

The background image shows a large, two-story building with a stone base and a half-timbered upper section. Two bronze statues of men in suits stand in front of the building. The scene is framed by green trees and purple flowers at the top. A dark blue text box is overlaid on the right side of the image.

For The Fiscal Year Ended June 30, 2024

INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

LOS ALAMOS



LOS ALAMOS

Annual Comprehensive Financial Report

Fiscal Year Ended

June 30, 2024

Prepared by Finance of Administrative Services

**INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2024
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December 1, 2024

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 2024. The Finance Division of the Administrative Services Department has prepared this report to present the financial position of the County as of June 30, 2024, 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 T. Rytí

COUNTY MANAGER

Anne W. Laurent

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 257.

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

A driving force in developing our budget each year is the estimation of County revenues. Gross Receipts Tax (GRT) accounts for 75% and Property Taxes accounts for 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 fiscal year (FY) 2024 Adopted budget, less one-time items, then allow for an average 3% adjustment in salaries (2% merit, 1% cost of labor) for non-collective bargaining employees, a 5% 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 \$5.7 million in budget options which includes recurring and non-recurring expenditures. The budget options added a total of 7 full time equivalent (FTE) employees.

The overall County adopted FY2025 expenditure budget is \$377.5 million as compared to FY2024 adopted expenditures of \$382.1 million. Overall County anticipated budgeted revenues are \$410.9 million as compared to FY2024 adopted revenues of \$391.4 million.

MAJOR ACCOMPLISHMENTS AND FUTURE INITIATIVES

FY2024 continued to be an exciting year for our community with services getting closer to pre-pandemic levels. The County also continued to face challenges with market supply chain, available workforce, and inflation challenges which resulted in increased costs of goods, services and projects. Staff vacancies continued in some areas of service such as Transit, Parks, and Recreation, and improved in areas such as Fire with a successful Fire Academy that offered temporary housing at the Smart House for recruits. Recruitment and retention efforts remained a priority including offering incentives, increased presence on Social Media platforms, and salary structure adjustments based on the completed compensation study. Through these challenges, the County continued to provide, support and promote services, programs, events and projects while keeping in mind the Council strategic plans and priorities

- The July 21, 2023, release of the award-winning biopic film "Oppenheimer," featuring Cillian Murphy, Emily Blunt, Matt Damon, Robert Downey, Jr. and directed by Christopher Nolan, led to an unprecedented increase in visitors to Los Alamos County. At the Los Alamos History Museum and Fuller Lodge, buildings in use during the Manhattan Project that are now owned by the County, visitors increased by 60% over the previous year to about 35,000. And at the Bradbury Science Museum, owned by Los Alamos National Laboratory, visitors increased by 50% over the previous year to about 45,000.
- Received state capital outlay funding of \$7 million for the Jemez Mountain Fire Protection Project with additional FY2025 funding expected (State and FEMA).

- Community Services used recommendations from the Integrated Master Plan and the Americans with Disabilities Act (ADA) Audit to prioritize and budget asset maintenance. Projects in progress for FY2025:
 - Renovation of three athletic fields (Hope, Bomber, Dara Jones).
 - Renovation of two athletic courts (East Park Basketball, North Mesa Tennis).
 - Renovation of two playgrounds (Piñon, 37th Street).
- In FY2024, the County continued to award funds to the local business community, as provided by ARPA. Of the 56 applications received, 35 businesses received funds from the three programs offered: COVID-19 Financial Assistance, Technical Assistance, and Deferred Investment Assistance.
- Started or completed projects in the Capital Plan such as the urban trail and the temporary chiller at the Ice Rink.
- Negotiated a new Cooperative Agreement between Los Alamos Fire Department and Department of Energy (DOE) and National Nuclear Security Administration (NNSA).

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, 2023. The Certificate of Achievement is a national award that recognizes conformance with the highest standards for presentation of state and local government financial reports.

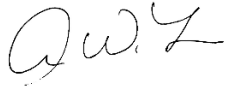
In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to rigid program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal 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-three consecutive years (fiscal years 1991 through 2023). 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 2024. This was the thirty-second 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 ninth year. It has been compiled for FY2024. 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.

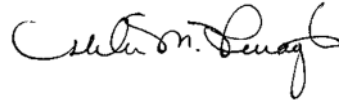
ACKNOWLEDGEMENTS

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,



Anne Laurent
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, 2023

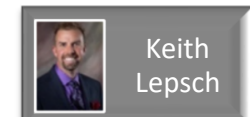
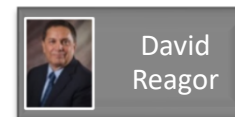
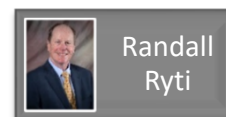
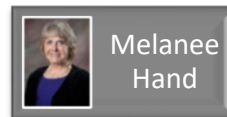
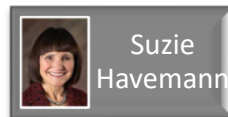
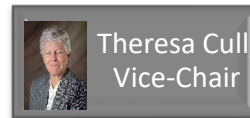
Christopher P. Morill

Executive Director/CEO

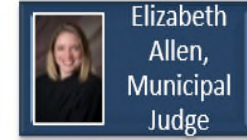
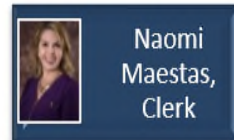
INCORPORATED COUNTY OF LOS ALAMOS ELECTED AND APPOINTED OFFICIALS

