-0.1111   |
| Monthly flat service fee  | \$17.24 -18.14    | \$22.00 - 65.00   | \$22.00 - 65.00   | \$22.00 - 65.00   | \$22.00 - 65.00   | \$22.00 - 65.00    | \$22.00 - 65.00    | \$22.00 - 65.00    | \$22.00 - 65.00   | \$22.00 - 65.00   |
| Demand Rate               | \$9.644 - 10.10   | \$10.50 - 11.00   | \$10.50 - 11.00   | \$10.50 - 11.00   | \$10.50 - 11.00   | \$10.50 - 11.00    | \$10.50 - 11.00    | \$10.50 - 11.00    | \$10.50 - 11.00   | \$10.50 - 11.00   |
| Gas Utility               |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Residential               |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Rate per therm            | \$0.28 - \$0.77   | \$0.29 - \$0.82   | \$0.30 - \$0.70   | \$0.19 - \$0.58   | \$0.19 - \$0.58   | \$0.28 - \$0.60    | \$0.35- \$0.58     | \$0.28- \$1.22     | \$0.23- \$0.99    | \$0.25- \$4.00    |
| Monthly flat service fee  | \$9.50            | \$9.50            | \$9.50            | \$9.50            | \$9.50            | \$9.50             | \$9.50             | \$9.50             | \$9.50            | \$10.26           |
| Commercial                |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Rate per therm            | \$0.28 - \$0.77   | \$0.29 - \$0.82   | \$0.30 - \$0.70   | \$0.19 - \$0.58   | \$0.19 - \$0.58   | \$0.28 - \$0.60    | \$0.35- \$0.58     | \$0.28- \$1.22     | \$0.23- \$0.99    | \$0.25- \$4.00    |
| Monthly flat service fee  | \$9.50 - 28.50    | \$9.50 - 28.50    | \$9.50 - 28.50    | \$9.50 - 28.50    | \$9.50 - 28.50    | \$9.50 - 28.50     | \$9.50 - 28.50     | \$9.50 - 28.50     | \$9.50 - 28.50    | \$10.26- \$30.78  |
| Water Utility             |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Residential               |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Rate per 1000 Gallons     | \$4.19            | \$4.19 - \$5.32   | \$4.19 - \$5.32   | \$4.61 - \$5.85   | \$4.98 - \$6.32   | \$5.29 - \$6.72    | \$5.55 - \$7.06    | \$5.79 - \$7.36    | \$6.02- \$7.65    | \$6.50- \$7.87    |
| Monthly flat service fee  | \$7.55 - \$8.80   | \$7.93            | \$7.93            | \$8.72            | \$9.42            | \$10.01            | \$10.51            | \$10.96            | \$11.40           | \$12.54           |
| Commercial                |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Rate per 1000 Gallons     | \$4.19            | \$4.19            | \$4.19            | \$4.61            | \$4.98            | \$5.29             | \$5.55             | \$5.79             | \$6.02            | \$6.50            |
| Monthly flat service fee  | \$7.55 - \$275    | \$7.93 - \$439.50 | \$7.93 - \$439.50 | \$8.72 - \$483.45 | \$9.42 - \$522.13 | \$10.01 - \$554.75 | \$10.51 - \$582.50 | \$10.96 - \$607.25 | \$11.40- \$631.54 | \$12.54- \$694.69 |
| Wastewater Utility        |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Residential               |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Rate per 1000 Gallons     | \$0.00            | \$0.00            | \$0.00            | \$0.00            | \$0.00            | \$0.00             | \$0.00             | \$0.00             | \$0.00            | \$0.00            |
| Monthly flat service fees | \$30.33 - \$34.89 | \$32.75 - \$37.68 | \$35.37 - \$40.69 | \$38.19 - \$43.94 | \$41.24 - \$47.45 | \$44.54 - \$51.24  | \$47.22 - \$54.32  | \$48.63 - \$55.95  | \$49.60- \$57.07  | \$50.60- \$58.21  |
| Commercial                |                   |                   |                   |                   |                   |                    |                    |                    |                   |                   |
| Rate per 1000 Gallons     | \$12.86           | \$13.89           | \$15.00           | \$16.20           | \$17.50           | \$18.90            | \$20.03            | \$20.63            | \$21.04           | \$21.46           |
| Monthly flat service fee  | \$7.56            | \$8.16            | \$8.81            | \$9.51            | \$10.27           | \$11.09            | \$11.76            | \$12.11            | \$12.35           | \$12.60           |

Source: Utility rates approved by County Council



**INCORPORATED COUNTY OF LOS ALAMOS**  
**TAXABLE GROSS RECEIPTS BY BUSINESS SECTOR (in \$1,000s)**

Table 9

LAST TEN FISCAL YEARS

| <u>Business Sector</u> | <u>FY2015</u>       | <u>FY2016</u>    | <u>FY2017</u>    | <u>FY2018</u>    | <u>FY2019</u>    | <u>FY2020</u>    | <u>FY2021</u>    | <u>FY2022</u>    | <u>FY2023</u>    |
|------------------------|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Services [a]           | \$ 1,117,023        | 1,136,727        | 1,268,313        | 1,198,371        | 1,407,986        | 1,491,947        | 1,646,211        | 1,600,437        | 2,431,201        |
| Construction           | 34,176              | 38,096           | 45,778           | 43,856           | 74,527           | 72,533           | 76,680           | 79,237           | 164,515          |
| Retail & Food Service  | 79,997              | 74,711           | 74,780           | 81,417           | 78,321           | 83,997           | 78,546           | 137,447          | 362,126          |
| Telecommunications     | 25,406              | 24,434           | 26,868           | 27,805           | 28,420           | 27,220           | 13,787           | 18,713           | 49,347           |
| Manufacturing          | 5,370               | 4,935            | 5,205            | 6,922            | 6,704            | 8,255            | 6,057            | 11,915           | 21,270           |
| Wholesale              | 2,121               | 2,280            | 2,263            | 2,853            | 3,409            | 3,713            | 3,492            | 8,798            | 24,790           |
| Financial Services     | 12,240              | 12,050           | 13,571           | 13,967           | 15,581           | 15,441           | 15,910           | 20,095           | 41,866           |
| Agriculture            | 47                  | 99               | 86               | 110              | 85               | 51               | 26               | 360              | 2,112            |
| Mining                 | 0                   | 0                | 1,722            | 3                | 0                | 0                | 0                | 274              | 187              |
| Other                  | 18,406              | 20,307           | 21,703           | 16,330           | 24,383           | 21,521           | 7,095            | 20,212           | 27,251           |
| Totals                 | \$ <u>1,294,786</u> | <u>1,313,639</u> | <u>1,460,289</u> | <u>1,391,634</u> | <u>1,639,416</u> | <u>1,724,678</u> | <u>1,847,804</u> | <u>1,897,488</u> | <u>3,124,665</u> |

**Source:** Taxable Gross Receipts (from State of New Mexico Taxation and Revenue Department - monthly and quarterly report NM\_FR003-500 Local Government Distribution) - in \$1,000s

**Notes:**

General Notes: The State will not distribute information on individual taxpayers; thus, the County cannot disclose information on the largest individual taxpayers.

**INCORPORATED COUNTY OF LOS ALAMOS  
GROSS RECEIPTS TAX (GRT) REVENUES AND RATES  
LAST TEN FISCAL YEARS**

Table 10

|  | FY2014               | FY2015            | FY2016            | FY2017            | FY2018            | FY2019            | FY2020            | FY2021            | FY2022            | FY2023            |
|--|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>GRT Revenues</b>  |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| General Fund - Local - Municipal                                   | \$ 16,303,296        | 16,248,652        | 18,536,296        | 17,678,062        | 19,174,189        | 22,881,732        | 22,731,389        | 25,515,658        | 26,335,767        | 36,456,655        |
| General Fund - Local - County                                      | 4,395,075            | 4,380,342         | 4,997,049         | 4,766,376         | 5,169,020         | 6,168,510         | 6,127,973         | 6,878,560         | 7,099,647         | 9,828,055         |
| General Fund - State Shared  | 14,810,815           | 14,761,175        | 16,839,401        | 16,060,293        | 17,418,955        | 20,787,142        | 20,650,511        | 23,179,890        | 23,930,588        | 33,123,880        |
| General Fund - subtotal  | 35,509,186           | 35,390,169        | 40,372,746        | 38,504,731        | 41,762,164        | 49,837,384        | 49,509,873        | 55,574,109        | 57,366,002        | 79,408,590        |
| Fire Protection Excise Tax   | 1,465,025            | 1,460,114         | 1,665,683         | 1,588,063         | 1,723,007         | 2,056,170         | 2,042,658         | 2,292,854         | 2,366,549         | 1,638,009         |
| Health Care Assistance Fund  | 1,465,025            | 1,460,114         | 1,665,683         | 1,588,792         | 1,723,007         | 2,056,170         | 2,042,658         | 2,292,853         | 2,366,549         | 3,276,018         |
| Environmental Services Fund  | 732,548              | 730,090           | 832,877           | 794,419           | 861,518           | 1,028,085         | 1,021,329         | 1,146,427         | 1,183,275         | 3,276,049         |
| <b>Total GRT Revenues</b>  | <b>\$ 39,171,784</b> | <b>39,040,487</b> | <b>44,536,989</b> | <b>42,476,005</b> | <b>46,069,696</b> | <b>54,977,809</b> | <b>54,616,518</b> | <b>61,306,243</b> | <b>63,282,375</b> | <b>87,598,666</b> |
| <b>Total GRT Revenues - Own source<br/>(excludes State Shared)</b> | <b>\$ 24,360,969</b> | <b>24,279,312</b> | <b>27,697,588</b> | <b>26,415,712</b> | <b>28,650,741</b> | <b>34,190,667</b> | <b>33,966,007</b> | <b>38,126,353</b> | <b>39,351,787</b> | <b>54,474,786</b> |
| <b>GRT Rates by Imposing Authority</b>                             |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| State Imposed Rate   | [a] 5.1250%          | 5.1250%           | 5.1250%           | 5.1250%           | 5.1250%           | 5.1250%           | 5.1250%           | 5.1250%           | 5.1250%           | 5.1250%           |
| Locally Imposed Options:   |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Municipal:   |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Municipal - General  | 1.2500%              | 1.2500%           | 1.2500%           | 1.2500%           | 1.2500%           | 1.2500%           | 1.2500%           | 1.2500%           | 1.2500%           | 1.2500%           |
| Municipal - Environmental - Refuse                                 | 0.0625%              | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           |
| Municipal - MIGRT - CIP  | 0.0625%              | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           |
| Municipal - MIGRT - CIP  | 0.0625%              | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           |
| County:  |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| County - General - 1st 1/8th                                       | 0.1250%              | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           |
| County - IHC - 2nd 1/8th   | 0.1250%              | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           |
| County - General - 3rd 1/8th - CIP                                 | 0.1250%              | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           |
| County - Correctional - CIP  | 0.0625%              | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           |
| County - Correctional - CIP  | 0.0625%              | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           | 0.0625%           |
| County - Fire Protection Excise Tax                                | 0.1250%              | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           |
| North-Central Regional Transit District (NCRTD):                   |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Regional Transit 1/8th   | 0.1250%              | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           |
| <b>Subtotal - Local options:</b>                                   | <b>2.0625%</b>       | <b>2.0625%</b>    | <b>2.0625%</b>    | <b>2.0625%</b>    | <b>2.0625%</b>    | <b>2.0625%</b>    | <b>2.0625%</b>    | <b>2.0625%</b>    | <b>2.0625%</b>    | <b>2.0625%</b>    |
| <b>Total GRT Rates</b>   | <b>7.3125%</b>       | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    |
| <b>GRT Rates by Recipient</b>                                      |                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| State Revenue  | 3.9000%              | 3.9000%           | 3.9000%           | 3.9000%           | 3.9000%           | 3.9000%           | 3.9000%           | 3.9000%           | 3.9000%           | 3.9000%           |
| NCRTD  | 0.1250%              | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           | 0.1250%           |
| County Revenue - State Shared                                      | 1.2250%              | 1.2250%           | 1.2250%           | 1.2250%           | 1.2250%           | 1.2250%           | 1.2250%           | 1.2250%           | 1.2250%           | 1.2250%           |
| County Revenue - Own Source, locally imposed                       | 2.0625%              | 2.0625%           | 2.0625%           | 2.0625%           | 2.0625%           | 2.0625%           | 2.0625%           | 2.0625%           | 2.0625%           | 2.0625%           |
| <b>Total County Revenue</b>  | <b>3.2875%</b>       | <b>3.2875%</b>    | <b>3.2875%</b>    | <b>3.2875%</b>    | <b>3.2875%</b>    | <b>3.2875%</b>    | <b>3.2875%</b>    | <b>3.2875%</b>    | <b>3.2875%</b>    | <b>3.2875%</b>    |
| <b>Total GRT Rates</b>   | <b>7.3125%</b>       | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    | <b>7.3125%</b>    |

Sources: Los Alamos County ACFRs and Adopted Budgets

**Notes:**

[a] State Rate Changed July 1, 2010

**INCORPORATED COUNTY OF LOS ALAMOS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN TAX YEARS**

Table 11

| TAX YEAR [a] | ORIGINAL LEVY | ADJUSTMENTS | ADJUSTED LEVY | COLLECTED IN FIRST PERIOD |                             | COLLECTIONS IN SUBSEQUENT PERIODS | TOTAL COLLECTIONS |                             |
|--------------|---------------|-------------|---------------|---------------------------|-----------------------------|-----------------------------------|-------------------|-----------------------------|
|              |               |             |               | AMOUNT                    | PERCENTAGE OF ORIGINAL LEVY |                                   | AMOUNT            | PERCENTAGE OF ADJUSTED LEVY |
| 2013         | 15,574,631    | 193,977     | 15,768,608    | 15,188,194                | 97.52%                      | 535,464                           | 15,723,658        | 99.71%                      |
| 2014         | 15,368,081    | 201,079     | 15,569,160    | 15,018,695                | 97.73%                      | 259,582                           | 15,278,277        | 98.13%                      |
| 2015         | 16,969,275    | 214,699     | 17,183,974    | 16,690,916                | 98.36%                      | 228,950                           | 16,919,866        | 98.46%                      |
| 2016         | 17,187,454    | 221,040     | 17,408,494    | 6,834,904                 | 39.77%                      | 10,365,500                        | 17,200,404        | 98.80%                      |
| 2017         | 18,541,449    | 229,697     | 18,771,146    | 18,441,627                | 99.46%                      | 167,243                           | 18,608,870        | 99.14%                      |
| 2018         | 19,290,232    | 271,478     | 19,561,710    | 19,173,391                | 99.39%                      | 211,061                           | 19,384,452        | 99.09%                      |
| 2019         | 20,178,715    | 254,812     | 20,433,526    | 20,054,135                | 99.38%                      | 199,275                           | 20,253,411        | 99.12%                      |
| 2020         | 20,995,484    | 257,363     | 21,252,847    | 20,879,009                | 99.45%                      | 180,390                           | 21,059,399        | 99.09%                      |
| 2021         | 21,703,349    | 279,721     | 21,983,070    | 21,460,056                | 98.88%                      | 324,516                           | 21,784,572        | 99.10%                      |
| 2022         | 23,332,572    | 290,154     | 23,622,726    | 23,058,502                | 98.83%                      | 265,771                           | 23,324,273        | 98.74%                      |

**Sources:** Tax rolls, collection reports

**Notes:**

[a] Tax Year 20XX corresponds to the fiscal year ended on June 30, 20XX+1. For example, taxes levied for Tax Year 2012 were collected during the fiscal year ended June 30, 2013.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN TAX YEARS**