As of June 30, 2024

Elected: Council



Elected: Officials

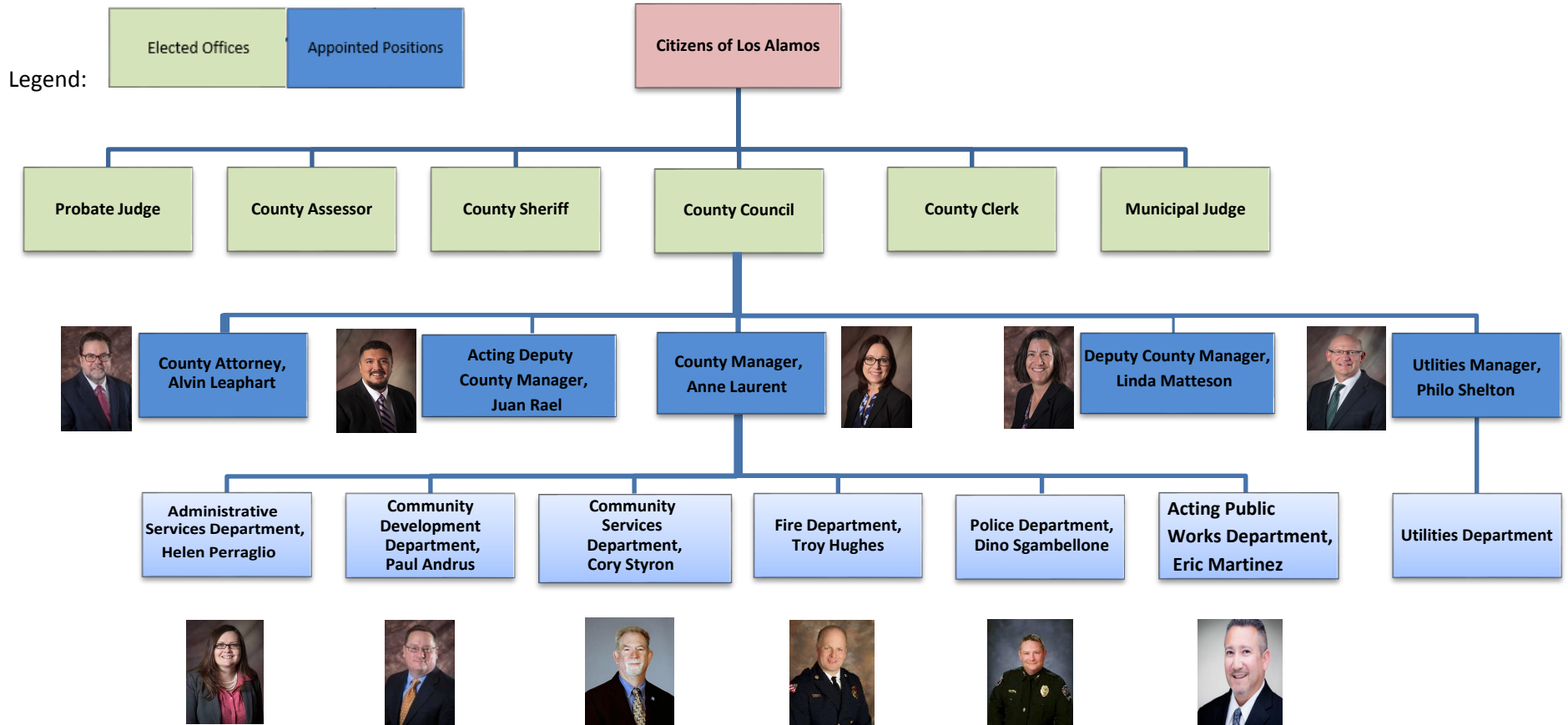


Appointed:

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

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

INCORPORATED COUNTY OF LOS ALAMOS ORGANIZATIONAL CHART







INDEPENDENT AUDITOR’S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Denise Derkacs, Chair, County Council
Members of the Council, and Anne Laurent, County Manager
Los Alamos, New Mexico, and
Joseph M. Maestas, PE, CFE, 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, 2024 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, 2024, 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 Matters

Adoption of New Accounting Guidance

As discussed in Note 1 to the financial statements, the County has adopted the new accounting guidance GASB 100, Accounting Changes and Error Corrections, which is required for adoption for all fiscal years beginning subsequent to June 15, 2023. Our opinions are not modified with respect to this matter.

Emphasis of Matter Regarding Correction of Errors

As discussed in Note 25 to the financial statements, the County had the following restatements:

- Errors were identified and corrected from the prior period related to previously unrecorded capital assets.

Our opinions are not modified with respect to this matter.

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 combining and individual fund financial statements and schedules, 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 noted at Exhibits 1-5, as listed in the table of contents, 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 19, 2024, 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." in a cursive, professional font.

Hinkle + Landers, PC
Albuquerque, New Mexico
November 19, 2024



Management's Discussion and Analysis

INCORPORATED COUNTY OF LOS ALAMOS

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

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, 2024. 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 201.

FINANCIAL HIGHLIGHTS

New Accounting Standards

In fiscal year 2024, the County analyzed and reviewed the need for adoption of the following new accounting standards issued by the Governmental Accounting Standards Board (GASB):

- GASB Statement No. 99 (GASBS 99), "Omnibus 2022"
- GASB Statement No. 100 (GASBS 100), "Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62"

GASBS 99 enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. GASBS 99 does not impact Los Alamos County.

GASBS 100 prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. See Note 25 for detail on error correction.

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 \$633.5 million at fiscal year-ended June 30, 2024. This represents an increase of \$120.9 million in net position, or approximately 23.6%, as compared to the prior fiscal year-end. The largest contributor to this increase relates to a \$55.8 million increase in charges for services due the termination and settlement agreement between the County and Uniper Global Commodities North America, LLC (UGCNA), where UGCNA agreed to pay the County. Another contributing factor to this increase relates to an increase of \$8.1 million in the County's unrestricted interest and investment earnings due to favorable market conditions, a \$12.2 million increase in gross receipts

taxes and state shared revenue combined, an increase of \$10.2 million in grants and contributions, a decrease in the expenses of Joint Utility System-Electric Subfund in the amount of \$27.2 million due to a decrease in loss on exchange of capital assets, a decrease in the expenses of Joint Utility System-Gas Subfund in the amount of \$7.0 million a decrease in the expenses of Environmental Services of \$.5 million and an increase in the expenses of the Airport of \$.1 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 \$89.1 million in fiscal year 2023 to \$93.6 million in fiscal year 2024 and the Business-Type Activities long-term liabilities increased from \$142.6 million in fiscal year 2023 to \$164.3 million in fiscal year 2024. The total increase of \$26.2 million is driven by the pension actuarial study. This study is one year in arrears; therefore, the liability for fiscal year 2024 is based on an actuarial study for period ending June 30, 2023. Unfavorable market conditions resulted in a lower net position for PERA investments. The plan net position was lower, resulting in a higher net pension liability for purposes as of June 30, 2024.
- Governmental activities increased the County's net position by \$50.3 million to \$417.3 million for the fiscal year-ended June 30, 2024. The largest contributing factor to this increase was a result of a \$7.1 million increase in gross receipts tax revenue and an increase in State shared revenue of \$4.5 million. The County's Governmental activities also experienced an increase of \$7.1 million investment earnings due to favorable market conditions. Capital grants and contributions decreased by \$.1 million while operating grants and contributions increased by \$.4 million. Charges for services increased by \$.3 million and property taxes increased by \$.5 million. The County's Governmental program expenses increased by \$15.3 million from \$73.7 million in fiscal year 2023 to \$89.0 million in fiscal year 2024. Total revenues increased by \$21.1 million from \$118.7 million in fiscal year 2023 to \$139.8 million in fiscal year 2024 largely due to increases in both gross receipts tax and State shared revenue.
- Business-type activities increased the County's net position by \$66.6 million to \$216.2 million for the fiscal year-ended June 30, 2024. This compares to a \$20.1 million decrease during the previous fiscal year. The largest contributing factor for this increase is due to the \$55.5 million increase in the Joint Utility System-Electric Subfund's charges for services, which relates to the termination and settlement agreement between the County and Uniper Global Commodities North America, LLC (UGCNA), where UGCNA agreed to pay the County. The County's Business-type activities also experienced an increase in operating and capital grants and contributions of \$7.1 and 2.8 million respectively. The County's business-type activities also experienced an increase of \$1.0 million investment earnings due to favorable market conditions. The Environmental Service Fund's program expenses decreased by \$.5 million and the Joint Utility System-Wastewater Subfund experienced a \$.3 increase in salaries and benefits. Total revenue from business-type activities was \$195.9 million for fiscal year 2024, approximately \$67.0 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 2024 decreased by \$20.3 million or 13.5 percent. This change was primarily due to the Joint Utility System-Electric Subfund experiencing a \$5.8 million decrease in cost of purchased power, wheeling charges and contractual services combined as well as a \$21.4 million decrease in the loss on disposition of capital assets; the Joint Utility System-Gas Subfund experiencing a \$7.0 million decrease in cost of gas; the Joint Utility System-Wastewater Subfund experiencing an increase of \$.3 million in contractual services; the Fire Fund experiencing an increase of \$13.4 million in salaries and benefits, the Environmental Service Fund experiencing a \$.5 million decrease in materials and supplies, and the Transit Fund experiencing a \$.7 million increase in operating expenses.
- For the fiscal year-ended June 30, 2024, the County's Governmental Funds reported combined ending fund balance of approximately \$209.3 million. This is a \$36.6 million increase from the end of fiscal year 2023. The fund balance in the General Fund increased by \$22.6 million

from prior year to \$101.2 million in fiscal year 2024. Cumulatively all other governmental fund balances increased by \$14.0 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 Auditor's 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

	County-wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	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
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenses, and changes in net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	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
Type of asset/liability information	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
Type of inflow/outflow information	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 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 67-136 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 \$633.5 million at fiscal year-ended June 30, 2024. This is an increase of \$120.9 million in net position, or 23.59%, 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 2024 compared to fiscal year 2023.