Table 12

| TAX<br>YEAR [b] | ASSESSED VALUE [a] |                          |                                       |              | EXEMPTIONS  | TOTAL<br>ASSESSED<br>VALUE | ESTIMATED<br>ACTUAL<br>VALUE | TOTAL<br>DIRECT<br>MILL RATE [e] | TOTAL LEVY |
|-----------------|--------------------|--------------------------|---------------------------------------|--------------|-------------|----------------------------|------------------------------|----------------------------------|------------|
|                 | REAL<br>PROPERTY   | PERSONAL<br>PROPERTY [c] | CENTRALLY<br>ASSESSED<br>PROPERTY [d] |              |             |                            |                              |                                  |            |
| 2013            | 687,495,870        | 8,850,630                | 5,478,780                             | (9,042,360)  | 692,782,920 | 2,105,475,840              | 2.248%                       | 15,574,631                       |            |
| 2014            | 661,177,270        | 9,403,680                | 5,601,990                             | (8,884,910)  | 667,298,030 | 2,028,548,820              | 2.303%                       | 15,368,081                       |            |
| 2015            | 675,527,010        | 9,742,600                | 5,762,060                             | (8,944,770)  | 682,086,900 | 2,073,095,010              | 2.488%                       | 16,969,275                       |            |
| 2016            | 685,091,450        | 9,612,180                | 6,165,250                             | (8,743,650)  | 692,125,230 | 2,102,606,640              | 2.483%                       | 17,187,454                       |            |
| 2017            | 713,745,340        | 9,636,160                | 6,048,100                             | (8,960,460)  | 720,469,140 | 2,188,288,800              | 2.574%                       | 18,541,449                       |            |
| 2018            | 747,963,370        | 9,892,020                | 4,787,970                             | (9,075,060)  | 753,568,300 | 2,287,930,080              | 2.560%                       | 19,290,232                       |            |
| 2019            | 790,725,420        | 9,732,880                | 4,187,260                             | (9,552,630)  | 795,092,930 | 2,413,936,680              | 2.538%                       | 20,178,715                       |            |
| 2020            | 830,113,580        | 11,111,760               | 4,032,280                             | (10,977,760) | 834,279,860 | 2,535,772,860              | 2.517%                       | 20,995,484                       |            |
| 2021            | 870,871,310        | 11,478,360               | 4,084,360                             | (11,465,930) | 874,968,100 | 2,659,302,090              | 2.480%                       | 21,703,349                       |            |
| 2022            | 925,837,750        | 10,844,540               | 4,151,620                             | (11,778,890) | 929,055,020 | 2,822,501,730              | 2.511%                       | 23,332,572                       |            |

**Source: Tax rolls**

**Notes:**

[a] Assessed valuation is one third of estimated actual value for all ten years.

[b] Tax Year 20XX corresponds to the fiscal year ended on June 30, 20XX+1. For example, taxes levied for Tax Year 2012 were collected during the fiscal year ended June 30, 2013.

[c] Personal property Includes mobile homes and livestock.

[d] Assessed value of communications, pipeline and gas, public utility, airline, mineral, and certain construction property within the County is determined by the New Mexico State Property Tax Division. A breakdown of real and personal property is not available.

[e] Weighted average rate applied to assessed value.

**INCORPORATED COUNTY OF LOS ALAMOS  
PROPERTY TAX RATES AND TAX LEVIES - ALL DIRECT AND OVERLAPPING GOVERNMENTS**

Table 13

LAST TEN TAX YEARS

| TAX YEAR                                   |                 | STATE OF<br>NEW MEXICO | CITY AND<br>COUNTY OF<br>LOS ALAMOS | LOS ALAMOS<br>SCHOOL<br>DISTRICT | UNIVERSITY OF<br>NEW MEXICO<br>LOS ALAMOS | TOTAL  |
|--|-----------------|------------------------|-------------------------------------|----------------------------------|---|--------|
| Tax Rates per \$1000 of Assessed Valuation |                 |                        |                                     |                                  |   |        |
| 2013                                       | Residential     | 1.360                  | 7.347                               | 12.307                           | 1.000                                     | 22.014 |
|  | Non-Residential | 1.360                  | 10.598                              | 12.487                           | 1.000                                     | 25.445 |
| 2014                                       | Residential     | 1.360                  | 7.690                               | 12.534                           | 1.000                                     | 22.584 |
|  | Non-Residential | 1.360                  | 10.598                              | 12.694                           | 1.000                                     | 25.652 |
| 2015                                       | Residential     | 1.360                  | 9.942                               | 12.128                           | 1.000                                     | 24.430 |
|  | Non-Residential | 1.360                  | 12.848                              | 12.288                           | 1.000                                     | 27.496 |
| 2016                                       | Residential     | 1.360                  | 9.823                               | 12.203                           | 0.988                                     | 24.374 |
|  | Non-Residential | 1.360                  | 12.848                              | 12.367                           | 1.000                                     | 27.575 |
| 2017                                       | Residential     | 1.360                  | 9.636                               | 12.268                           | 1.969                                     | 25.233 |
|  | Non-Residential | 1.360                  | 12.848                              | 12.500                           | 2.000                                     | 28.708 |
| 2018                                       | Residential     | 1.360                  | 9.542                               | 12.235                           | 1.950                                     | 25.087 |
|  | Non-Residential | 1.360                  | 12.848                              | 12.502                           | 2.000                                     | 28.710 |
| 2019                                       | Residential     | 1.360                  | 9.433                               | 12.195                           | 1.928                                     | 24.916 |
|  | Non-Residential | 1.360                  | 12.440                              | 12.382                           | 1.937                                     | 28.119 |
| 2020                                       | Residential     | 1.360                  | 9.187                               | 12.107                           | 1.878                                     | 24.532 |
|  | Non-Residential | 1.360                  | 12.764                              | 12.479                           | 1.987                                     | 28.590 |
| 2021                                       | Residential     | 1.360                  | 8.896                               | 12.002                           | 1.819                                     | 24.077 |
|  | Non-Residential | 1.360                  | 12.848                              | 12.504                           | 2.000                                     | 28.712 |
| 2022                                       | Residential     | 1.360                  | 8.878                               | 12.104                           | 1.815                                     | 24.157 |
|  | Non-Residential | 1.360                  | 12.848                              | 12.506                           | 2.000                                     | 28.714 |

Source: Adopted rates

**INCORPORATED COUNTY OF LOS ALAMOS  
TEN PRINCIPAL PROPERTY TAXPAYERS**

Table 14

June 30, 2023

| TAXPAYER  | TYPE OF BUSINESS  | FY 2023                                |      |   | FY 2014                                |      |   |
|---|-------------------|--|------|---|--|------|---|
|   |                   | TAX YEAR 2022<br>ASSESSED<br>VALUATION | RANK | PERCENTAGE<br>OF TOTAL<br>ASSESSED<br>VALUATION | TAX YEAR 2013<br>ASSESSED<br>VALUATION | RANK | PERCENTAGE<br>OF TOTAL<br>ASSESSED<br>VALUATION |
| PHC-LOS ALAMOS INC                                  | Medical Services  | \$ 11,886,780                          | 1    | 1.28%   | \$ 8,442,160                           | 1    | 1.22%   |
| Central Park Square LLC                             | Real Estate       | 7,557,000                              | 2    | 0.81%   | 4,574,440                              | 3    | 0.66%   |
| Topvalco, Inc.                                      | Food & Drug       | 6,516,880                              | 3    | 0.70%   |  |      |   |
| PC Canyon Village LLC                               | Apartments        | 4,644,880                              | 4    | 0.50%   |  |      |   |
| Los Alamos Commerce and Development Corp            | Real Estate       | 4,619,880                              | 5    | 0.50%   | 3,756,880                              | 4    | 0.54%   |
| Oppenheimer Place Condo Assoc Inc                   | Real Estate       | 4,482,320                              | 6    | 0.48%   | 3,336,370                              | 7    | 0.48%   |
| Enterprise Bank & Trust                             | Banking           | 4,073,970                              | 7    | 0.44%   | 5,049,630                              | 2    | 0.73%   |
| Site A-19-A-1 Acquisition Gtoup LLC                 | Real Estate       | 2,821,760                              | 8    | 0.30%   |  |      |   |
| Pebble Labs Inc                                     | Scientific        | 2,221,370                              | 9    | 0.24%   |  |      |   |
| Smith's Food & Drug Centers, Inc.                   | Food & Drug       | 2,147,900                              | 10   | 0.23%   | 2,195,340                              | 8    | 0.32%   |
| CC&F Los Alamos Invest Co.                          | Real Estate       |  |      |   | 2,011,760                              | 9    | 0.29%   |
| Qwest Corp.   | Telephone Utility |  |      |   | 3,365,420                              | 6    | 0.49%   |
| Shannon Corporation                                 | Real Estate       |  |      |   | 1,816,040                              | 10   | 0.26%   |
| Netuschil Development Corporation                   | Real Estate       |  |      |   |  |      |   |
| Housing Solutions LLC                               | Real Estate       |  |      |   | 3,460,620                              | 5    | 0.50%   |
| Developers Diversified Realty                       | Real Estate       |  |      |   |  |      |   |
| Los Alamos Medical Center C/O PVS                   | Medical Services  |  |      |   |  |      |   |
| NMC Holdings LLC                                    | Scientific        |  |      |   |  |      |   |
| Total assessed valuation of ten principal taxpayers |                   | 50,972,740                             |      | 5.49%   | 38,008,660                             |      | 5.49%   |
| Total assessed valuation of ten principal taxpayers |                   | 878,082,280                            |      | 94.51%  | 654,774,260                            |      | 94.51%  |
| Total assessed valuation                            |                   | 929,055,020                            |      | 100.00%   | \$ 692,782,920                         |      | 100.00%   |

Source: Assessors' Office

**INCORPORATED COUNTY OF LOS ALAMOS**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Table 15

| Fiscal Year | Governmental Activities  |                                  |             | Business-type Activities           |             | Total Primary Government | Percentage of Personal Income | Per Capita |
|-------------|--------------------------|----------------------------------|-------------|------------------------------------|-------------|--------------------------|-------------------------------|------------|
|             | General Obligation Bonds | Gross Receipts Tax Revenue Bonds | State Loans | Joint Utility System Revenue Bonds | State Loans |                          |                               |            |
| 2013        | 0                        | 53,956,841 [a]                   | 0           | 39,879,153                         | 18,784,979  | 112,620,973              | 10%                           | 6,199      |
| 2014        | 0                        | 59,912,216 [b]                   | 0           | 32,822,680 [b]                     | 18,113,022  | 110,847,918              | 10%                           | 6,211      |
| 2015        | 0                        | 56,056,683                       | 0           | 33,137,373 [c]                     | 17,284,068  | 106,478,124              | 10%                           | 6,010      |
| 2016        | 0                        | 52,034,028                       | 0           | 30,339,868                         | 16,967,732  | 99,341,628               | 8%                            | 5,586      |
| 2017        | 0                        | 47,827,556                       | 0           | 27,490,394                         | 16,232,121  | 91,550,071               | 8%                            | 5,045      |
| 2018        | 0                        | 43,413,930                       | 0           | 24,568,949                         | 12,781,783  | 80,764,662               | 7%                            | 4,310      |
| 2019        | 0                        | 38,140,939                       | 0           | 21,564,551                         | 12,155,444  | 71,860,934               | 5%                            | 3,762      |
| 2020        | 0                        | 34,605,578                       | 0           | 18,477,444                         | 11,750,667  | 64,833,689               | 5%                            | 3,394      |
| 2021        | 0                        | 30,699,707                       | 0           | 15,176,646                         | 11,768,950  | 57,645,303               | 4%                            | 2,969      |
| 2022        | 0                        | 26,565,426                       | 0           | 13,992,430                         | 16,442,888  | 57,000,744               | 4%                            | 2,949      |

[a] Includes the 2013 Series refunding revenue bonds issued for approximately \$38.5 million.

[b] Includes reclassifications due to implementation of GASB 65 of \$9,653,817 to GRT revenue bonds and \$1,458,826 to Joint Utility revenue bonds.

[c] Includes the 2014 Series refunding revenue bonds issued for approximately \$21.6 million.

**INCORPORATED COUNTY OF LOS ALAMOS**

Table 16

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**

LAST TEN FISCAL YEARS

| <u>FISCAL YEAR</u> | <u>POPULATION [a]</u> | <u>ASSESSED VALUE [b]</u> | <u>GROSS BONDED DEBT</u> | <u>NET DEBT SERVICE FUNDS</u> | <u>NET BONDED DEBT</u> | <u>RATIO OF NET BONDED DEBT TO ASSESSED VALUE</u> | <u>NET BONDED DEBT PER CAPITA</u> |
|--------------------|-----------------------|---------------------------|--------------------------|-------------------------------|------------------------|---|-----------------------------------|
| 2014               | 17,848                | 692,782,920               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2015               | 17,718                | 667,298,030               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2016               | 17,785                | 682,086,900               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2017               | 18,147                | 692,125,230               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2018               | 18,738                | 720,469,140               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2019               | 19,101                | 753,568,300               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2020               | 19,369                | 795,092,930               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2021               | 19,462                | 834,279,860               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2022               | 19,330                | 874,968,100               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |
| 2023               | 19,187                | 929,055,020               | 0                        | 0                             | 0                      | 0.00%   | 0                                 |

**Sources:** [a] Community Development Department estimates and <http://eire.census.gov/popest/estimates.php>

[b] Assessed valuation is obtained from the County Assessor - tax year responds to corresponding fiscal year (i.e. the 2020 tax year corresponds to FY2021)



**INCORPORATED COUNTY OF LOS ALAMOS  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

Table 17

June 30, 2022

| <u>NAME OF<br/>GOVERNMENTAL UNIT</u>     | <u>2020 CALENDAR YEAR<br/>ASSESSED<br/>VALUATION</u> | <u>DEBT<br/>OUTSTANDING</u> | <u>PERCENT<br/>APPLICABLE<br/>TO GOVERNMENT</u> | <u>COUNTY OF<br/>LOS ALAMOS<br/>SHARE OF DEBT</u> |
|--|--|-----------------------------|---|---|
| <b>Direct County of Los Alamos Debt</b>  |  |                             |   |   |
| General Obligation Bonds                 | \$ 874,968,100                                       | \$ 0                        | 100.00%   | \$ 0  |
| GRT Revenue Bonds                        | 874,968,100  | 26,565,426                  | 100.00%   | 26,565,426  |
| <b>Overlapping Debt [a]</b>              |  |                             |   |   |
| State of New Mexico                      | 70,390,642,337                                       | 505,295                     | 1.24%   | 6,281   |
| Los Alamos School District               | 874,968,100  | 27,097,004                  | 100.00%   | 27,097,004  |
| University of New Mexico<br>- Los Alamos | 874,968,100  | 0                           | 100.00%   | 0   |
| <b>Total overlapping debt</b>            |  |                             |   | <b>27,103,285</b>                                 |
| <b>Total direct and overlapping debt</b> |  |                             |   | <b>\$ 53,668,711</b>                              |

Ratio of estimated direct and overlapping debt to 2021 assessed valuation: 6.13%

Ratio of direct general obligation debt to 2021 assessed valuation: 1.24%

Per capita direct and overlapping debt: \$2776.45

Per capita direct G.O. debt: \$0

County population - 2022 estimate: 19,330

**Sources:** Tax rolls, New Mexico Department of Finance and Administration, Los Alamos Public Schools, and University of New Mexico

[a] Overlapping debt is calculated by dividing the total Governmental Unit assessed valuation by the County's assessed valuation and applying that percentage to the debt outstanding of each Governmental Unit.

**INCORPORATED COUNTY OF LOS ALAMOS  
COMPUTATION OF LEGAL DEBT MARGIN**

Table 18

June 30, 2022

---

|  |                             |
|--|-----------------------------|
| Assessed valuation, tax year 2021<br>(One third of full valuation) | <u>\$ 874,968,100</u>       |
| Legal debt margin:   |                             |
| Debt limitation - 4 percent of assessed valuation                  | 34,998,724                  |
| Less: Debt applicable to limitation (general obligation debt)      | <u>0</u>                    |
| Legal debt margin  | <u><u>\$ 34,998,724</u></u> |

**Note:**

State Constitution Article IX, Section 13, limits the amount of indebtedness for a county, city, town, or village to 4% of the assessed valuation. The State Statute is silent regarding the limitation that applies to a Class H (city/county) government such as Los Alamos County. The New Mexico State Department of Finance and Administration, Local Government Division, indicates that our limit is 4%.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**JOINT UTILITY SYSTEM REVENUE BOND COVERAGE**  
**LAST TEN FISCAL YEARS**

Table 19

| FISCAL<br>YEAR          | GROSS<br>REVENUES[a] | EXPENSES[b] | NET REVENUE<br>AVAILABLE FOR<br>DEBT SERVICE | DEBT SERVICE REQUIREMENTS [c] |           |            | DEBT SERVICE<br>COVERAGE RATIO |
|-------------------------|----------------------|-------------|--|-------------------------------|-----------|------------|--------------------------------|
|                         |                      |             |  | PRINCIPAL                     | INTEREST  | TOTAL      |                                |
| <b>ELECTRIC UTILITY</b> |                      |             |  |                               |           |            |                                |
| 2013                    | 49,096,622           | 38,067,208  | 11,029,414                                   | 6,944,924                     | 2,342,866 | 9,287,790  | 1.19                           |
| 2014                    | 46,466,503           | 34,898,486  | 11,568,017                                   | 7,317,756                     | 1,896,007 | 9,213,763  | 1.26                           |
| 2015                    | 41,608,321           | 39,453,772  | 2,154,549                                    | 9,031,716                     | 1,128,201 | 10,159,917 | 0.21                           |
| 2016                    | 47,708,456           | 34,784,838  | 12,923,618                                   | 2,635,728                     | 1,116,794 | 3,752,522  | 3.44                           |
| 2017                    | 40,840,366           | 34,974,344  | 5,866,022                                    | 2,685,242                     | 1,058,250 | 3,743,492  | 1.57                           |
| 2018                    | 42,967,519           | 37,145,307  | 5,822,212                                    | 2,753,296                     | 986,073   | 3,739,369  | 1.56                           |
| 2019                    | 44,271,601           | 40,156,550  | 4,115,051                                    | 2,831,837                     | 903,138   | 3,734,975  | 1.10                           |
| 2020                    | 41,701,038           | 37,097,156  | 4,603,882                                    | 2,910,377                     | 824,054   | 3,734,431  | 1.23                           |
| 2021                    | 46,607,980           | 43,373,214  | 3,234,766                                    | 3,017,945                     | 718,952   | 3,736,897  | 0.87                           |
| 2022                    | 48,595,919           | 42,283,160  | 6,312,759                                    | 1,190,512                     | 639,445   | 1,829,957  | 3.45                           |
| <b>WATER UTILITY</b>    |                      |             |  |                               |           |            |                                |
| 2013                    | 6,324,036            | 4,504,479   | 1,819,557                                    | 68,001                        | 41,413    | 109,414    | 16.63                          |
| 2014                    | 5,506,428            | 4,457,978   | 1,048,450                                    | 76,278                        | 90,049    | 166,327    | 6.30                           |
| 2015                    | 4,790,904            | 4,449,574   | 341,330                                      | 70,332                        | 89,436    | 159,768    | 2.14                           |
| 2016                    | 4,987,177            | 4,822,815   | 164,362                                      | 44,272                        | 80,816    | 125,088    | 1.31                           |
| 2017                    | 5,491,511            | 4,372,531   | 1,118,980                                    | 44,758                        | 88,931    | 133,689    | 8.37                           |
| 2018                    | 6,478,611            | 4,540,914   | 1,937,697                                    | 145,590                       | 86,858    | 232,448    | 8.34                           |
| 2019                    | 6,631,869            | 4,766,423   | 1,865,446                                    | 150,040                       | 84,990    | 235,030    | 7.94                           |
| 2020                    | 6,933,888            | 5,022,572   | 1,911,316                                    | 152,219                       | 82,565    | 234,784    | 8.14                           |
| 2021                    | 8,172,072            | 5,285,501   | 2,886,571                                    | 155,208                       | 80,034    | 235,242    | 12.27                          |
| 2022                    | 7,674,267            | 4,155,937   | 3,518,330                                    | 162,540                       | 77,645    | 240,185    | 14.65                          |

Source: ACFRs

**Notes:**

[a] Total operating and non-operating revenue, operating transfers in, and bond proceeds reserved for payment of debt service.

[b] Operating expenses and transfers out, excluding depreciation and interest expense.

[c] Payments are due July 1 each year. As such these amounts reflect the amounts due July 1, which would use the previous FY resources.

**INCORPORATED COUNTY OF LOS ALAMOS  
DEMOGRAPHIC AND ECONOMIC STATISTICS**

Table 20

LAST TEN FISCAL YEARS

| <u>Fiscal Year</u> | <u>Population</u> | <u>Personal<br/>Income<br/>(In thousands)</u> | <u>Per Capita<br/>Personal<br/>Income</u> | <u>School<br/>Enrollment</u> | <u>Unemployment<br/>Rate</u> |
|--------------------|-------------------|---|---|------------------------------|------------------------------|
| 2014               | 17,848            | 1,138,453                                     | 63,786                                    | 3,524                        | 3.40%                        |
| 2015               | 17,718            | 1,103,548                                     | 62,284                                    | 3,505                        | 3.40%                        |
| 2016               | 17,785            | 1,113,679                                     | 62,619                                    | 3,578                        | 4.00%                        |
| 2017               | 18,147            | 1,185,308                                     | 65,317                                    | 3,666                        | 4.13%                        |
| 2018               | 18,738            | 1,227,227                                     | 65,494                                    | 3,714                        | 3.48%                        |
| 2019               | 19,101            | 1,308,476                                     | 68,503                                    | 3,754                        | 3.33%                        |
| 2020               | 19,369            | 1,367,451                                     | 70,600                                    | 3,757                        | 9.00%                        |
| 2021               | 19,419            | 1,389,818                                     | 71,570                                    | 3,544                        | 8.40%                        |
| 2022               | 19,330            | 1,471,825                                     | 76,142                                    | 3,713                        | 4.70%                        |
| 2023               | 19,187            | 1,560,018                                     | 81,306                                    | 3,727                        | 4.50%                        |

**Sources:** School Enrollment is from the New Mexico Public Education Department website. Unemployment Rate is from the New Mexico Department of Workforce Solutions Economic Research and Analysis report. Personal Income data is from NM Dept. of Workforce Solutions data for the most recent year available.

**INCORPORATED COUNTY OF LOS ALAMOS  
LARGEST EMPLOYERS (with greater than 3% of the total workforce)**

Table 21

June 30, 2021

| EMPLOYER                       | TYPE OF BUSINESS         | FY2023                  |      |                                  | FY2014              |      |                              |
|--------------------------------|--------------------------|-------------------------|------|----------------------------------|---------------------|------|------------------------------|
|                                |                          | NUMBER OF EMPLOYEES [a] | RANK | % of Total County Employment [c] | NUMBER OF EMPLOYEES | RANK | % of Total County Employment |
| Los Alamos National Laboratory | Research and Development | 17,240                  | 1    | 86.75%                           | 10,927              | 1    | 64.09%                       |
| Los Alamos County              | Government               | 721                     | 3    | 3.52%                            | 627                 | 4    | 3.68%                        |
| N3B Los Alamos                 | Legacy Waste Cleanup     | 700                     | 2    | 3.63%                            | 684                 | 3    | 4.01%                        |
| Los Alamos Public Schools      | Education                | 671                     | 4    | 3.38%                            | 750                 | 2    | 4.40%                        |
| Other employers                |                          | 1,212                   |      | 6.10%                            | 4,062               |      | 23.82%                       |
| Total workforce [b]            |                          | 19,873                  |      | 103.38%                          | 17,050              |      | 100.00%                      |

**Sources:** Individual Employers, New Mexico Department of Workforce Solutions

**Notes:**

[a] Schedule includes only those employers who have greater than 3% of the total workforce for the fiscal year ending June 30, 2021.

[b] Work force total based on estimates from New Mexico Department of Workforce Solutions.

[c] Top four employers shown, which collectively represent greater than 82.99% of total employment

**INCORPORATED COUNTY OF LOS ALAMOS  
CENSUS POPULATION BY AGE BRACKET, COUNTS, AND PERCENTAGES**

Table 22

| AGE BRACKET | 1970   |         | 1980   |         | 1990   |         | 2000   |         | 2010   |         | 2020   |         |
|-------------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|
|             | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT |
| 0-4 years   | 1302   | 8.6%    | 1,115  | 6.3%    | 1,090  | 6.0%    | 1,021  | 5.6%    | 960    | 5.3%    | 1,112  | 5.7%    |
| 5-19 years  | 5414   | 35.6%   | 4,874  | 27.7%   | 4,032  | 22.3%   | 4,050  | 22.1%   | 3,648  | 20.4%   | 3,810  | 19.6%   |
| 20-24 years | 567    | 3.7%    | 805    | 4.6%    | 565    | 3.1%    | 463    | 2.5%    | 498    | 2.8%    | 652    | 3.4%    |
| 25-34 years | 2061   | 13.6%   | 2,608  | 14.8%   | 3,126  | 17.3%   | 1,864  | 10.2%   | 1,713  | 9.5%    | 2,336  | 12.0%   |
| 35-44 years | 2432   | 16.0%   | 3,155  | 17.9%   | 3,718  | 20.5%   | 3,217  | 17.5%   | 2,327  | 13.0%   | 2,254  | 11.6%   |
| 45-54 years | 2269   | 14.9%   | 2,491  | 14.2%   | 3,171  | 17.5%   | 3,226  | 17.6%   | 3,347  | 18.6%   | 2,910  | 15.0%   |
| 55-64 years | 839    | 5.5%    | 1,829  | 10.4%   | 1,909  | 10.5%   | 2,282  | 12.4%   | 2,771  | 15.4%   | 2,985  | 15.4%   |
| 65 and over | 314    | 2.1%    | 722    | 4.1%    | 504    | 2.8%    | 2,220  | 12.1%   | 2,686  | 15.0%   | 3,360  | 17.3%   |
| Totals      | 15,198 | 100.0%  | 17,599 | 100.0%  | 18,115 | 100.0%  | 18,343 | 100.0%  | 17,950 | 100.0%  | 19,419 | 100.0%  |

**Source:** U.S. Census Bureau  
2020 census data is set to be released by April 1, 2020.

**INCORPORATED COUNTY OF LOS ALAMOS  
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM**

Table 23

LAST TEN FISCAL YEARS

| Function/Program                               | FY2014        | FY2015        | FY2016        | FY2017        | FY2018        | FY2019        | FY2020        | FY2021        | FY2022        | FY2023            |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------|
| <b>Governmental activities</b>                 |               |               |               |               |               |               |               |               |               |                   |
| General government                             |               |               |               |               |               |               |               |               |               |                   |
| County Council                                 | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00              |
| County Courts                                  | 4.80          | 4.75          | 4.75          | 4.75          | 5.00          | 5.30          | 5.80          | 5.80          | 5.80          | 5.80              |
| County Manager                                 | 22.00         | 20.00         | 21.00         | 21.00         | 20.00         | 18.00 [5]     | 18.00         | 19.00         | 20.00         | 25.00             |
| County Assessor                                | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00              |
| County Attorney                                | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 6.00          | 6.00              |
| County Clerk                                   | 6.69          | 6.69          | 7.94          | 8.16          | 8.16          | 7.77          | 8.27          | 8.27          | 8.78          | 8.61              |
| County Sheriff                                 | 2.04          | 1.94          | 1.94          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00              |
| Administrative Services                        | 50.00         | 50.00         | 48.01         | 46.01         | 46.01         | 46.01         | 46.38         | 48.34         | 50.34         | 53.34             |
| Public Works [2]                               | 10.00         | 11.46         | 42.46         | 43.46         | 45.18         | 45.18         | 45.18         | 51.18         | 50.18         | 54.18             |
| Capital Projects & Facilities (new FY2009) [3] | 39.00         | 37.00         | 0.00          | 0.00          | 6.00 [4]      | 1.60 [4]      | 0.00          | 0.00          | 0.00          | 0.00              |
| Public Safety                                  |               |               |               |               |               |               |               |               |               |                   |
| Police   | 77.99         | 78.02         | 75.00         | 73.00         | 74.75         | 74.75         | 77.75         | 78.75         | 79.00         | 83.00             |
| Physical and economic environment [2]          | 14.00         | 12.00         | 15.00         | 15.00         | 16.00         | 18.00 [5]     | 18.00         | 18.00         | 18.00         | 19.00             |
| Transportation                                 | 26.60         | 26.23         | 25.00         | 25.00         | 24.00         | 24.00         | 24.00         | 24.00         | 25.00         | 25.00             |
| Health and welfare                             | 2.00          | 2.00          | 2.50          | 3.00          | 3.00          | 2.50          | 2.50          | 3.20          | 3.20          | 3.95              |
| Culture and recreation [1]                     | 97.67         | 97.92         | 91.99         | 92.04         | 91.15         | 89.23         | 90.23         | 93.78         | 97.78         | 97.03             |
| <b>Business-type activities</b>                |               |               |               |               |               |               |               |               |               |                   |
| Joint Utilities                                |               |               |               |               |               |               |               |               |               |                   |
| Electric                                       | 54.44         | 54.02         | 55.02         | 51.02         | 50.56         | 50.30         | 52.30         | 54.65         | 57.65         | 55.65             |
| Gas  | 24.04         | 24.18         | 24.05         | 29.07         | 30.49         | 27.91         | 26.79         | 24.45         | 22.45         | 25.45             |
| Water  | 10.25         | 10.25         | 10.25         | 9.25          | 9.25          | 9.49          | 9.49          | 10.75         | 10.75         | 11.75             |
| Wastewater                                     | 9.00          | 9.00          | 9.00          | 9.00          | 8.00          | 9.90 [6]      | 10.02         | 9.80          | 9.80          | 9.80              |
| Environmental Services                         | 18.00         | 18.17         | 17.17         | 17.24         | 17.24         | 18.24         | 18.24         | 18.24         | 18.24         | 18.24             |
| Golf [1]                                       | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00              |
| Fire   | 150.00        | 150.00        | 150.00        | 150.00        | 150.00        | 150.00        | 150.00        | 150.00        | 150.00        | 150.00            |
| Airport  | 1.50          | 2.08          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00              |
| Transit (new FY2008)                           | 40.00         | 39.37         | 36.20         | 36.41         | 38.13         | 38.13         | 38.13         | 38.13         | 38.13         | 38.13             |
| Equipment-internal service                     | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         | 12.00         | 12.00         | 12.00             |
| Risk-internal service                          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 3.00          | 3.00          | 3.00              |
| <b>Totals</b>                                  | <u>692.02</u> | <u>687.08</u> | <u>670.28</u> | <u>667.41</u> | <u>676.92</u> | <u>670.31</u> | <u>675.08</u> | <u>692.34</u> | <u>702.10</u> | <u>720.93 [7]</u> |

[1] The Golf Course Fund was closed at the end of FY2013. The Golf Course became a division of the General Fund beginning July 1, 2014.

[2] Community Development Department and Public Works reorganized in FY2016.

[3] In FY2009 Capital Projects & Facilities was new. Capital Projects and Facilities were included back in Public Works in FY2016.

[4] In FY2017, Capital Projects personnel are limited term relating to the implementation of a new Enterprise Resource Planning (ERP) system to replace the existing accounting, budget, human resources, payroll, utilities billing and operation management. The project was implemented in FY2019 which resulted in a reduction of limited term employees associated with the project.

[5] The two FTE's for Economic Development are a part of the County Manager's Office, but are in the FY2022 CAFR under the Physical and economic environment function.

[6] Environmental Services added an Equipment Operator in FY2019 for the yard waste pickup program.