	Governmental Activities		Business-type Activities		Totals	
	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>
Assets:						
Current and other assets	\$ 241.8	202.0	142.8	79.4	384.6	281.4
Capital assets	293.3	280.6	236.3	214.8	529.6	495.4
Total assets	<u>535.1</u>	<u>482.6</u>	<u>379.1</u>	<u>294.2</u>	<u>914.2</u>	<u>776.8</u>
Deferred outflows of resources	<u>18.7</u>	<u>15.1</u>	<u>22.9</u>	<u>17.1</u>	<u>41.6</u>	<u>32.2</u>
Liabilities:						
Current and other liabilities	12.5	9.5	9.5	8.9	22.0	18.4
Long-term liabilities	93.6	89.1	164.3	142.6	257.9	231.7
Total liabilities	<u>106.1</u>	<u>98.6</u>	<u>173.8</u>	<u>151.5</u>	<u>279.9</u>	<u>250.1</u>
Deferred inflows of resources	<u>30.4</u>	<u>32.1</u>	<u>12.0</u>	<u>14.2</u>	<u>42.4</u>	<u>46.3</u>
Net position:						
Net investment in capital assets	272.0	257.5	181.9	171.2	453.9	428.7
Restricted	60.9	51.2	16.7	4.8	77.6	56.0
Unrestricted	84.4	58.3	17.6	(30.4)	102.0	27.9
Total net position	<u>\$ 417.3</u>	<u>367.0</u>	<u>216.2</u>	<u>145.6</u>	<u>633.5</u>	<u>512.6</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, 2024, this amount was \$453.9 million (71.6% of total net position). This compares to \$428.7 million (83.6% of total net position) net investment in capital assets for the previous fiscal year-end, a net increase of \$25.2 million or 5.88%. This increase is primarily the net result of

increasing capital related debt. 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 \$77.6 million (12.2% of total net position) at fiscal year-end 2024, an increase of \$21.6 million or 38.57% compared to the prior year. Restricted net position balances in the business-type activities increased \$11.9 million as the Joint Utility Fund increased the cash restricted for debt service due additional intergovernmental debt in the Joint Utility Fund. Restricted net position balances in the government-type activities increased \$9.7 million. The most significant changes were in the Capital Project Permanent Fund where the restricted balance for income stabilization increased \$6.1 million due to the increase in investment income, in the State Grants Fund where the restricted balance for grants increased \$.9 million and in the General Fund where the restricted balance for cash requirements increased \$2.7 million due to the increase in the current year revised budget.

The County reported \$102.0 million as unrestricted net position in fiscal year 2024. Unrestricted net position improved in fiscal year 2024 by \$74.1 million from \$27.9 million in fiscal year 2023 to \$102.0 million in 2024. 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 2024 as well as the termination and settlement agreement between the County and Uniper Global Commodities North America, LLC (UGCNA), where UGCNA agreed to pay the County .

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, 2024
(in millions of \$)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>
Revenues:						
Program revenues:						
Charges for services	\$ 3.6	3.3	150.4	94.9	154.0	98.2
Operating grants and contributions	3.5	3.1	34.4	27.3	37.9	30.4
Capital grants and contributions	<u>3.3</u>	<u>3.4</u>	<u>3.1</u>	<u>0.3</u>	<u>6.4</u>	<u>3.7</u>
Total program revenues	<u>10.4</u>	<u>9.8</u>	<u>187.9</u>	<u>122.5</u>	<u>198.3</u>	<u>132.3</u>
General revenues:						
Gross receipts taxes	65.1	58.0	5.5	4.9	70.6	62.9
Property taxes	9.1	8.6	0.0	0.0	9.1	8.6
Franchise taxes	0.6	0.7	0.0	0.0	0.6	0.7
Grants and contributions not restricted to specific programs	2.4	1.0	0.0	0.0	2.4	1.0
State shared revenue	38.0	33.5	0.0	0.0	38.0	33.5
Unrestricted interest and investment earnings (loss)	14.2	7.1	2.5	1.5	16.7	8.6
Gain (loss) on exchange of capital assets	0.0	0.0	0.0	0.0	0.0	0.0
Total general revenues	<u>129.4</u>	<u>108.9</u>	<u>8.0</u>	<u>6.4</u>	<u>137.4</u>	<u>115.3</u>
Total Revenues	<u>139.8</u>	<u>118.7</u>	<u>195.9</u>	<u>128.9</u>	<u>335.7</u>	<u>247.6</u>
Program expenses:						
General government	22.9	20.7	0.0	0.0	22.9	20.7
Public safety	25.5	20.7	0.0	0.0	25.5	20.7
Physical and economic environment	4.4	3.9	0.0	0.0	4.4	3.9
Transportation	12.1	10.2	0.0	0.0	12.1	10.2
Health and welfare	7.2	5.5	0.0	0.0	7.2	5.5
Culture and recreation	16.2	11.8	0.0	0.0	16.2	11.8
Interest on long-term debt	0.7	0.9	0.0	0.0	0.7	0.9
Electric	0.0	0.0	53.5	80.7	53.5	80.7
Gas	0.0	0.0	6.0	13.0	6.0	13.0
Water	0.0	0.0	9.7	9.8	9.7	9.8
Wastewater	0.0	0.0	5.5	5.2	5.5	5.2
Environmental services	0.0	0.0	5.2	5.7	5.2	5.7
Transit (Atomic City Transit)	0.0	0.0	5.1	4.4	5.1	4.4
Fire	0.0	0.0	42.5	29.1	42.5	29.1
Airport	<u>0.0</u>	<u>0.0</u>	<u>2.3</u>	<u>2.2</u>	<u>2.3</u>	<u>2.2</u>
Total expenses	<u>89.0</u>	<u>73.7</u>	<u>129.8</u>	<u>150.1</u>	<u>218.8</u>	<u>223.8</u>
Change in net position before transfers	50.8	45.0	66.1	(21.2)	116.9	23.8
Transfers	(0.5)	(1.1)	0.5	1.1	0.0	0.0
Total Change in net position	50.3	43.9	66.6	(20.1)	116.9	23.8
Beginning net position	367.0	325.7	145.6	166.8	512.6	492.5
Prior period adjustment	0.0	(2.6)	4.0	(1.1)	4.0	(3.7)
Ending net position	\$ <u>417.3</u>	<u>367.0</u>	<u>216.2</u>	<u>145.6</u>	<u>633.5</u>	<u>512.6</u>

Governmental Activities

Governmental activities during the year increased the County's net position by \$50.3 million for fiscal year 2024 as compared to the prior year. This section compares results of governmental activities for fiscal year 2024 to fiscal year 2023 as summarized in Table 3.

Total revenues were \$139.8 million in fiscal year 2024, approximately \$21.1 million more than the previous year. Key variances include:

- An increase of \$7.1 million in gross receipts tax revenue and \$4.5 million in state shared revenue from fiscal year 2023 primarily due to increases in spending at LANL, the largest single employer in the county;
- Interest and investment earnings increased by \$7.1 million compared to the prior fiscal year due to favorable market conditions.
- Grants and contributions not restricted to specific programs increased by \$1.4 million compared to the prior fiscal year primarily due to the release of lien amounts that the County received;
- Capital grants and contributions decreased by \$.1 million from fiscal year 2023;
- Operating grants and contributions increased by \$.4 million from fiscal year 2023;
- Charges for services increased by \$.3 million from 2023;
- Franchise taxes decreased by \$.1 million from 2023; and
- Property taxes increased by \$.5 million from fiscal year 2023.