[7] The Adopted budget has 693.50 regular, 6.30 limited term and 21.13 temp/casual positions for a total of 720.93 budgeted FTE in all funds. During FY2022, Council approved the addition of 2.75 FTE positions in various departments. A Senior Office Specialist in CSD - LA Council, a GWS Trainee in Utilities and an Engineering Associate moved from 1.0 Limited Term to Regular FTE.

Source: Administrative Services Department

**INCORPORATED COUNTY OF LOS ALAMOS  
OPERATING INDICATORS BY FUNCTION/PROGRAM**

Table 24

LAST TEN FISCAL YEARS

|  | FY2014    | FY2015    | FY2016    | FY2017    | FY2018    | FY2019    | FY2020    | FY2021    | FY2022    | FY2023    |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| General Government                               |           |           |           |           |           |           |           |           |           |           |
| Assessor-number of parcels by tax year           | 9,194     | 9,189     | 9,165     | 9,169     | 9,207     | 9,224     | 8280      | 9416      | 9314      | 9275      |
| Clerk-number of elections managed                | 2         | 2         | 2         | 4         | 1         | 1         | 2         | 1         | 1         | 1         |
| Sheriff-number of processes administered [b]     | 151       | 148       | 154       | n/a       | n/a       | n/a       | n/a       | n/a       | n/a       | n/a       |
| IT-Number of networked devices supported         | 1,453     | 1,480     | 1,770     | 1,514     | 1,310     | 1,450     | 1,915     | 1,322     | 1,534     | 1,680     |
| IT-Number of virtual networked devices supporte  | n/a       | n/a       | n/a       | 677       | 912       | 600       | 610       | 435       | 605       | 566       |
| Public Safety                                    |           |           |           |           |           |           |           |           |           |           |
| Police-Part 1 NIBS Offenses [a]                  | 204       | 187       | 169       | 124       | 141       | 125       | 92        | 94        | 218       | 273       |
| Police-number of service call responses          | 16,700    | 14,316    | 18,319    | 17,151    | 15,393    | 13,533    | 13,439    | 13,452    | 13,425    | 20,726    |
| Police-number of reported traffic accidents      | 305       | 229       | 239       | 224       | 180       | 212       | 205       | 149       | 147       | 162       |
| Police-number animal control cases               | 182       | 98        | 130       | 130       | 103       | 63        | 56        | 41        | 49        | 42        |
| Police-number of processess administered [b]     | n/a       | n/a       | n/a       | 125       | 156       | 154       | 125       | 99        | 111       | 96        |
| Physical & Economic Development                  |           |           |           |           |           |           |           |           |           |           |
| Number of construction permits issued            | 681       | 579       | 697       | 801       | 827       | 795       | 940       | 918       | 773       | 791       |
| Transportation                                   |           |           |           |           |           |           |           |           |           |           |
| Traffic-miles of lane lines striped              | 84        | 51        | 141       | 70        | 73        | 49        | 71        | 45        | 10        | 86        |
| Culture and Recreation                           |           |           |           |           |           |           |           |           |           |           |
| Library-Number of circulations                   | 396,768   | 379,991   | 391,992   | 392,213   | 412,745   | 367,065   | 332,770   | 287,654   | 329,088   | 387,612   |
| Number of park acres maintained                  | 944       | 944       | 944       | 944       | 944       | 944       | 944       | 945       | 684       | 6,175     |
| Number of cemetery interments                    | 55        | 41        | 67        | 57        | 51        | 50        | 43        | 53        | 75        | 72        |
| Number of aquatic center visits                  | 135,916   | 193,398   | 194,946   | 164,366   | 172,527   | 175,444   | 114,533   | 41,261    | 50,775    | 85,200    |
| Number of rink visits                            | 30,150    | 30,805    | 27,228    | 23,016    | 24,258    | 18,962    | 23,846    | 3,254     | 12,577    | 18,534    |
| Sr. Center-number of seniors served              | 3,732     | 3,898     | 4,047     | 4,695     | 1,528     | 4,633     | 4,639     | 9,958     | 616       | 5,385     |
| Joint Utility System                             |           |           |           |           |           |           |           |           |           |           |
| EP-Number of megawatt hrs supplied               | 531,796   | 514,619   | 566,018   | 572,260   | 592,980   | 558,287   | 537,002   | 517,689   | 479,745   | 470,597   |
| ED-Number of electric utility customers          | 8,900     | 8,647     | 8,796     | 8,830     | 8,774     | 8,561     | 8,701     | 8,745     | 8,841     | 8,664     |
| Gas-Number of therms delivered                   | 9,389,410 | 8,446,420 | 8,580,270 | 7,649,471 | 7,890,930 | 9,449,825 | 8,973,360 | 8,469,605 | 8,484,010 | 9,428,668 |
| WP-K gallons water produced                      | 1,166,692 | 1,105,780 | 1,176,804 | 1,186,747 | 1,245,609 | 1,175,972 | 1,212,690 | 1,274,494 | 1,177,248 | 1,046,172 |
| WD-K gallons of water sold                       | 683,637   | 706,356   | 693,335   | 755,656   | 781,818   | 670,815   | 834,930   | 834,519   | 921,265   | 704,825   |
| WW-K gallons sewage conveyed                     | 421,319   | 437,938   | 408,234   | 426,898   | 429,129   | 397,929   | 450,124   | 392,000   | 335,942   | 375,378   |
| Golf Course                                      |           |           |           |           |           |           |           |           |           |           |
| Number of golf rounds provided                   | 27,284    | 29,359    | 29,733    | 24,455    | 17,370    | 20,745    | 14,437    | 19,500    | 616       | 27,500    |
| Transit (first year of complete data was FY2009) |           |           |           |           |           |           |           |           |           |           |
| Number of one way passenger rides                | 517,638   | 548,331   | 494,444   | 454,755   | 448,366   | 451,793   | 321,140   | 42,739    | 195,208   | 258,116   |
| Number of miles of service provided              | 714,815   | 721,357   | 704,072   | 617,566   | 636,210   | 621,744   | 452,962   | 217,652   | 493,970   | 473,661   |
| Fire Protection Services                         |           |           |           |           |           |           |           |           |           |           |
| Number of responses                              | 1,838     | 1,766     | 1,804     | 2,252     | 2,367     | 2,294     | 2,197     | 2,113     | 2,473     | 2,392     |

Sources: County departments.

[a] Only calendar year data available. In April 2021, The Los Alamos Police Department transitioned from UCR a Summary Reporting System (SRS) to the National Incident Based Reporting System (NBRS)

[b] Responsibility for process service was transferred by the County Council from the Sheriff's Office to the Police Department in June 2016.

[c] Beginning in FY2017, Information Management began reporting the virtual vs. physical networked devices supported.



**INCORPORATED COUNTY OF LOS ALAMOS**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Table 25

|  | FY2014  | FY2015  | FY2016  | FY2017  | FY2018  | FY2019  | FY2020  | FY2021  | FY2022  | FY2023  |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Public Safety</b>                             |         |         |         |         |         |         |         |         |         |         |
| Police stations (includes WR substation)         | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       |
| Police vehicles                                  | 47      | 43      | 45      | 45      | 45      | 45      | 45      | 45      | 47      | 47      |
| County owned fire stations                       | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       |
| Dept. of Energy owned fire stations              | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       |
| <b>Transportation</b>                            |         |         |         |         |         |         |         |         |         |         |
| Streets, miles                                   | 106.5   | 106.5   | 106.5   | 106.5   | 106.5   | 108.3   | 108.5   | 110.5   | 112     | 112     |
| Sidewalk, square yards                           | 245,440 | 246,009 | 246,009 | 246,009 | 247,997 | 248,531 | 248,531 | 248,531 | 248,856 | 248,856 |
| Street lights, county owned                      | 1292    | 1292    | 1414    | 1466    | 1473    | 1476    | 1476    | 1476    | 1478    | 1478    |
| Traffic signals                                  | 11      | 12      | 12      | 12      | 12      | 12      | 12      | 12      | 12      | 12      |
| School and station flashers                      | 10      | 10      | 10      | 10      | 10      | 10      | 10      | 10      | 10      | 10      |
| Public Parking Lots                              | 38      | 39      | 40      | 40      | 40      | 40      | 39      | 39      | 39      | 39      |
| <b>Culture and Recreation</b>                    |         |         |         |         |         |         |         |         |         |         |
| Senior centers                                   | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       |
| Public libraries                                 | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       | 2       |
| Aquatic centers                                  | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       |
| Rinks  | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       | 1       |
| Parks and play lots                              | 35      | 35      | 35      | 35      | 35      | 35      | 35      | 35      | 35      | 35      |
| Baseball/softball diamonds                       | 14      | 14      | 14      | 14      | 14      | 14      | 14      | 14      | 14      | 14      |
| Soccer fields                                    | 7       | 7       | 7       | 7       | 7       | 7       | 7       | 7       | 7       | 7       |
| Tennis courts                                    | 9       | 9       | 9       | 9       | 9       | 9       | 9       | 9       | 9       | 9       |
| <b>Joint Utility System</b>                      |         |         |         |         |         |         |         |         |         |         |
| Electric generating capacity, owned resources MW | 62      | 62      | 62      | 62      | 62      | 62      | 62      | 62      | 62      | 62      |
| Electric distribution line miles                 | 144.0   | 144.0   | 144.0   | 144.0   | 144.0   | 144.0   | 144.0   | 144.0   | 146.0   | 146.0   |
| Water production wells                           | 12      | 12      | 12      | 12      | 12      | 12      | 12      | 12      | 12      | 12      |
| Water distribution line miles                    | 149.5   | 149.8   | 150.7   | 150.7   | 150.7   | 150.7   | 150.7   | 150.7   | 152.7   | 152.7   |
| Gas distribution line miles                      | 125.5   | 125.5   | 125.5   | 125.5   | 125.5   | 125.5   | 125.5   | 125.5   | 127.5   | 127.5   |
| Wastewater collection line miles                 | 118.9   | 118.9   | 118.9   | 118.9   | 118.9   | 118.9   | 118.9   | 118.9   | 120.9   | 120.9   |
| <b>Environmental Services</b>                    |         |         |         |         |         |         |         |         |         |         |
| Collection trucks                                | 10      | 10      | 10      | 10      | 10      | 11      | 11      | 12      | 12      | 12      |
| <b>Golf Course</b>                               |         |         |         |         |         |         |         |         |         |         |
| Holes  | 18      | 18      | 18      | 18      | 18      | 18      | 18      | 18      | 18      | 18      |
| <b>Airport</b>                                   |         |         |         |         |         |         |         |         |         |         |
| Tie down spaces                                  | 98      | 98      | 98      | 98      | 98      | 98      | 98      | 98      | 98      | 98      |

**Sources:** County departments

**INCORPORATED COUNTY OF LOS ALAMOS**  
**JOINT UTILITY SYSTEM PROFIT TRANSFER AND IN LIEU PAYMENTS**  
**TO THE GENERAL FUND**  
**LAST TEN FISCAL YEARS**

Table 26

| Fiscal Year | FRANCHISE FEES [a]       |         | IN LIEU TAX [b]        |                          |         | PROFIT TRANSFER [c] |             | TOTAL<br>JOINT<br>UTILITY<br>SYSTEM |
|-------------|--------------------------|---------|------------------------|--------------------------|---------|---------------------|-------------|-------------------------------------|
|             | ELECTRIC<br>DISTRIBUTION | GAS     | ELECTRIC<br>PRODUCTION | ELECTRIC<br>DISTRIBUTION | GAS     | ELECTRIC            | GAS         |                                     |
| 2014        | 231,282                  | 128,916 | 13,924                 | 189,561                  | 68,787  | 478,324             | 253,562     | <b>1,364,356</b>                    |
| 2015        | 247,143                  | 107,219 | 17,208                 | 206,136                  | 77,004  | 484,485             | 297,390     | <b>1,436,585</b>                    |
| 2016        | 279,200                  | 97,940  | 100,338 [d]            | 231,536                  | 81,666  | 524,540             | 246,867     | <b>1,562,087</b>                    |
| 2017        | 251,845                  | 107,486 | 70,055                 | 297,050                  | 97,875  | 594,681             | 226,475     | <b>1,645,467</b>                    |
| 2018        | 241,046                  | 80,107  | 63,146                 | 248,680                  | 103,080 | 574,246             | 207,175     | <b>1,517,480</b>                    |
| 2019        | 272,331                  | 107,965 | 59,318                 | 269,828                  | 104,179 | 567,249             | 194,513     | <b>1,575,383</b>                    |
| 2020        | 267,537                  | 91,985  | 27,082                 | 285,824                  | 101,719 | 575,620 [e]         | 254,014 [e] | <b>1,603,781</b>                    |
| 2021        | 273,201                  | 112,791 | 20,037                 | 266,521                  | 96,089  | 582,224 [e]         | 217,504 [e] | <b>1,568,366</b>                    |
| 2022        | 265,398                  | 138,423 | 17,245                 | 260,204                  | 276,202 | 584,290 [e]         | 264,621 [e] | <b>1,806,383</b>                    |
| 2023        | 273,917                  | 210,445 | 14,179                 | 250,881                  | 91,295  | 573,617 [e]         | 324,883 [e] | <b>1,739,218</b>                    |

Sources: County financial records

**Notes:**

[a] Franchise Fees are 2% of all Electric Distribution and Gas revenue from all rate classes.

[b] In Lieu of Property Tax is the net book value of Electric and Gas fixed assets divided by three, times the Los Alamos County property tax rate.

In Lieu excludes San Juan, El Vado and Abiquiu assets located outside Los Alamos County.

[c] Profit Transfer is 5% of Electric Distribution, Gas, and Water retail revenues excluding sales to schools and the County.

[d] Began paying in lieu tax for solar assets

[e] Per council Ordinance 02-302 Section 40-63 (c)(12), Council approved the redirecting of the DPU profit transfer from the General Fund to remain within the Public Utilities for the purpose of investing in utility infrastructure.