Total expenses for governmental activities were \$89.0 million in fiscal year 2024, or approximately \$15.3 million more than the previous year. Key variances include:

- An increase of \$2.2 million in general government costs primarily due to increases in salaries and benefits;
- An increase of \$4.8 million in public safety costs mainly related to increases in salaries and benefits;
- A increase of \$.5 million in physical and economic environment primarily in contractual services; and
- An increase of \$1.9 million in transportation primarily due to increases in salaries and benefits;
- An increase of \$4.4 million in culture and recreation costs mainly related to contractual and professional services;
- An increase of \$1.7 million in health and welfare primarily in contractual services; and
- A decrease in interest on long-term debt of \$.2 million.

Figure 1 compares program revenues to expenses for governmental activities at the fiscal year-end 2024. 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 \$40.4 million in general revenues and accumulated net position from governmental activities. Approximately 11.7% of governmental program expenses were covered by program revenues during fiscal year 2024, which is a decrease compared to last year, at 13.3%.

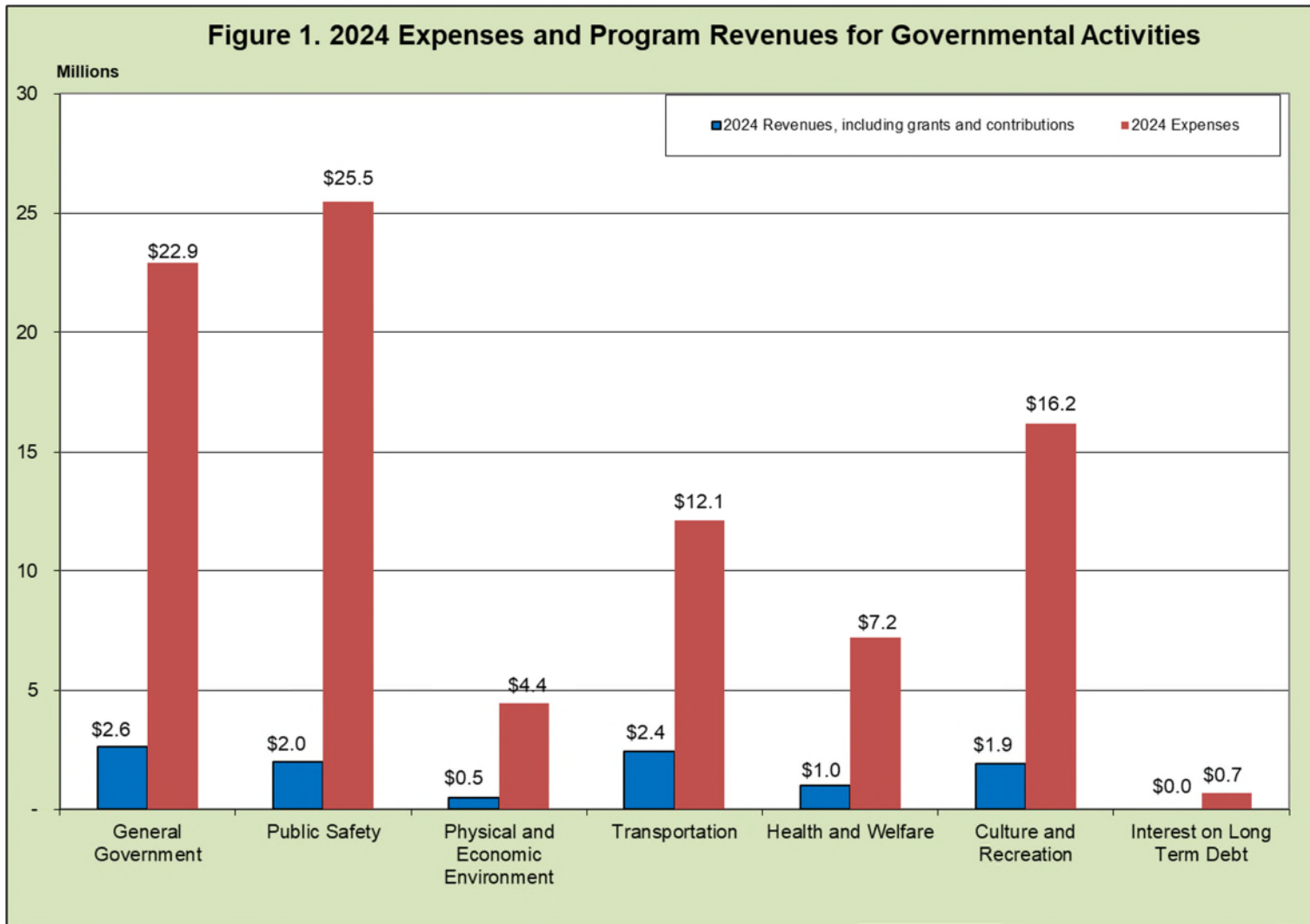
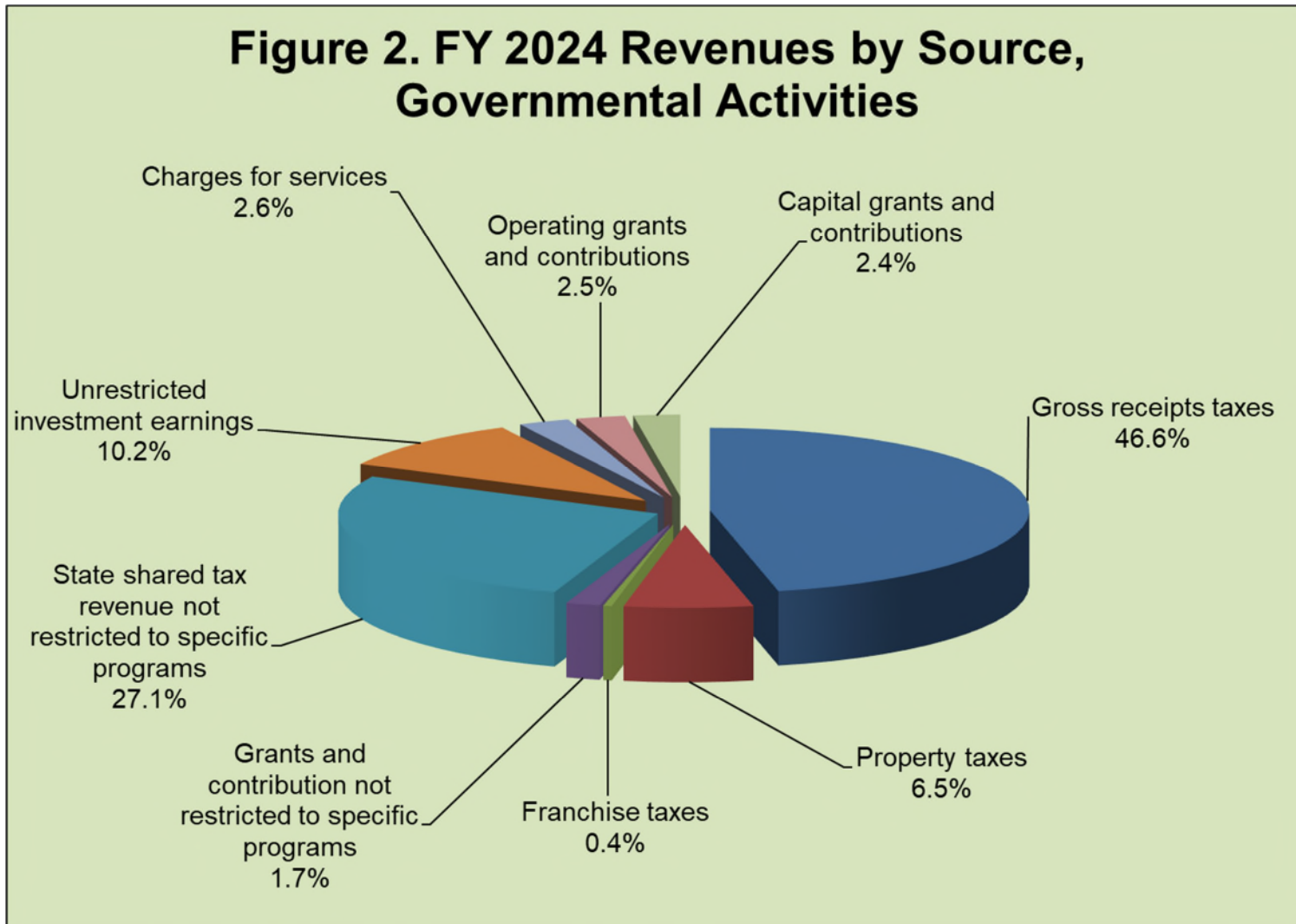