LOS ALAMOS

where discoveries are made



**Other Supplementary Information**

**INCORPORATED COUNTY OF LOS ALAMOS**  
**SCHEDULE OF RECONCILIATION OF TAX RECEIPTS AND DISBURSEMENTS**

Year ended June 30, 2023

|  |                   |
|--|-------------------|
| PROPERTY TAX RECEIVABLE, JUNE 30, 2022 | \$ 314,603        |
| Net taxes charged to treasurer         | 23,332,572        |
| Collections                            | (23,249,869)      |
| Adjustments                            | 5,276             |
| PROPERTY TAX RECEIVABLE, JUNE 30, 2023 | <u>\$ 402,582</u> |

| PROPERTY TAXES RECEIVABLE AS OF JUNE 30, 2023, LISTED BY YEAR: | <u>TOTAL</u>      | <u>INCORPORATED<br/>COUNTY OF LOS<br/>ALAMOS</u> | <u>STATE OF NEW<br/>MEXICO</u> | <u>UNIVERSITY OF<br/>NEW MEXICO</u> | <u>LOS ALAMOS<br/>PUBLIC SCHOOLS</u> | <u>MIRADOR PID</u> |
|--|-------------------|--|--------------------------------|-------------------------------------|--------------------------------------|--------------------|
| 2013   | 917               | 354  | 75                             | 36                                  | 452                                  | 0                  |
| 2014   | 798               | 314  | 48                             | 31                                  | 405                                  | 0                  |
| 2015   | 1,557             | 700  | 98                             | 57                                  | 702                                  | 0                  |
| 2016   | 1,376             | 601  | 86                             | 52                                  | 637                                  | 0                  |
| 2017   | 1,669             | 693  | 113                            | 119                                 | 744                                  | 0                  |
| 2018   | 8,467             | 3,529  | 475                            | 615                                 | 3,848                                | 0                  |
| 2019   | 14,014            | 5,816  | 750                            | 1,012                               | 6,436                                | 0                  |
| 2020   | 22,043            | 9,004  | 1,182                          | 1,609                               | 10,248                               | 0                  |
| 2021   | 53,288            | 21,643   | 2,856                          | 3,870                               | 24,919                               | 0                  |
| 2022   | 298,453           | 120,186  | 15,750                         | 21,690                              | 140,827                              | 0                  |
|  | <u>\$ 402,582</u> | <u>162,840</u>                                   | <u>21,433</u>                  | <u>29,091</u>                       | <u>189,218</u>                       | <u>0</u>           |

**DISTRIBUTION OF COLLECTED PROPERTY TAXES:**

|                                   |                      |
|-----------------------------------|----------------------|
| Incorporated County of Los Alamos | \$ 8,689,683         |
| State of New Mexico               | 1,259,820            |
| University of New Mexico          | 1,702,526            |
| Los Alamos Schools                | 11,254,624           |
| Mirador PID                       | 343,216              |
|                                   | <u>\$ 23,249,869</u> |

**INCORPORATED COUNTY OF LOS ALAMOS  
COUNTY TREASURER'S PROPERTY TAX SCHEDULE**

Year ended June 30, 2023

| <u>Agency</u>                         | <b>Property Taxes<br/>Levied</b> | <b>Collected in<br/>Current Year</b> | <b>Collected to<br/>Date</b> | <b>Distributed in<br/>Current Year</b> | <b>Distributed to<br/>Date</b> | <b>Undistributed at<br/>Year End</b> | <b>Receivable at<br/>Year End</b> |
|---------------------------------------|----------------------------------|--------------------------------------|------------------------------|--|--------------------------------|--------------------------------------|-----------------------------------|
| Incorporated County of<br>Los Alamos: |                                  |                                      |                              |  |                                |                                      |                                   |
| 2013                                  | 5,460,016                        | 5                                    | 5,459,662                    | (19)                                   | 5,459,638                      | 24                                   | 354                               |
| 2014                                  | 5,477,731                        | (9)                                  | 5,477,416                    | (26)                                   | 5,477,399                      | 17                                   | 315                               |
| 2015                                  | 7,160,040                        | 0                                    | 7,159,340                    | 0                                      | 7,159,340                      | 0                                    | 699                               |
| 2016                                  | 7,188,375                        | (34)                                 | 7,187,774                    | (34)                                   | 7,187,774                      | 0                                    | 601                               |
| 2017                                  | 7,366,509                        | 986                                  | 7,365,816                    | 924                                    | 7,365,754                      | 61                                   | 693                               |
| 2018                                  | 7,645,001                        | 1,281                                | 7,641,472                    | 1,163                                  | 7,641,355                      | 118                                  | 3,529                             |
| 2019                                  | 7,939,749                        | 10,009                               | 7,933,934                    | 7,621                                  | 7,931,545                      | 2,389                                | 5,815                             |
| 2020                                  | 8,180,500                        | 14,354                               | 8,171,496                    | 9,122                                  | 8,166,264                      | 5,232                                | 9,004                             |
| 2021                                  | 8,335,315                        | 57,265                               | 8,313,672                    | 47,468                                 | 8,303,875                      | 9,797                                | 21,643                            |
| 2022                                  | 8,830,572                        | 8,605,778                            | 8,710,385                    | 8,490,803                              | 8,595,410                      | 114,975                              | 120,187                           |
|                                       | <b>73,583,808</b>                | <b>8,689,636</b>                     | <b>73,420,968</b>            | <b>8,557,022</b>                       | <b>73,288,353</b>              | <b>132,615</b>                       | <b>162,840</b>                    |
| State of New Mexico:                  |                                  |                                      |                              |  |                                |                                      |                                   |
| 2013                                  | 955,454                          | 1                                    | 955,378                      | 0                                      | 955,377                        | 1                                    | 76                                |
| 2014                                  | 920,279                          | (2)                                  | 920,231                      | (2)                                    | 920,230                        | 0                                    | 48                                |
| 2015                                  | 940,389                          | 0                                    | 940,292                      | 0                                      | 940,292                        | 0                                    | 98                                |
| 2016                                  | 954,149                          | (5)                                  | 954,063                      | (5)                                    | 954,063                        | 0                                    | 86                                |
| 2017                                  | 992,887                          | 149                                  | 992,774                      | 95                                     | 992,720                        | 54                                   | 113                               |
| 2018                                  | 1,039,303                        | 193                                  | 1,038,828                    | 141                                    | 1,038,776                      | 53                                   | 474                               |
| 2019                                  | 1,095,220                        | 1,249                                | 1,094,470                    | 1,015                                  | 1,094,236                      | 234                                  | 750                               |
| 2020                                  | 1,149,514                        | 1,811                                | 1,148,332                    | 1,357                                  | 1,147,879                      | 454                                  | 1,182                             |
| 2021                                  | 1,206,130                        | 7,806                                | 1,203,274                    | 6,761                                  | 1,202,229                      | 1,045                                | 2,856                             |
| 2022                                  | 1,280,383                        | 1,248,612                            | 1,264,634                    | 1,234,482                              | 1,250,504                      | 14,129                               | 15,749                            |
|                                       | <b>10,533,708</b>                | <b>1,259,814</b>                     | <b>10,512,275</b>            | <b>1,243,844</b>                       | <b>10,496,305</b>              | <b>15,970</b>                        | <b>21,433</b>                     |

University of New Mexico:

|      |                   |                  |                   |                  |                   |               |               |
|------|-------------------|------------------|-------------------|------------------|-------------------|---------------|---------------|
| 2013 | 702,075           | 0                | 702,039           | 0                | 702,038           | 0             | 36            |
| 2014 | 676,319           | (1)              | 676,287           | (2)              | 676,286           | 0             | 32            |
| 2015 | 691,048           | 0                | 690,991           | 0                | 690,991           | 0             | 57            |
| 2016 | 693,972           | (3)              | 693,920           | (3)              | 693,920           | 0             | 52            |
| 2017 | 1,440,068         | 198              | 1,439,948         | 192              | 1,439,942         | 6             | 119           |
| 2018 | 1,494,880         | 258              | 1,494,266         | 248              | 1,494,256         | 9             | 615           |
| 2019 | 1,552,904         | 1,753            | 1,551,892         | 1,478            | 1,551,617         | 275           | 1,012         |
| 2020 | 1,599,382         | 2,543            | 1,597,773         | 1,967            | 1,597,197         | 576           | 1,609         |
| 2021 | 1,633,024         | 10,695           | 1,629,154         | 9,514            | 1,627,974         | 1,181         | 3,870         |
| 2022 | 1,730,152         | 1,687,078        | 1,708,461         | 1,667,798        | 1,689,181         | 19,280        | 21,690        |
|      | <b>12,213,823</b> | <b>1,702,521</b> | <b>12,184,732</b> | <b>1,681,192</b> | <b>12,163,403</b> | <b>21,329</b> | <b>29,091</b> |

Los Alamos Public Schools:

|      |                   |                   |                   |                   |                   |                |                |
|------|-------------------|-------------------|-------------------|-------------------|-------------------|----------------|----------------|
| 2013 | 8,657,150         | 6                 | 8,656,699         | 0                 | 8,656,693         | 6              | 451            |
| 2014 | 8,492,209         | (16)              | 8,491,804         | (20)              | 8,491,800         | 4              | 405            |
| 2015 | 8,396,982         | 0                 | 8,396,280         | 0                 | 8,396,280         | 0              | 702            |
| 2016 | 8,572,964         | (42)              | 8,572,325         | (42)              | 8,572,325         | 0              | 638            |
| 2017 | 8,976,497         | 1,235             | 8,975,753         | 1,195             | 8,975,713         | 40             | 744            |
| 2018 | 9,374,378         | 1,616             | 9,370,530         | 1,558             | 9,370,472         | 59             | 3,848          |
| 2019 | 9,837,452         | 11,152            | 9,831,016         | 9,410             | 9,829,273         | 1,742          | 6,436          |
| 2020 | 10,272,090        | 16,185            | 10,261,842        | 12,482            | 10,258,139        | 3,702          | 10,248         |
| 2021 | 10,696,161        | 69,445            | 10,671,242        | 61,837            | 10,663,634        | 7,608          | 24,919         |
| 2022 | 11,438,404        | 11,154,979        | 11,297,577        | 11,028,971        | 11,171,569        | 126,008        | 140,827        |
|      | <b>94,714,287</b> | <b>11,254,561</b> | <b>94,525,069</b> | <b>11,115,391</b> | <b>94,385,899</b> | <b>139,170</b> | <b>189,218</b> |

Mirador PID:

|      |                |                |                |                |                |          |          |
|------|----------------|----------------|----------------|----------------|----------------|----------|----------|
| 2020 | 51,240         | 0              | 51,240         | 0              | 51,240         | 0        | 0        |
| 2021 | 112,440        | 0              | 112,440        | 0              | 112,440        | 0        | 0        |
| 2022 | 343,216        | 343,216        | 343,216        | 343,216        | 343,216        | 0        | 0        |
|      | <b>506,896</b> | <b>343,216</b> | <b>506,896</b> | <b>343,216</b> | <b>506,896</b> | <b>0</b> | <b>0</b> |

|                    |                       |                   |                    |                   |                    |                |                |
|--------------------|-----------------------|-------------------|--------------------|-------------------|--------------------|----------------|----------------|
| <b>Grand Total</b> | <b>\$ 191,552,523</b> | <b>23,249,749</b> | <b>191,149,941</b> | <b>22,940,665</b> | <b>190,840,857</b> | <b>309,084</b> | <b>402,582</b> |
|--------------------|-----------------------|-------------------|--------------------|-------------------|--------------------|----------------|----------------|

**INCORPORATED COUNTY OF LOS ALAMOS  
SCHEDULE OF PLEDGED COLLATERAL**

June 30, 2023

|   | <u>ENTERPRISE<br/>BANK &amp; TRUST</u> | <u>WELLS FARGO</u> | <u>TOTAL</u>      |
|---|--|--------------------|-------------------|
| <b>TOTAL AMOUNT OF DEPOSITS (bank balances)</b> | \$ 27,203,692                          | 33,731             | 27,237,423        |
| Less: FDIC coverage                             | 250,000                                | 250,000            | 500,000           |
| <b>TOTAL UNINSURED PUBLIC FUNDS</b>             | <u>26,953,692</u>                      | <u>(216,269)</u>   | <u>26,953,692</u> |
| <b>COLLATERAL REQUIRED</b>                      |  |                    |                   |
| Deposits  | 13,476,846 [a]                         | (108,135)          | 13,368,711        |
| <b>COLLATERAL</b>                               |  |                    |                   |
| Letters of Credit, Agencies, Municipal Bonds    | 41,982,066 [b]                         | 0                  | 41,982,066        |
| <b>OVER(UNDER) SECURED</b>                      | <u>\$ 28,505,220</u>                   | <u>108,135</u>     | <u>28,613,354</u> |

**Notes:**

[a] Collateral requirement is 50% per New Mexico state law. County requirement is 100%.

[b] Letter of Credit - Federal Home Loan Bank of Dallas



**INCORPORATED COUNTY OF LOS ALAMOS  
 DETAIL OF PLEDGED COLLATERAL BY FINANCIAL INSTITUTION**

June 30, 2023

|                                    | <u>ACQUISITION<br/>DATE</u> | <u>MATURITY<br/>DATE</u> | <u>CUSIP<br/>NUMBER</u> | <u>TYPE</u>                    | <u>FACE VALUE</u>    | <u>MARKET<br/>PER BANK</u> |
|------------------------------------|-----------------------------|--------------------------|-------------------------|--------------------------------|----------------------|----------------------------|
| <b>ENTERPRISE BANK &amp; TRUST</b> |                             |                          |                         |                                |                      |                            |
| Agency Notes/Bonds                 | 09/16/19                    | 02/01/29                 | 3128MDYV9               | FREDDIE MAC GOLD POOL #G155399 | 958,324              | 914,014                    |
|                                    | 01/28/21                    | 01/01/36                 | 3132D56U1               | FREDDIE MAC POOL #SB8083 5399  | 2,070,220            | 1,797,265                  |
|                                    | 04/21/23                    | 05/01/37                 | 3140XGXC8               | FANNIE MAE POOL #FS1574 5399   | 4,116,231            | 3,922,117                  |
|                                    | 04/14/23                    | 06/01/37                 | 31418CLJ1               | FANNIE MAE POOL #MA3028 5399   | 4,909,170            | 4,677,144                  |
|                                    | 02/15/22                    | 09/01/42                 | 31418D4G4               | FANNIE MAE POOL FN MA4422 5399 | 8,558,606            | 7,293,591                  |
|                                    | 02/14/22                    | 04/01/42                 | 31417BPX9               | FANNIE MAE POOL #AB4937 5399   | 1,747,750            | 1,647,722                  |
|                                    | 02/19/21                    | 02/01/49                 | 3136B74E8               | FANNIE MAE CMO SERIES 19-85399 | 860,560              | 801,646                    |
|                                    | 05/13/19                    | 04/15/48                 | 3137F5AE9               | FREDDIE MAC CMO SERIES 4795399 | 2,471,395            | 2,282,598                  |
|                                    | 02/14/22                    | 03/15/45                 | 3137FCBJ2               | FREDDIE MAC CMO SERIES 4745399 | 537,530              | 509,988                    |
|                                    | 02/14/22                    | 03/15/45                 | 3137FCBJ2               | FREDDIE MAC CMO SERIES 4745399 | 895,883              | 849,981                    |
|                                    | 02/14/22                    | 04/15/49                 | 3137FLDH4               | FREDDIE MAC CMO SERIES 4875399 | 1,139,576            | 1,025,709                  |
|                                    | 05/11/23                    | 05/01/45                 | 3137H94J5               | FREDDIE MAC CMO SERIES 5265399 | 2,311,344            | 2,253,339                  |
|                                    | 02/16/22                    | 10/20/47                 | 38380KUN3               | GINNIE MAE CMO SERIES 20175399 | 624,851              | 552,026                    |
|                                    | 05/22/23                    | 09/01/48                 | 38383YMJ8               | GINNIE MAE CMO SERIES 22-15399 | 4,721,386            | 4,530,501                  |
|                                    | 11/23/21                    | 04/28/26                 | 3130AN4V9               | FEDERAL HOME LOAN BANK 5399    | 10,000,000           | 8,924,424                  |
|                                    |                             |                          |                         |                                | 45,922,826           | 41,982,066                 |
| <b>TOTAL PLEDGED COLLATERAL</b>    |                             |                          |                         |                                | <b>\$ 45,922,826</b> | <b>41,982,066</b>          |