Figure 2 shows the mix of revenues by source for Governmental Activities. This chart demonstrates the relative importance of different types of taxes to the mix of general revenue in 2024. It should be noted that the State shared tax revenue not restricted to specific programs is almost entirely State Shared GRT revenue. Combined with locally imposed GRT tax increments, total GRT revenues made up approximately 73.7% of Governmental Activities revenues, which is a 3.4% decrease from the prior year.



Business-type Activities

Business-type activities increased the County's net position by \$66.6 million for the fiscal year-ended June 30, 2024. This compares to a \$20.1 million decrease during the previous fiscal year. This section compares results of business-type activities for fiscal year 2024 to fiscal year 2023 as summarized in Table 3.

Total revenues and contributions were \$195.9 million in fiscal year 2024; approximately \$67.0 million more than the previous year. This includes an increase of \$55.5 million in charges for services as a result of the termination and settlement agreement between the County and Uniper Global Commodities North America, LLC (UGCNA), where UGCNA agreed to pay the County. There was also a \$1.0 million increase in interest and investment income, a combined increase of \$9.9 million in operating and capital grants and contributions, and gross receipts taxes increased by \$.6 million.

Total expenses were \$129.8 million in fiscal year 2024, a \$20.3 million decrease over the previous year. The total Joint Utility System experienced a decrease of \$34.0 million in expenses from prior year. The Joint Utility System-Electric Subfund experienced a \$5.8 million decrease in cost of purchased power, wheeling charges and contractual services combined as well as a \$21.4 million decrease in loss on capital assets. The Joint Utility System-Gas Subfund had a \$7.0 million decrease in cost of gas. The Joint Utility System-Water Subfund had a decrease of \$.1 million in contractual services while the Joint Utility System-Wastewater Subfund experienced a \$.3 million increase in salaries and benefits. The Environmental Services Fund experienced a \$.5 million decrease in salaries and benefits and contractual services combined. Transit Fund had a \$.7 million increase in salaries and benefits, contractual services, and depreciation expense combined. The Fire Fund experienced an \$9.0 million increase in salaries and benefits and a \$4.4 million increase in contractual services and materials and supplies combined. The Airport Fund had a \$.1 million increase in contractual services.

Figure 3 (next page) compares program revenues to expenses for business-type activities for fiscal year 2024. This chart demonstrates to what degree revenues covered expenses for each program by type of activity. Overall, total business-type program revenues exceeded total program expenses by approximately \$58.1 million in fiscal year 2024 as compared to fiscal year 2022 where program expenses exceeded program revenues by \$27.6 million. The electric function has program revenues due to the termination and settlement agreement between the County and Uniper Global Commodities North America, LLC (UGCNA), where UGCNA agreed to pay the County.