**L**  **S** **A** **L** **A** **M**  **S**  
where discoveries are made

**INCORPORATED COUNTY OF LOS ALAMOS  
SCHEDULE OF DEPOSITORY ACCOUNTS**

June 30, 2023

| <u>NAME OF DEPOSITORY</u>  | <u>ACCOUNT NAME</u>                 | <u>TYPE OF ACCOUNT</u> | <u>TOTAL<br/>DEPOSITORY<br/>BALANCES</u> |
|--|-------------------------------------|------------------------|--|
| Alliance Benefits Group  | L.A.C. Employee Pension Plan        | Participant Investment | \$ 63,197,986                            |
| Bank of Albuquerque  | Los Alamos County                   | FFCB                   | 15,676,870                               |
| Bank of Albuquerque  | Los Alamos County                   | FHLB                   | 8,962,000                                |
| Bank of Albuquerque  | Los Alamos County                   | FNMA                   | 9,355,320                                |
| Bank of Albuquerque  | Los Alamos County                   | T-Note                 | 69,492,855                               |
| Enterprise Bank & Trust  | Employee Fund                       | Checking               | 18,476                                   |
| Enterprise Bank & Trust  | Flexible Spending Account           | Checking               | 9,371                                    |
| Enterprise Bank & Trust  | General County                      | Checking               | 20,822,202                               |
| Enterprise Bank & Trust  | GRT Bonds Debt Service              | Checking               | 47,427                                   |
| Enterprise Bank & Trust  | Landfill Closure                    | Checking               | 360,473                                  |
| Enterprise Bank & Trust  | Municipal Court Bond                | Checking               | 5,053                                    |
| Enterprise Bank & Trust  | Police Operations                   | Checking               | 2,300                                    |
| Enterprise Bank & Trust  | Small Purchase                      | Checking               | 15,263                                   |
| Enterprise Bank & Trust  | Manual Checks                       | Checking               | 20,011                                   |
| Enterprise Bank & Trust  | Utility Resource Pool               | Checking               | 5,903,115                                |
| Enterprise Bank & Trust  | Deposit Held for Others             | Checking               | 1  |
| NMFA / Bank of Albuquerque   | Trustee Loan Account                | Cash Equivalent        | 553,686                                  |
| Bank of Albuquerque  | Trustee Loan Account - Utilities    | Cash Equivalent        | 735,190                                  |
| Bank of Albuquerque  | Trustee Loan Account - Utilities    | Cash Equivalent        | 3,543,630                                |
| NMFA / Bank of Albuquerque   | Trustee Loan Account - Utilities    | Cash Equivalent        | 927,418                                  |
| State Investment Council   | Permanent Fund                      | Pool                   | 35,895,454                               |
| State Investment Council   | General Fund                        | Pool                   | 23,559,683                               |
| State Investment Council   | Cemetery Perpetual Care             | Pool                   | 1,294,803                                |
| NM Local Government Investment Pool                                    | LGIP                                | Pool                   | 24,500,000                               |
| Wells Fargo Bank Minnesota   | Utility Bond Accounts               | Cash Equivalent        | 1,072,101                                |
| Wells Fargo Commercial Checking  | Los Alamos County - Purchasing-Card | Checking               | 33,731                                   |
| <b>Total Depository Balances</b>                                       |                                     |                        | <b>286,004,419</b>                       |
| Reconciling items to Bank Reconciliation                               |                                     |                        | (1,601,315)                              |
| Petty Cash and Change Funds  |                                     |                        | 4,400                                    |
| <b>Total Deposits and Investments reported in financial statements</b> |                                     |                        | <b>\$ 284,407,504</b>                    |

**INCORPORATED COUNTY OF LOS ALAMOS  
SUPPLEMENTAL SCHEDULE OF JOINT POWERS AGREEMENTS**

June 30, 2023

---

**Incorporated County of Los Alamos (the County) and the New Mexico State Investment Council (SIC)**

The parties entered into this agreement in order to establish a relationship between the County and the SIC. Under this agreement, the SIC acts as the investment manager for County funds deposited with the SIC, and invests County funds in accordance with the guidelines provided in the County's Investment Policy; provided however that the investment policies in the SIC Long-term Pooled Investment Funds Operations Manual shall be controlling in the event of a conflict between the policies therein and the County's Investment Policy.

This agreement was entered into on October 3, 2000. There is no ending day specified in the agreement. Either party may terminate the agreement with thirty (30) days written notice to the other party.

As of June 30, 2023, the County had approximately \$60.7 million invested with the SIC. The County paid approximately \$83,000 in fees, which are netted in the investment gain. The County is responsible for all audits of its financial records. The Pooled Investment Funds are included in the SIC's annual fiscal year-end audit.

**Incorporated County of Los Alamos (the County) and the New Mexico Energy, Minerals and Natural Resources Department (NMEMNRD)**

The parties entered into this Joint Powers Agreement (JPA) to formalize the NMEMNRD and the County's agreement and commitment to mutual wildland fire suppression and management assistance and cooperation. NMEMNRD is the designated state agency responsible for coordinating wildland fire suppression services among county and municipal fire departments, cooperating state agencies, and cooperating federal agencies. The County is responsible for wildland fire suppression on lands within the boundaries of its designated fire protection districts. The agreement addresses the County's role in the statewide Resource Mobilization Plan (RMP) and also defines non reimbursable and reimbursable assistance for initial or extended attack expenses. As such, the agreement establishes the County reimbursement rates and billing procedures for personnel and equipment.

This agreement does not obligate NMEMNRD or the County to expend money in excess of appropriations authorized by state or local laws. The terms of this agreement are contingent upon sufficient appropriation and authorization being granted by the New Mexico State Legislature and the County; otherwise, either party may terminate or suspend this agreement upon 90 days written notice. The agreement was entered into by the County on February 23, 2010 and supersedes JPA Agreement # 97-521-2300-0073 (Wildfire Suppression).

**Incorporated County of Los Alamos (the County) and the City of Santa Fe, Santa Fe County, City of Espanola, Rio Arriba County, the Town of Taos, Taos County, Ohkay Owingeh, and Jemez Pueblo together known as "coalition members"**

Members of the coalition entered into this Joint Powers Agreement (JPA) to memorialize a shared interest in assuring that LANL missions remain sustainable and diversified, while assuring protection of the environment, affecting federal and state government policy decisions that affect LANL, and promoting economic development throughout the region. This agreement establishes the Regional Coalition of LANL Communities (RCLC), a separate entity from coalition members, which develops and implement plans and approaches for carrying out the purposes of the coalition. Governance of the Regional Coalition is stated in the agreement; the County of Los Alamos is the acting fiscal agent for implementation and administration of the agreement.

This agreement was entered into by Los Alamos County on May 18, 2011 and approved by the New Mexico Department of Finance and Administration and made effective on October 13, 2011. Ohkay Owingeh joined the coalition in October 2012; Jemez Pueblo joined the coalition in November 2014. The term of this agreement is perpetual unless terminated by mutual consent of the coalition members.

On May 21, 2021, the RCLC governing body voted to dissolve the RCLC, which was officially approved by the New Mexico Department of Finance and Administration. All remaining balances have been distributed to each respective eligible member and all operations have been discontinued.

**Incorporated County of Los Alamos (the County) and the North Central New Mexico Economic Development District (NCNMEDD), Santa Fe County, the City of Espanola, Rio Arriba County, Ohkay Owingeh, the Pueblo of Santa Clara, the Pueblo of Pojoaque, and the Pueblo of Tesuque.**

This Joint Powers Agreement (JPA) is entered into by all parties for the management of the Redi Middle-Mile Broadband Network (REDI Net), a high-speed, open access broadband network deployed within the jurisdictional boundaries of all parties involved. NCNMEDD was awarded federal funding from the Broadband Technology Opportunities Program (BTOP), National Technology and Information Administration (NTIA), United States Department of Commerce, to implement the REDI Net project. The project has an estimated total cost of \$13.4 million of which \$10.6 million will be paid with federal funds, and the remaining \$2.8 million is contributed by the various jurisdictional parties in the form of cash and in-kind contributions. REDI Net consists of approximately 150 miles of fiber optic cable and associated equipment and will be installed primarily on existing electric utility poles of all jurisdictional parties, subject to securing necessary easements and rights of way, for construction, permitting, and other construction-related activity. REDI Net will offer high-speed wholesale bandwidth to qualified service providers and anchor institutions that operate within the range of its network.

This agreement establishes a governance structure that includes a representative from each jurisdictional party on the Board of Directors and establishes powers and duties to oversee construction, implementation, and long-term management of the REDI Net project. This agreement obligates the County to contribute \$400,000 into NCNMEDD's interest-bearing project account. This agreement was entered into by the County on November 9, 2011 and is effective for a period of 20 years thereafter. Amendment Number 1 to this agreement was formally adopted in November 2022 providing NCNMEDD the option of owning real property. All amendments are subject to approval by the New Mexico Department of Finance and Administration.

**Incorporated County of Los Alamos (the County) by and among the City of Las Cruces, the City of Gallup, and the City of Farmington establishing the New Mexico Municipal Energy Acquisition Authority (NMMEAA)**

This Joint Powers Agreement (JPA) was entered into by and among the City of Las Cruces and the City of Gallup on June 19, 2008. The County entered this JPA by adoption of Amendment Number 1 on September 30, 2008. The JPA establishes the NMMEAA to act as the administering agency to acquire long-term energy supplies, including the purchase of natural gas for retail gas customers or for sale to other municipal or governmentally-owned utilities, to produce electricity for retail customers or for sale to other municipal or governmentally-owned utilities; and to fuel the pipeline and related transportation costs of gas supply. This agreement establishes the governance structure that includes a representative from each party.

This agreement is perpetual unless terminated by mutual consent of the parties.

**INCORPORATED COUNTY OF LOS ALAMOS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 Year ended June 30, 2023

| FEDERAL GRANTOR /PROGRAM TITLE   | FEDERAL<br>ALN<br>NUMBER | ACCRUED<br>REIMBURSEMENT<br>(RESERVED BALANCE)<br>JUNE 30, 2022 | CASH<br>RECEIVED | OTHER         | FEDERAL<br>PARTICIPATING<br>EXPENDITURES | ACCRUED<br>REIMBURSEMENT<br>(RESERVED BALANCE)<br>JUNE 30, 2023 |
|--|--------------------------|---|------------------|---------------|--|---|
| United States Department of Energy:  |                          |   |                  |               |  |   |
| National Nuclear Security Administration   |                          |   |                  |               |  |   |
| Fire protection, emergency medical and rescue services                               | 81.140*                  |   |                  |               |  |   |
| Cooperative Agreement begin October 1, 2013  | DE-NA0002067/000         | 4,919,685   | 23,239,094       | 5,706,172 [1] | 28,354,727                               | 4,329,146   |
| Atomic Energy Act 1954-Payments in Lieu  | Public Law Section 168   | 0   | 303,466          | 0             | 303,466                                  | 0   |
| United States Department of the Treasury:  |                          |   |                  |               |  |   |
| COVID-19 American Rescue Plan Act  | 21.027*                  | (3,762,202)   | 0                | (54,477) [2]  | 1,576,762                                | (2,130,963)   |
| American Rescue Plan Act-Federal-Local Assistance Tribal Consistency Fund (LATCF)    | 21.032                   | 0   | 50,000           | 0             | 0  | (50,000)  |
| Flow through the New Mexico Office of Cultural Affairs                               |                          |   |                  |               |  |   |
| COVID-19 New Mexico State Library Grants-in-Aid                                      | 21.027*                  | (26,742)  | 0                | 0             | 26,742                                   | 0   |
| Flow through the New Mexico Economic Development Department                          |                          |   |                  |               |  |   |
| COVID-19 Coronavirus Local Fiscal Recovery Fund, Outdoor Recreation Trail            | 21.027*                  | 0   | 65,000           | 0             | 0  | (65,000)  |
| United States Department of Transportation-Federal Aviation Administration           |                          |   |                  |               |  |   |
| COVID-19 CARES Act Funding 1   | 20.106*                  | 0   | 4,199            | 0             | 4,199                                    | 0   |
| COVID-19 CARES Act Funding 2   | 20.106*                  | 0   | 13,000           | 0             | 13,000                                   | 0   |
| COVID-19 American Rescue Plan Act  | 20.106*                  | 0   | 5,857            | 0             | 32,000                                   | 26,143  |
| Airport Improvement Program-Pavement Maintenance                                     | 20.106*                  | 46,503  | 975,812          | 0             | 991,255                                  | 61,946  |
| Airport Improvement Program-Shift/Reconstruction Existing Taxiway F-Phase 1          | 20.106*                  | 0   | 123,673          | 0             | 123,673                                  | 0   |
| United States Department of Agriculture:   |                          |   |                  |               |  |   |
| United States National Forest Reserve  | 10.665                   | 0   | 4,735            | 0             | 4,735                                    | 0   |
| United States Department of Transportation-Federal Transit Administration            |                          |   |                  |               |  |   |
| Flow through the New Mexico Department of Transportation                             |                          |   |                  |               |  |   |
| Nonurbanized Area Formula Grant Program Section 5311                                 |                          |   |                  |               |  |   |
| FY22 Contract, MO1783  | 20.509                   | 355,336   | 701,835          | 0             | 346,499                                  | 0   |
| Transit Study, MO1685  | 20.509                   | 14,764  | 47,247           | 0             | 32,483                                   | 0   |
| FY23 Contract, MO1825  | 20.509                   | 0   | 1,000,714        | 0             | 1,299,970                                | 299,256   |
| United States Environmental Protection Agency  |                          |   |                  |               |  |   |
| New Mexico Finance Authority-DW 5456   |                          |   |                  |               |  |   |
| Safe Drinking Water State Revolving Fund   | 66.468                   | 0   | 1,951,233        | 0             | 1,951,233                                | 0   |
| New Mexico Finance Authority-DW 5637   |                          |   |                  |               |  |   |
| Safe Drinking Water State Revolving Fund   | 66.468                   | 0   | 0                | 0             | 599,239                                  | 599,239   |
| United States Department of Homeland Security  |                          |   |                  |               |  |   |
| Flow through the New Mexico Department of Homeland Security and Emergency Management |                          |   |                  |               |  |   |
| Emergency Management Performance Grant, EMT-2021-EP-00007                            | 97.042                   | 115,827   | 115,827          | 0             | 0  | 0   |
| Emergency Management Performance Grant, EMT-2022-EP-00005                            | 97.042                   | 0   | 97,466           | 0             | 118,078                                  | 20,612  |
| COVID-19 American Rescue Plan Act, EMT-2021-EP-00014                                 | 97.042                   | 0   | 43,305           | 0             | 43,305                                   | 0   |
| FEMA, Hazard Mitigation Plan Update, FEMA-PDMC-PL-06-NM-2019-005                     | 97.047                   | 0   | 28,500           | 0             | 28,500                                   | 0   |
| State Homeland Security Grant-Continuation of Operations, EMW-2019-SS-00083          | 97.067                   | 25,815  | 25,815           | 0             | 0  | 0   |
| State Homeland Security Grant, EOP Planning Radio and Drone, EMW-2021-SS-00061       | 97.067                   | 0   | 55,320           | 0             | 129,273                                  | 73,953  |
| FEMA DR 4152, Flood Disaster Declaration, Public Assistance Program                  | 97.036                   | 183,710   | 183,710          | 0             | 0  | 0   |
| FEMA DR 4652, Cerro Pelado, Public Assistance Program                                | 97.036                   | 0   | 0                | 0             | 115,600                                  | 115,600   |

|  |                    |                  |                   |                  |                   |                  |  |
|--|--------------------|------------------|-------------------|------------------|-------------------|------------------|--|
| United States Department of Interior, Bureau of Land Management:                 | 15.226             |                  |                   |                  |                   |                  |  |
| Bureau of Land Management  |                    |                  |                   |                  |                   |                  |  |
| Section 1 Payment for Federal-Owned Entitlement Land                             | Public Law 100-343 | 0                | 105,899           | 0                | 105,899           | 0                |  |
| National Park Service  |                    |                  |                   |                  |                   |                  |  |
| Cooperative Agreement-Bandelier National Park (FY22/23 Season)                   | 15.954             | 24,434           | 93,301            | 0                | 68,867            | 0                |  |
| Cooperative Agreement-Bandelier National Park (FY23/24 Season)                   | 15.954             | 0                | 0                 | 0                | 54,628            | 54,628           |  |
| United States Department of Justice:   |                    |                  |                   |                  |                   |                  |  |
| Flow through New Mexico Crime Victims Reparation Commission                      |                    |                  |                   |                  |                   |                  |  |
| Violence Against Women Act (VAWA), 2023-WF-913                                   | 16.588             | 0                | 7,259             | 0                | 8,181             | 922              |  |
| Victims of Crime Assistance (VOCA), 2022-VA-146                                  | 16.575             | 6,093            | 7,101             | 0                | 1,008             | 0                |  |
| Victims of Crime Assistance (VOCA), 2023-VA-242                                  | 16.575             | 0                | 11,070            | 0                | 11,803            | 733              |  |
| Office of Justice-Bulletproof Vest Partnership                                   | Public Law 106-517 | 0                | 976               | 0                | 3,522             | 2,546            |  |
| United States Department of Transportation-Federal Highway Administration        |                    |                  |                   |                  |                   |                  |  |
| Flow through the New Mexico Department of Transportation                         |                    |                  |                   |                  |                   |                  |  |
| Federal Aid Project-Canyon Rim Trail Underpass, Control Number 5101310           | 20.205             | 86,295           | 86,295            | 0                | 0                 | 0                |  |
| Federal Aid Project-TLPA; Multi-Use Urban Trail-Phase I, Control Number 5101490  | 20.205             | 8,329            | 9,669             | 0                | 1,340             | 0                |  |
| Federal Aid Project-TLPA; Multi-Use Urban Trail-Phase II, Control Number 5101491 | 20.205             | 20,480           | 53,477            | 0                | 32,997            | 0                |  |
| Federal Aid Project-NM 502/Trinity Drive, Control Number 5101390                 | 20.205             | 19,372           | 57,719            | 0                | 51,342            | 12,995           |  |
| End Driving While Impaired (ENDWI), Agreement Number 02-AL-64-056                | 20.608             | 0                | 235               | 0                | 235               | 0                |  |
| <b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>  |                    | <b>2,037,699</b> | <b>29,468,809</b> | <b>5,651,695</b> | <b>36,434,561</b> | <b>3,351,756</b> |  |