Figure 3. 2024 Expenses and Program Revenues for Business Type Activities

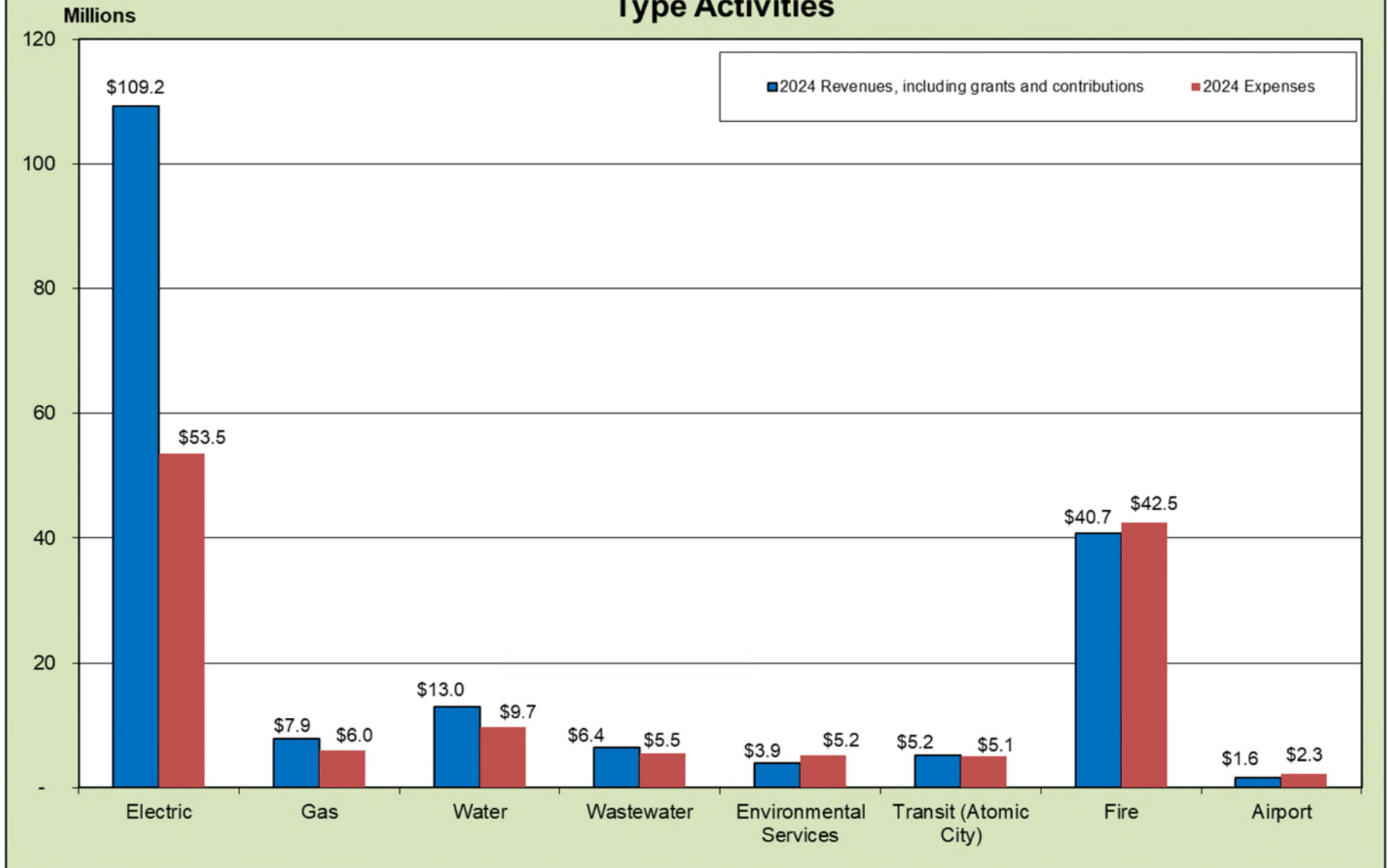
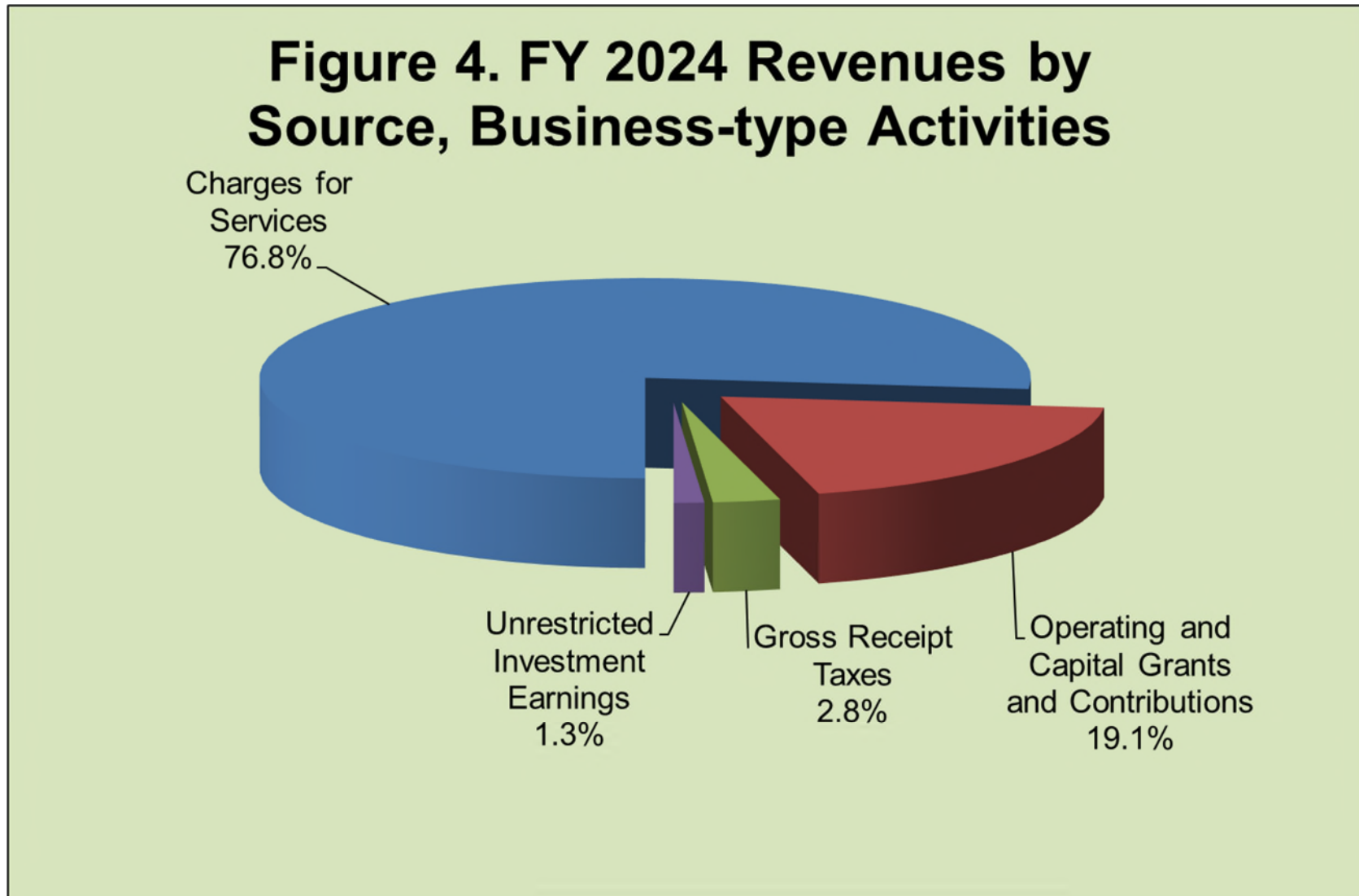


Figure 4 demonstrates that approximately 76.8% of business-type activities revenues were generated from user charges for services in fiscal year 2024, which is an increase of 3.2% when compared to fiscal year 2023. In fiscal year 2024, operating and capital grants made up 19.1% of revenues, which is a decrease of 2.3% when compared to fiscal year 2023. The gain on investment earnings made up 1.3% of revenues, which remained respectively unchanged when compared to fiscal year 2023.



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, 2024, the County's governmental funds reported combined ending fund balance of approximately \$209.3 million. Overall, this was a \$36.5 million increase from the prior year and revenues exceeded expenditures by \$1.1 million over the prior year.

Fund balances are comprised of four categories:

- \$29.8 million was *nonspendable* at fiscal year-end 2024, a \$1.8 million decrease over the prior year. The 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 principal on permanent funds, long-term receivables and advances to other funds, inventories, and prepaid items. The single largest nonspendable balance is \$27.6 million in the Capital Projects Permanent Fund, which represents the nonspendable principal balance. The nonspendable fund balance in the Capital Projects Permanent Fund decreased \$1.7 million per the annual inflationary calculation required to maintain the real value of the principal. The nonspendable fund balance related to inventories decreased by \$.1 million as the County warehouse worked to reduce outdated inventory and eliminate slow moving items.
- \$32.3 million of fund balance in governmental funds was *restricted* at fiscal year-end 2024, an \$11.4 million increase from the prior year. The primary reason for this increase is the Capital Projects Permanent Fund, which includes income stabilization of \$10.4 million which is restricted per the County code. The income stabilization restricted balance increased \$6.1 million in fiscal year 2024 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 \$5.3 million mainly due to an increase in restricted cash requirements.
- \$167 thousand of governmental funds' fund balance was *committed* at fiscal year-end 2024. 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 \$38 thousand over the prior year.
- \$79.0 million of governmental funds' fund balance was *assigned* at fiscal year-end 2024 which was a \$10.9 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 FY2024 increased \$5.6 million as capital expenditures to fund new and existing projects increased from prior year. The balance assigned for *continuing appropriations* increased \$5.7 million as \$17.6 million was approved to be carried over to fiscal year 2024 compared to \$11.9 million which was approved to be carried over to fiscal year 2023. The balance assigned for *fire services* decreased by \$1.9 million as a result of assigning 1% to total program incurred costs. The balance assigned for *economic development* increased \$1.5 million from prior year. The balance assigned for *emergency response and recovery* remained unchanged from prior year.

- The remaining \$68.0 million of fund balance was *unassigned* in the General Fund. This is a \$15.5 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, 2024, was approximately \$101.2 million as compared to \$78.6 million at the prior year-end, amounting to a net \$22.5 million increase. Revenues exceeded expenditures by \$9.1 million over the prior year, and some notable differences include an increase in investment income of \$5.4 million over prior year; an increase in gross receipts taxes and State shared revenue of \$6.6 million and \$4.2 million respectively; an increase in general governmental expenditures of \$2.9 million; an increase in public safety expenditures of \$3.6 million; an increase in health and welfare expenditures of \$.3 million; and an increase in physical and economic environment of \$.3 million. See page 23 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 123.4% of expenditures and the spendable/unrestricted component was 104.9% of expenditures. Both liquidity measures increased as compared to the prior year as a result of the larger fund balance increase in fiscal year 2024.