**RELATIONSHIP TO BASIC FINANCIAL STATEMENTS:**

|  |                   |
|--|-------------------|
| Change in dererred revenue and reserved balances                                 | 102,853           |
| Federal-Emergency Mutual Aid Deployment Revenues                                 | 12,234            |
| Federal Subsidy Build America Bonds  | 129,504           |
| DWSRLF - Safe Drinking Water State Revolving Fund - Loan Proceeds                | (2,509,496)       |
| Ambulance billing and other receipts DOE Cooperative Agreement for fire services | (589,069)         |
| County Share of DOE Cooperative Agreement for fire services - DE-NA0002067/000   | (5,117,103)       |
| North Central Regional Transit District revenues                                 | 1,600,000         |
| <b>INTERGOVERNMENTAL REVENUES - FEDERAL</b>                                      | <b>30,063,484</b> |

**INTERGOVERNMENTAL REVENUES - STATE**

**39,386,923**

**TOTAL INTERGOVERNMENTAL REVENUES**

**\$ 69,450,407**

**INTERGOVERNMENTAL REVENUES REPORTED IN BASIC FINANCIAL STATEMENTS:**

|  |                      |
|--|----------------------|
| Governmental funds   | \$ 40,573,123        |
| Proprietary funds  |                      |
| Intergovernmental charges for services                     | 23,954,664           |
| Intergovernmental - non capital revenue                    | 4,658,973            |
| Other sources and uses - intergovernmental capital revenue | 263,647              |
| <b>TOTAL INTERGOVERNMENTAL REVENUES</b>                    | <b>\$ 69,450,407</b> |

**Notes to Supplemental Schedule of Expenditures of Federal Awards**

**General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Incorporated County of Los Alamos (County).

**Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note (1)D to the County's basic financial statements.

The amounts received from the federal government are recorded as intergovernmental revenues of the County.

There were no sub recipients of these grant awards.

The County did not use the 10 percent de minimis indirect cost rate.

\* Denotes Major Federal Financial Assistance

**Other Notes**

[1] County's share of NNSA Cooperative agreement expenditures, ambulance billing and other receipts

[2] Prior Period Adjustment

**INCORPORATED COUNTY OF LOS ALAMOS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS**

Year ended June 30, 2023

| STATE GRANTOR /PROGRAM TITLE  | ACCRUED            | CASH      | OTHER        | STATE         | ACCRUED            |
|---|--------------------|-----------|--------------|---------------|--------------------|
|   | REIMBURSEMENT      |           |              | PARTICIPATING | REIMBURSEMENT      |
|   | (RESERVED BALANCE) | RECEIVED  | (SEE NOTES)  | EXPENDITURES  | (RESERVED BALANCE) |
|   | JUNE 30, 2022      |           |              |               | JUNE 30, 2023      |
| <b>STATE OF NEW MEXICO:</b>   |                    |           |              |               |                    |
| Fire Marshal's Office:  |                    |           |              |               |                    |
| Fire Protection Fund Distribution   | (1,395,891)        | 945,147   | 61,114 [1]   | 253,786       | (2,148,366)        |
| Fire Protection Grant   | 0                  | 68,500    | 0            | 68,500        | 0                  |
| Total Fire Marshal's Office   | (1,395,891)        | 1,013,647 | 61,114       | 322,286       | (2,148,366)        |
| Children, Youth and Families Department   |                    |           |              |               |                    |
| Juvenile Justice Continuum - FY23   | 0                  | 139,486   | 0            | 161,620       | 22,134             |
| Juvenile Justice Continuum - FY22   | 2,744              | 2,744     | 0            | 0             | 0                  |
| Total Children, Youth and Families Department                                       | 2,744              | 142,230   | 0            | 161,620       | 22,134             |
| Department of Finance and Administration:   |                    |           |              |               |                    |
| LDWI-Local Distribution (FY23)  | 0                  | 83,385    | (24,849) [2] | 58,536        | 0                  |
| DWI Grant - FY23  | 9,824              | 20,544    | 0            | 16,059        | 5,339              |
| Enhanced E911 - FY23  | 1,147              | 1,147     | 133,884 [3]  | 140,464       | 6,580              |
| Law Enforcement Protection Fund Distribution - FY23                                 | (6,952)            | 78,000    | 0            | 4,574         | (80,378)           |
| Law Enforcement Retention Fund Distribution - FY23                                  | 0                  | 11,449    | 0            | 11,449        | 0                  |
| Capital Grant-Community Recreation Space in Los Alamos                              | 30,718             | 276,873   | 0            | 285,431       | 39,276             |
| Capital Grant-Community Recreation Space in White Rock                              | 21,866             | 21,866    | 0            | 0             | 0                  |
| Capital Grant-Affordable Housing Infrastructure                                     | 54,513             | 99,867    | 0            | 45,354        | 0                  |
| Total Department of Finance and Administration                                      | 111,116            | 593,131   | 109,035      | 561,867       | (29,183)           |
| Department of Health - Public Health Office   |                    |           |              |               |                    |
| Primary Care and EMS Distribution - FY23  | 0                  | 10,424    | 0            | 10,055        | (369)              |
| Los Alamos Community Health Council - FY22  | (24,737)           | 12,952    | (24,737) [4] | 12,952        | 0                  |
| Center for Health Innovation  | (50,000)           | 47,222    | (55,555) [4] | 50,000        | 8,333              |
| New Mexico House Bill 2 Junior Bill   | 0                  | 30,000    | 0            | 50,000        | 20,000             |
| Total Department of Health  | (74,737)           | 100,598   | (80,292)     | 123,007       | 27,964             |
| Transportation Department   |                    |           |              |               |                    |
| Buckle Up/Click It Or Ticket Program (CIOT) - FY22                                  | 208                | 208       | 0            | 0             | 0                  |
| Cooperative Agreement, Local Government Road Funds-Cumbres del Norte                | 0                  | 79,911    | 0            | 79,911        | 0                  |
| Cooperative Agreement, County Arterial Program-Cumbres del Norte                    | 0                  | 25,493    | 0            | 25,493        | 0                  |
| Cooperative Agreement, School Bus Route-Cumbres del Norte                           | 0                  | 106,681   | 0            | 106,681       | 0                  |
| Cooperative Project Agreement/Federal Aid Project-NM 502/Trinity Drive              | 2,152              | 6,413     | 0            | 5,705         | 1,444              |
| Cooperative Project Agreement/Municipal Arterial Program-Canyon Road Reconstruction | 0                  | 93,333    | 0            | 93,333        | 0                  |
| Transportation Project Funds-Canyon Road Reconstruction                             | 0                  | 2,289,500 | 0            | 2,289,500     | 0                  |
| Airport New Fuel Farm - Construction Phase  | 0                  | 28,098    | 0            | 30,273        | 2,175              |
| Shift/Reconstruction Existing Taxiway F-Phase 1 Preliminary Engineering Report      | 0                  | 6,871     | 0            | 6,871         | 0                  |
| AWOS System Replacement   | 0                  | 97,001    | 0            | 97,001        | 0                  |
| Airfield Pavement Maintenance   | 0                  | 0         | 0            | 16,187        | 16,187             |
| Total Transportation Department   | 2,360              | 2,733,509 | 0            | 2,750,955     | 19,806             |
| Homeland Security and Emergency Management Department                               |                    |           |              |               |                    |
| Disaster Assistance - FEMA DR 4152  | 30,619             | 30,619    | 0            | 0             | 0                  |
| Total Homeland Security Department  | 30,619             | 30,619    | 0            | 0             | 0                  |
| New Mexico Aging and Long Term Services Department                                  |                    |           |              |               |                    |
| Capital Outlay Grant - Betty Ehart Senior Center-Meals Equipment                    | 13,700             | 49,042    | 0            | 126,300       | 90,958             |
| Total Aging and Long Term Services Department                                       | 13,700             | 49,042    | 0            | 126,300       | 90,958             |



|   |                       |                  |               |                      |                    |
|---|-----------------------|------------------|---------------|----------------------|--------------------|
| New Mexico Administrative Office of the Courts                |                       |                  |               |                      |                    |
| Municipal Automation Fund                                     | 0                     | 8,580            | 0             | 8,580                | 0                  |
| Total New Mexico Administrative Office of the Courts          | <u>0</u>              | <u>8,580</u>     | <u>0</u>      | <u>8,580</u>         | <u>0</u>           |
| New Mexico Public Education Department                        |                       |                  |               |                      |                    |
| Summer Internship Program (FY22/23)                           | 15,236                | 36,811           | 0             | 21,575               | 0                  |
| Summer Internship Program (FY23/24)                           | 0                     | 0                | 0             | 11,126               | 11,126             |
| Total New Mexico Public Education Department                  | <u>15,236</u>         | <u>36,811</u>    | <u>0</u>      | <u>32,701</u>        | <u>11,126</u>      |
| New Mexico Tourism Department                                 |                       |                  |               |                      |                    |
| Clean and Beautiful Grant - FY22                              | 31,808                | 31,808           | 0             | 0                    | 0                  |
| Clean and Beautiful Grant - FY23                              | 0                     | 0                | 0             | 16,302               | 16,302             |
| Total Secretary of State Office                               | <u>31,808</u>         | <u>31,808</u>    | <u>0</u>      | <u>16,302</u>        | <u>16,302</u>      |
| New Mexico Secretary of State Office                          |                       |                  |               |                      |                    |
| 2022 Primary Election   | 0                     | 0                | 0             | 25,987               | 25,987             |
| 2022 General Election   | 0                     | 64,839           | 0             | 64,839               | 0                  |
| Total Secretary of State Office                               | <u>0</u>              | <u>64,839</u>    | <u>0</u>      | <u>90,826</u>        | <u>25,987</u>      |
| New Mexico Finance Authority                                  |                       |                  |               |                      |                    |
| Water Project Fund - Project Number 5081                      | 0                     | 325,102          | 0             | 325,102              | 0                  |
| Total New Mexico Finance Authority                            | <u>0</u>              | <u>325,102</u>   | <u>0</u>      | <u>325,102</u>       | <u>0</u>           |
| New Mexico Economic Development Department                    |                       |                  |               |                      |                    |
| Outdoor Recreation Trails Grant (FY22)                        | (19,300)              | 0                | 0             | 19,300               | 0                  |
| Total New Mexico Economic Development Department              | <u>(19,300)</u>       | <u>0</u>         | <u>0</u>      | <u>19,300</u>        | <u>0</u>           |
| New Mexico Environment Department                             |                       |                  |               |                      |                    |
| 2021 River Stewardship Program-LA Canyon Watershed            | 20,675                | 52,516           | 0             | 47,560               | 15,719             |
| RAID Grant-Dolly and Grappler Equipment                       | 0                     | 0                | 0             | 57,823               | 57,823             |
| RAID Grant-Solar Powered Recycle Bins                         | 0                     | 0                | 0             | 5,536                | 5,536              |
| Volkswagon Mitigation Trust-Electric Vehicle Charging Station | 0                     | 0                | 0             | 135,600              | 135,600            |
| Total New Mexico Environment Department                       | <u>20,675</u>         | <u>52,516</u>    | <u>0</u>      | <u>246,519</u>       | <u>214,678</u>     |
| New Mexico Crime Victims Reparation Commission                |                       |                  |               |                      |                    |
| Victim Services Program                                       | 0                     | 9,011            | 0             | 50,000               | 40,989             |
| Total New Mexico Crime Victims Reparation Commission          | <u>0</u>              | <u>9,011</u>     | <u>0</u>      | <u>50,000</u>        | <u>40,989</u>      |
| Office of Cultural Affairs:                                   |                       |                  |               |                      |                    |
| New Mexico State Library 2020 General Obligation Bond         | 0                     | 14,310           | 0             | 14,310               | 0                  |
| New Mexico State Library Grant - Operations                   | 0                     | 15,382           | 0             | 15,382               | 0                  |
| Total Office of Cultural Affairs                              | <u>0</u>              | <u>29,692</u>    | <u>0</u>      | <u>29,692</u>        | <u>0</u>           |
| <b>TOTAL STATE OF NEW MEXICO FINANCIAL ASSISTANCE</b>         | <u>\$ (1,261,670)</u> | <u>5,221,135</u> | <u>89,857</u> | <u>4,865,057</u>     | <u>(1,707,605)</u> |
| <b>RELATIONSHIP TO BASIC FINANCIAL STATEMENTS:</b>            |                       |                  |               |                      |                    |
| State-shared Revenues   |                       |                  |               | 33,767,925           |                    |
| State-Emergency Mutual Aid Deployment Revenues                |                       |                  |               | 2,086                |                    |
| Change in reserved balances                                   |                       |                  |               | 765,155              |                    |
| Change in Deferred Revenue                                    |                       |                  |               | (13,300)             |                    |
| <b>TOTAL INTERGOVERNMENTAL REVENUES - STATE</b>               |                       |                  |               | <u>\$ 39,386,923</u> |                    |

**NOTES:**

- [1] Interest earned on reserved fund balance
- [2] Unspent amount refunded back to State
- [3] Grant expenditures made by State on County's behalf
- [4] Prior period adjustment

**INCORPORATED COUNTY OF LOS ALAMOS  
JOINT UTILITY SYSTEM SUBFUNDS  
SUPPLEMENTAL COMBINING BALANCE SHEET - INDUSTRY FORMAT**