Significant account balances and transactions in the General Fund included:

- \$33.2 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 \$23.3 million to the Capital Improvement Projects Fund (for capital projects), \$.9 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), \$1.2 million to the Transit Fund (to support operations), \$.7 million to the Health Care Assistance Fund (to support local health programs), and a \$.9 million transfer to the Joint Utility System;
- \$14.3 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 \$.2 million higher than the prior year as a result of increased gross receipts tax accruals recorded in fiscal year 2024;
- \$12.8 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 \$16.0 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 \$5.8 million 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 \$5.8 million total fund balance at the end of fiscal year 2024 was \$1.5 million higher than in the prior fiscal year. Expenditures exceeded revenues by \$.1 million with the balance resulting from transfers in of \$1.6 million.

Housing Subfund: During fiscal year 2024, the County issued mortgage loans totaling \$280 thousand under its Housing Rehabilitation Program and \$45 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 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 balance of \$.5 million, with no change from FY2023. This is largely attributable to the prior year closeout of the Cerro Pelado Fire, and the accrual of revenue to match expenditures incurred in the American Rescue Plan Act (ARPA) fund.

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 \$55.0 million, which represents the unspent portion of previously approved and funded capital projects. The fund balance increased by \$5.6 million from the prior fiscal year as transfers-in exceeded expenditures to fund new and existing projects. Significant capital expenditures in fiscal year 2024 include the following: \$5.3 on Golf Course Improvement, \$6.7 on Urban Trail Project Phase I and II, \$1.9 on Rose Steet Reconstruction, and \$2.3 on Loma Linda subdivision.

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 \$27.6 million, as of June 30, 2024 is identified as nonspendable in fund balance to recognize the County Charter establishing the permanent fund. 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 2024, \$1.6 million was transferred out to the CIP 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 on June 30, 2024 was \$38.0 million, an increase of \$4.4 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:

- \$196.2 million in capital assets (net of accumulated depreciation of \$156.5 million), including electric production and distribution assets, water production and distribution assets, gas distribution assets and wastewater collection and processing assets. This balance increased by approximately \$20.8 million in fiscal year 2024;
- \$48.9 million in debt related to the Utility plant in service, which is \$9.3 million higher than the prior year with the fiscal year regularly scheduled debt service payments in the amount of \$2.3 million. The increase is mostly comprised of a loan issuance from New Mexico Environment Department for the White Rock Treatment Plant in the amount \$10.5 million; proceeds from a new loan in the amount of \$.7 million from the New Mexico Finance Authority to construct Phase II of the new Bayo non-potable water tank and existing tank upgrades; proceeds of \$.3 million from the New Mexico Finance Authority for the Otowi Well #2 Pumphouse and Otowi Well #4 Improvements; and

proceeds received in the amount of \$.1 million from the New Mexico Finance Authority for the Los Alamos Wastewater Treatment Plant Filtration Project;

- \$10.8 million restricted for future liabilities special closure costs related to the San Juan Plant decommissioning and Laramie River decommissioning. This decreased \$.7 million from the prior year because work on reclamation has ramped up with the closure of the San Juan Power Plant;
- \$14.7 million in pension liability increased by \$2.2 million, deferred pension outflows increased by \$1.1 million from a \$0.9 million increase in prior year, and \$0.9 million in deferred pension inflows decreased by \$0.1 million from the prior year, all related to the changes in the County's share of the pension liability;
- Operating revenues were \$78.4 million in fiscal year 2024, a decrease of \$4.6 million compared to the prior year. The decrease is the result of a \$6.2 million decrease in revenues in electric (due mostly to a decrease in wholesale sales to LANL based on its demand), a \$2.7 million decrease in gas revenues (due to lower demand), an increase of \$4.0 million in water mostly due to an increase in intergovernmental revenue; and an increase in \$.3 million in wastewater due the increase in sales;
- Operating expenses were \$11.6 million lower at \$73.4 million in fiscal year 2024, compared to \$85 million in fiscal year 2023. The decrease is the net result of a decrease of \$6.4 million in the Electric Subfund, related to decreased special closure costs, a \$6.9 million decrease in the Gas Subfund, related to decreased contractual services, a \$1.3 million increase in the Water Subfund, related to increased Employee salaries and benefits, and a \$.4 million increase in the Wastewater Subfund contractual services; and
- Overall the Joint Utility System Fund ended the fiscal year with \$68.5 million higher in net position compared to FY2023.

Environmental Services Fund – The Environmental Services Fund has a long-term liability balance of \$5.5 million. Of this, \$1.0 million is for landfill closure and monitoring and \$2.5 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, subscription-based information technology arrangements liability, and compensated absences of \$2.0 million. Total operating and non-operating revenues of \$5.9 million exceeded total expenses of \$5.3 million by \$.6 million in fiscal year 2024, compared to a \$0.5 million loss 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 in the amount of \$3.1 million, payments from the North Central Regional Transit District totaling \$1.9 million for fiscal year 2024, and transfers in from the general fund of \$1.2 million. Other notable balances include the net other post employment benefits liability of \$.5 million, a decrease of \$.1 million from the prior year and the net pension liability of \$3.2 million, an increase of \$.4 million from the prior year. The Transit Fund has an ending net position of \$104 thousand, an increase of \$206 thousand from fiscal year 2023, primarily related to the increase in revenues and general fund transfer.

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). This agreement terminated on December 31, 2023, and a new ten year cooperative agreement began on January 1, 2024. Under the new agreement, the County pays a twenty-four percent share of costs for operating the fire department. The County share for fiscal year 2024 under both cooperative agreements was \$6.7 million. The

intergovernmental revenue of \$30.6 million in the Fire Fund includes all operating grant revenue under the cooperative agreement. The Fire Fund has an ending negative net position of \$44.8 million, a decrease of \$1.8 million from fiscal year 2023, primarily related to the cumulative result of recording pension and post employment benefit liabilities in prior years. Total operating and non-operating revenues of \$44.3 million exceeded expenses of \$42.9 million by \$1.4 million in fiscal year 2024.

Airport Fund – Net position increased \$0.2 million as operating and non-operating revenues of \$1.7 million and transfers-in of \$.9 million exceeded expenses of \$2.4 million. Depreciation on capital assets represents 23.0% 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 \$.8 million less than the final revised budget of \$116.7 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 \$8.3 million more than projected. State shared revenue was \$4.2 million more than projected. Charges for services revenue was \$.2 million more than projected. Interdepartmental services were \$1.2 million less than projected.

Actual General Fund expenditures were approximately \$30.1 million less than the final revised fiscal year 2024 budget. This variance was achieved through careful cost management measures across all departments. 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 was \$4.0 million or 32.8% under budget, Administrative Services was \$1.8 million or 12.7% below budget, Community Services was \$2.8 million or 16% below budget, Police was \$1.1 million or 7.2% below budget, Public Works was \$6.3 million or 25.1% below budget and the Community Development Department was 68.8% or \$8.8 million under in its expenditure budget.

The revised budget for revenues of \$115.9 million is \$1.0 million higher than the adopted annual budget. The revised budget for expenditures of \$116.7 million is \$28.0 million higher than the adopted budget. The increase is comprised of the following: approximately \$10.4 million for encumbrance carry overs, \$3.6 million for Progress through Partnering, \$8.3 million for Housing and Economic Development improvements, \$1.0 million for approved prior year fund carryovers for continued projects, \$1.3 million for Pavement Preservation, and \$3.4 million for Major Facilities Maintenance.