EXHIBIT 8

Year ended June 30, 2023

|  | <u>ELECTRIC</u>             | <u>GAS</u>               | <u>WATER</u>             | <u>WASTEWATER</u>        | <u>TOTAL</u>              |
|--|-----------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| <b>ASSETS AND OTHER DEBITS</b>                                 |                             |                          |                          |                          |                           |
| <b>UTILITY PLANT</b>   |                             |                          |                          |                          |                           |
| Utility plant in service                                       | \$ 133,072,505              | 19,147,288               | 103,693,615              | 47,322,865               | 303,236,273               |
| Construction work in progress                                  | 1,506,038                   | 31,983                   | 1,625,845                | 21,171,632               | 24,335,498                |
| Less accumulated depreciation                                  | <u>(91,295,375)</u>         | <u>(7,105,175)</u>       | <u>(36,989,092)</u>      | <u>(16,860,101)</u>      | <u>(152,249,743)</u>      |
| NET PLANT IN SERVICE   | 43,283,168                  | 12,074,096               | 68,330,368               | 51,634,396               | 175,322,028               |
| <b>OTHER PROPERTY AND INVESTMENTS</b>                          |                             |                          |                          |                          |                           |
| Investments and special funds                                  | <u>14,494,653</u>           | <u>0</u>                 | <u>190,983</u>           | <u>0</u>                 | <u>14,685,636</u>         |
|  | 14,494,653                  | 0                        | 190,983                  | 0                        | 14,685,636                |
| <b>CURRENT AND ACCRUED ASSETS</b>                              |                             |                          |                          |                          |                           |
| Cash and short-term investments                                | 1,116,334                   | (882,306)                | 9,750,937                | 4,924,385                | 14,909,350                |
| Customer accounts receivable                                   | 4,087,848                   | 365,734                  | 2,532,843                | 437,459                  | 7,423,884                 |
| Less provision for uncollectible accounts                      | (16,194)                    | (7,434)                  | (15,940)                 | (9,843)                  | (49,411)                  |
| Due from other governments                                     | 0                           | 0                        | 0                        | 0                        | 0                         |
| Due from associated subfunds (not included in total column)    | 0                           | 0                        | 91,053                   | 0                        | 0                         |
| Fuel stock   | 0                           | 0                        | 0                        | 0                        | 0                         |
| Materials and supplies   | 1,829,937                   | 97,643                   | 305,516                  | 10,598                   | 2,243,694                 |
| Prepayments  | 110,470                     | 0                        | 0                        | 0                        | 110,470                   |
| Accrued utility revenues                                       | 660,067                     | 151,313                  | 480,854                  | 295,310                  | 1,587,544                 |
| Miscellaneous current and accrued assets                       | <u>0</u>                    | <u>0</u>                 | <u>0</u>                 | <u>0</u>                 | <u>0</u>                  |
|  | 7,788,462                   | (275,050)                | 13,145,263               | 5,657,909                | 26,225,531                |
| <b>OTHER NONCURRENT ASSETS AND DEFERRALS</b>                   |                             |                          |                          |                          |                           |
| Advances to associated subfunds (not included in total column) | 0                           | 0                        | 0                        | 0                        | 0                         |
| Deferred pension & OPEB  | 5,042,135                   | 600,387                  | 250,629                  | 239,164                  | 6,132,315                 |
| Deferred San Juan Decommissioning Costs                        | 210,086                     | 0                        | 0                        | 0                        | 210,086                   |
| Unamortized deferral on refunding of debt                      | <u>198,081</u>              | <u>0</u>                 | <u>0</u>                 | <u>0</u>                 | <u>198,081</u>            |
|  | 5,450,302                   | 600,387                  | 250,629                  | 239,164                  | 6,540,482                 |
| <b>TOTAL ASSETS AND OTHER DEBITS</b>                           | <b>\$ <u>71,016,585</u></b> | <b><u>12,399,433</u></b> | <b><u>81,917,243</u></b> | <b><u>57,531,469</u></b> | <b><u>222,773,677</u></b> |

**LIABILITIES AND OTHER CREDITS**

|  |                             |                          |                          |                          |                           |
|--|-----------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| <b>EQUITY</b>  |                             |                          |                          |                          |                           |
| Retained earnings  | \$ 31,619,762               | 8,490,446                | 71,071,586               | 34,117,689               | 145,299,483               |
| <b>LONG-TERM DEBT</b>  |                             |                          |                          |                          |                           |
| Bonds  | 10,438,443                  | 0                        | 606,558                  | 0                        | 11,045,001                |
| Plus unamortized premium on long-term debt                       | 266,561                     | 0                        | (200)                    | 0                        | 266,361                   |
| Contracts and intergovernmental debt payable                     | 0                           | 0                        | 6,509,389                | 19,734,151               | 26,243,540                |
|  | <u>10,705,004</u>           | <u>0</u>                 | <u>7,115,747</u>         | <u>19,734,151</u>        | <u>37,554,902</u>         |
| <b>OTHER NONCURRENT LIABILITIES AND DEFERRALS</b>                |                             |                          |                          |                          |                           |
| Accumulated provision for benefits                               | 276,176                     | 69,223                   | 71,601                   | 18,583                   | 435,583                   |
| Advances from associated subfunds (not included in total column) | 0                           | 0                        | 0                        | 0                        | 0                         |
| Asset retirement obligations                                     | 11,397,852                  | 0                        | 0                        | 0                        | 11,397,852                |
| Pension & OPEB liability   | 9,880,916                   | 3,069,982                | 1,221,074                | 1,103,481                | 15,275,453                |
| Deferred pension & OPEB  | 1,857,349                   | 415,678                  | 333,172                  | 262,631                  | 2,868,830                 |
| Leases   | 207,133                     | 0                        | 0                        | 0                        | 207,133                   |
|  | <u>23,619,426</u>           | <u>3,554,883</u>         | <u>1,625,847</u>         | <u>1,384,695</u>         | <u>30,184,851</u>         |
| <b>CURRENT AND ACCRUED LIABILITIES</b>                           |                             |                          |                          |                          |                           |
| Accounts payable   | 2,972,885                   | 92,672                   | 1,000,262                | 1,368,672                | 5,434,491                 |
| Customer deposits  | 217,239                     | 178,595                  | 173,176                  | 0                        | 569,010                   |
| Tax collections payable  | 51,762                      | 21,204                   | 29,335                   | 23,779                   | 126,080                   |
| Current portion of revenue bonds payable                         | 1,027,378                   | 0                        | 332,622                  | 0                        | 1,360,000                 |
| Current portion of contracts and other debt                      | 0                           | 0                        | 438,492                  | 724,359                  | 1,162,851                 |
| Interest accrued   | 46,756                      | 0                        | 5,810                    | 11,922                   | 64,488                    |
| Due to associated subfunds (not included in total column)        | 0                           | 0                        | 0                        | 91,053                   | 0                         |
| Leases   | 63,775                      | 0                        | 0                        | 0                        | 63,775                    |
| Miscellaneous current and accrued liabilities                    | 692,598                     | 61,633                   | 124,366                  | 75,149                   | 953,746                   |
|  | <u>5,072,393</u>            | <u>354,104</u>           | <u>2,104,063</u>         | <u>2,294,934</u>         | <u>9,734,441</u>          |
| <b>TOTAL LIABILITIES AND OTHER CREDITS</b>                       | <b>\$ <u>71,016,585</u></b> | <b><u>12,399,433</u></b> | <b><u>81,917,243</u></b> | <b><u>57,531,469</u></b> | <b><u>222,773,677</u></b> |

**INCORPORATED COUNTY OF LOS ALAMOS  
JOINT UTILITY SYSTEM SUBFUNDS**

EXHIBIT 9

**SUPPLEMENTAL COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN PROPRIETARY CAPITAL - INDUSTRY FORMAT**

Year ended June 30, 2023

|  | <u>ELECTRIC</u>     | <u>GAS</u>          | <u>WATER</u>       | <u>WASTEWATER</u>  | <u>TOTAL</u>        |
|--|---------------------|---------------------|--------------------|--------------------|---------------------|
| <b>UTILITY OPERATING REVENUES</b>            |                     |                     |                    |                    |                     |
| Sales for resale                             | \$ 43,391,580       | 0                   | 0                  | 0                  | 43,391,580          |
| Residential                                  | 7,260,761           | 7,895,861           | 4,452,007          | 5,423,384          | 25,032,013          |
| Commercial and industrial                    | 4,003,232           | 1,916,377           | 607,079            | 761,496            | 7,288,184           |
| Sale to public authorities                   | 2,136,055           | 745,679             | 2,553,721          | 0                  | 5,435,455           |
| Street lighting                              | 89,523              | 0                   | 0                  | 0                  | 89,523              |
| Other operating revenues                     | 404,356             | 45,815              | 1,284,064          | 860                | 1,735,095           |
| <b>TOTAL OPERATING REVENUES</b>              | <b>57,285,507</b>   | <b>10,603,732</b>   | <b>8,896,871</b>   | <b>6,185,740</b>   | <b>82,971,850</b>   |
| <b>OPERATING EXPENSES</b>                    |                     |                     |                    |                    |                     |
| Purchased power or natural gas               | (33,414,984)        | (9,896,253)         | 0                  | 0                  | (43,311,237)        |
| Distribution                                 | (718,863)           | (1,396,632)         | (2,773,198)        | (695,038)          | (5,583,731)         |
| Administrative and general                   | (4,207,709)         | (1,069,945)         | (2,315,197)        | (1,646,817)        | (9,239,668)         |
| Customer accounts                            | 32,130              | 34,724              | (12,388)           | (1,656)            | 52,810              |
| Steam power generation                       | (8,703,982)         | 0                   | 0                  | 0                  | (8,703,982)         |
| Transmission                                 | (4,872,365)         | 0                   | 0                  | 0                  | (4,872,365)         |
| Other production expenses                    | (1,883,092)         | 0                   | 0                  | 0                  | (1,883,092)         |
| Hydraulic power generation                   | (256,983)           | 0                   | 0                  | 0                  | (256,983)           |
|  | (54,025,848)        | (12,328,106)        | (5,100,783)        | (2,343,511)        | (73,798,248)        |
| <b>MAINTENANCE EXPENSES</b>                  |                     |                     |                    |                    |                     |
| Distribution                                 | (1,499,088)         | (358,657)           | (811,338)          | (1,892,960)        | (4,562,043)         |
| Steam power generation                       | (1,154,268)         | 0                   | 0                  | 0                  | (1,154,268)         |
| Hydraulic power generation                   | (505,040)           | 0                   | 0                  | 0                  | (505,040)           |
| Carbon free generation                       | (163,900)           | 0                   | 0                  | 0                  | (163,900)           |
| Transmission                                 | (390,284)           | 0                   | 0                  | 0                  | (390,284)           |
|  | (3,712,580)         | (358,657)           | (811,338)          | (1,892,960)        | (6,775,535)         |
| <b>DEPRECIATION AND AMORTIZATION EXPENSE</b> | (2,430,630)         | (398,337)           | (2,093,752)        | (854,007)          | (5,776,726)         |
| <b>TAXES</b>                                 | (524,798)           | 0                   | 0                  | 0                  | (524,798)           |
| <b>TOTAL UTILITY OPERATING EXPENSES</b>      | <b>(60,693,856)</b> | <b>(13,085,100)</b> | <b>(8,005,873)</b> | <b>(5,090,478)</b> | <b>(86,875,307)</b> |

|  |                      |                    |                   |                   |                     |
|--|----------------------|--------------------|-------------------|-------------------|---------------------|
| <b>UTILITY OPERATING INCOME</b>                | <b>(3,408,349)</b>   | <b>(2,481,368)</b> | <b>890,998</b>    | <b>1,095,262</b>  | <b>(3,903,457)</b>  |
| Other income (investment loss)                 | (599,589)            | 27,344             | 398,471           | 198,827           | 25,053              |
| Other deductions                               | (20,298,809)         | (239,904)          | 173,783           | (6,032)           | (20,370,962)        |
| <b>UTILITY INCOME</b>                          | <b>(24,306,747)</b>  | <b>(2,693,928)</b> | <b>1,463,252</b>  | <b>1,288,057</b>  | <b>(24,249,366)</b> |
| Interest on long-term debt                     | 714,466              | 0                  | (77,113)          | (128,518)         | 508,835             |
| <b>INCOME BEFORE EXTRAORDINARY ITEMS</b>       | <b>(23,592,281)</b>  | <b>(2,693,928)</b> | <b>1,386,139</b>  | <b>1,159,539</b>  | <b>(23,740,531)</b> |
| Proprietary capital, beginning of year         | 55,212,043           | 11,184,374         | 70,759,630        | 32,958,150        | 170,114,197         |
| Prior year restatement - GASB Statement 33     | 0                    | 0                  | (1,074,183)       | 0                 | (1,074,183)         |
| <b>PROPRIETARY CAPITAL, END OF FISCAL YEAR</b> | <b>\$ 31,619,762</b> | <b>8,490,446</b>   | <b>71,071,586</b> | <b>34,117,689</b> | <b>145,299,483</b>  |



**INDEPENDENT AUDITOR'S 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**

Denise Derkacs, Chair, County Council  
Members of the Council, and Mr. Steven Lynne, County Manager  
Los Alamos, New Mexico, and  
Joseph M. Maestas, P.E., State Auditor  
State of New Mexico, Office of the State Auditor

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, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds of the Incorporated County of Los Alamos (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 21, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County'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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 a 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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 or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

### **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.

A handwritten signature in black ink that reads "Hinkle & Landers, P.C." in a cursive, flowing script.

Hinkle + Landers, P.C.  
Albuquerque, NM  
November 21, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Denise Derkacs, Chair, County Council  
Members of the Council, and Mr. Steven Lynne, County Manager  
Los Alamos, New Mexico, and  
Joseph M. Maestas, P.E., State Auditor  
State of New Mexico, Office of the State Auditor

**Opinion on Each Major Federal Program**

We have audited the Incorporated County of Los Alamos (the County), compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

**Basis for Opinion on Each Major Federal Program**

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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements,

Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of County's compliance with the compliance requirements referred to above.



## **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence of the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Hinkle & Landers, P.C.". The signature is written in a cursive, flowing style.

Hinkle + Landers, P.C.  
Albuquerque, NM  
November 21, 2023

**STATE OF NEW MEXICO  
INCORPORATED COUNTY OF LOS ALAMOS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**SECTION I: SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued Internal control over financial reporting: Unmodified

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)? Yes No
- Noncompliance material to the financial statements noted? Yes No

**Federal Awards**

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

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)? Yes No

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR section 200.516(a) Yes No

Identification of major programs:

| Assistance<br>Listing Number | Name of Federal Programs or Cluster  | Federal Funding Source            |
|------------------------------|--|-----------------------------------|
| 20.106                       | Airport Improvement Program  | U.S. Department of Transportation |
| 21.027                       | COVID-19 - American Rescue Plan  | U.S. Department of the Treasury   |
| 81.140                       | Fire protection, emergency medical and rescue services Cooperative Agreement | U.S. Department of Energy         |

Dollar threshold used to distinguish between type A and type B programs: \$1,093,037

Auditee qualified as low-risk auditee? Yes No

**STATE OF NEW MEXICO  
INCORPORATED COUNTY OF LOS ALAMOS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**SECTION II AND III: FINANCIAL STATEMENT AND FEDERAL FINDINGS**

|                    |                    | Findings                                     |                               |                             |
|--------------------|--------------------|--|-------------------------------|-----------------------------|
| <u>Reference #</u> | <u>Description</u> | <u>Current<br/>or Prior<br/>Year Finding</u> | <u>Status of<br/>Findings</u> | <u>Type of<br/>Finding*</u> |
| None               |                    |  |                               |                             |

\* Legend for Type of Findings

- A. Material Weakness in Internal Control Over Financial Reporting
- B. Significant Deficiency in Internal Control Over Financial Reporting
- C. Finding that Does Not Rise to the Level of a Significant Deficiency (Other Matters) Involving Internal Control Over Financial Reporting
- D. Material Weakness in Internal Control Over Compliance of Federal Awards
- E. Significant Deficiency in Internal Control Over Compliance of Federal Awards
- F. Instance of Non-compliance related to Federal Awards
- G. Other Non-compliance with State Audit Rule, NM State Statutes, NMAC, or other entity compliance
- H. Instance of Material Non-compliance

**PRIOR YEAR FINDINGS**

None

**CURRENT YEAR FINDINGS**

None

**INCORPORATED COUNTY OF LOS ALAMOS  
EXIT CONFERENCE  
June 30, 2023**

An exit conference was held on Tuesday, November 21, 2023. The conference was held in a closed meeting to preserve the confidentiality of the audit information prior to the official release of the financial statements by the State Auditor. In attendance were:

INCORPORATED COUNTY OF LOS ALAMOS

Audit Committee:

David Reagor, County Councilor  
Steven Lynne, County Manager  
Karen Kendall, Deputy Utilities Manager - Finance and Administration

County Staff:

Melissa Dadzie, Deputy Chief Financial Officer  
Beatrice Odezulu, Accounting Operations Manager  
Mauricia Chavarria-Quam, Accounting Operations Manager  
Annalisa Miranda, Chief Procurement Officer

Hinkle + Landers, PC:

Farley Vener, President and Managing Shareholder  
Katelyn Constantin, Senior Audit Manager



1000 Central Avenue, Suite 300 | Los Alamos, NM 87544

[LOSALAMOSNM.US](http://LOSALAMOSNM.US)