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, 2024, was \$529.6 million, net of \$415.3 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 a right to use assets, which are building, equipment, and software that the County is leasing. Total capital assets for the County increased by approximately \$34.3 million from 2023 to 2024 or 6.93%. Capital assets associated with governmental activities increased by \$12.8 million mostly due to the \$9.6 million cumulative addition of improvements and infrastructure, \$3.1 of machinery and equipment, depreciation of \$10.4 million, and the addition of right to use assets of \$2.1 million, net of amortization, due to the implementation of GASB 87 *Leases* and GASB 96 *Subscription-based IT arrangements*. Capital assets associated with business-type activities increased by \$21.5 million due to the cumulative effect of \$19.9 million addition of Utility Plant in Service, \$7.8 million in depreciation, \$3.7 million increase in machinery and equipment, an increase of \$4.0 million in construction work in progress and the addition of the right to use asset of \$1.9 million, net of amortization, due to the implementation of GASB 96 *Subscription-based IT arrangements*. 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 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</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	316.4	296.5	316.4	296.5
Buildings	144.6	144.5	25.1	25.1	169.7	169.6
Improvements other than buildings	42.6	40.2	18.2	18.2	60.8	58.4
Machinery and Equipment, Art and Historic Treasures	28.4	25.3	42.0	38.3	70.4	63.6
Infrastructure	208.5	201.3	0.0	0.0	208.5	201.3
Less Accumulated Depreciation	(210.4)	(200.0)	(204.9)	(197.1)	(415.3)	(397.1)
Construction in Progress	15.2	6.7	28.3	24.3	43.5	31.0
Right to use assets						
Buildings - Leases, net of amortization	0.2	0.2	0.5	0.7	0.7	0.9
Machinery and equipment - Leases, net of amortizati	0.5	0.7	0.0	0.0	0.5	0.7
Subscription based IT arrangements, net of amortizati	5.4	3.3	2.3	0.4	7.7	3.7
Total	\$ 293.3	\$ 280.5	\$ 236.3	\$ 214.8	\$ 529.6	\$ 495.3

Administration of Debt - From fiscal year 2023 to 2024, the County's total debt payable for governmental and business-type activities combined increased by \$4.6 million as additions were made in the amount of \$11.7 million and regularly scheduled debt service payments were made in the amount of \$7.1 million. Additions to debt include a \$10.5 million loan from New Mexico Environment Department for the White Rock Treatment Plant, a \$.8 million loan New Mexico Finance Administration for the effluent water storage tank at the Bayo Booster Station, a \$.1 million loan for the filtration treatment process at the new Wastewater Treatment Plant from New Mexico Finance Administration, and a \$.3 million loan from New Mexico Finance Administration to design and construct Otowi Wells 2 & 4. 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, 2024, the total landfill closure liability to the estimated \$1.0 million. The County has applied a method to reserve 5 years or \$.4 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 \$.4 million is reflected in restricted assets in the Environmental Services Fund as of June 30, 2024. Closure costs for the Joint Utility System Fund decreased by \$.6 million. The County has no General Obligation debt outstanding. See additional information in Note 9 in the Notes to Financial Statements, starting on page 107.

ECONOMIC FACTORS AND THE FISCAL YEAR 2024 ADOPTED BUDGET

A driving force in developing our budget each year is the estimation of County revenues. Gross Receipts Tax (GRT) accounts for 75% and Property Taxes accounts for 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 fiscal year (FY) 2024 Adopted budget, less one-time items, then allow for an average 3% adjustment in salaries (2% merit, 1% cost of labor) for non-collective bargaining employees, a 5% 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 \$5.7 million in budget options which includes recurring and non-recurring expenditures. The budget options added a total of 7 full time equivalent (FTE) employees.

The overall County adopted FY2025 expenditure budget is \$377.5 million as compared to FY2024 adopted expenditures of \$382.1 million. Overall County anticipated budgeted revenues are \$410.9 million as compared to FY2024 adopted revenues of \$391.4 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



INCORPORATED COUNTY OF LOS ALAMOS
Government-wide
Statement of Net Position
June 30, 2024

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Equity in pooled cash and investments	\$ 151,623,076	44,686,759	196,309,835
Investments	43,394,348	45,216,425	88,610,773
Receivables, net of allowance for uncollectibles			
Accounts	1,784,535	9,267,897	11,052,432
Interest	1,124,757	585,687	1,710,444
Pension forfeitures	250,822	0	250,822
Property taxes	155,618	0	155,618
Unbilled	0	1,661,810	1,661,810
Leases	21,054,666	191,110	21,245,776
Loans receivable, net of discounts/reserve for loan losses	1,801,313	0	1,801,313
Due from other governments	17,989,497	11,621,934	29,611,431
Internal balances	1,898,279	(1,898,279)	0
Inventories and prepayments			
Inventories	599,630	2,705,660	3,305,290
Power plant inventories	0	83,700	83,700
Prepayments	8,458	663,446	671,904
Restricted assets			
Cash and cash equivalents			
Debt reserves and debt service	91,129	2,637,148	2,728,277
Operations and maintenance	0	25,339,782	25,339,782
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	316,386,226	316,386,226
Buildings	144,583,954	25,131,555	169,715,509
Improvements other than buildings	42,595,874	18,210,971	60,806,845
Machinery, equipment, art and historic treasures	28,429,888	41,960,325	70,390,213
Infrastructure	208,547,194	0	208,547,194
Less accumulated depreciation	(210,441,921)	(204,884,144)	(415,326,065)
Construction in progress	15,157,254	28,291,816	43,449,070
Right to use assets			
Buildings - Leases, net of amortization	224,732	518,949	743,681
Machinery and equipment - Leases, net of amortization	507,928	0	507,928
Subscription based IT arrangements, net of amortization	5,425,842	2,300,497	7,726,339
TOTAL ASSETS	\$ 535,118,503	379,106,818	914,225,321
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred amounts (debits) from refunding of debt	2,068,676	180,340	2,249,016
Deferred other post employment benefits	3,177,310	2,562,715	5,740,025
Deferred pension	13,450,496	18,324,059	31,774,555
Deferred decommissioning cost	0	1,856,168	1,856,168
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 18,696,482	22,923,282	41,619,764

LIABILITIES

Accounts payable	\$ 7,584,759	8,001,761	15,586,520
Accrued salaries and benefits payable	1,918,582	687,882	2,606,464
Customer deposits payable	83,553	678,898	762,451
Due to other governments	0	144,789	144,789
Due to fiduciary funds	123,494	0	123,494
Unearned revenue	2,812,423	0	2,812,423
Noncurrent liabilities			
Due within one year			
Accrued compensated absences	3,558,783	3,747,373	7,306,156
Claims and judgments payable	0	640,055	640,055
Revenue bonds payable	3,905,000	1,325,000	5,230,000
Contracts and intergovernmental debt payable	0	1,278,208	1,278,208
Subscription based IT arrangements liability	1,722,272	286,575	2,008,847
Lease liability	276,893	175,239	452,132
Special closure costs	0	58,077	58,077
Interest payable on non-current liabilities	65,277	110,172	175,449
Due in more than one year			
Accrued compensated absences	1,266,611	2,514,282	3,780,893
Claims and judgments payable	0	29,734	29,734
Revenue bonds payable	13,779,691	9,963,816	23,743,507
Contracts and intergovernmental debt payable	0	39,281,874	39,281,874
Special closure costs	0	11,764,926	11,764,926
Other post employment liability	9,067,414	6,457,469	15,524,883
Pension liability	56,160,066	84,270,536	140,430,602
Subscription based IT arrangements liability	3,274,526	1,988,178	5,262,704
Lease liability	463,348	356,514	819,862

TOTAL LIABILITIES	\$ 106,062,692	173,761,358	279,824,050
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DEFERRED INFLOWS OF RESOURCES:

Deferred other post employment benefits	10,077,042	9,726,238	19,803,280
Deferred pension	0	2,129,341	2,129,341
Deferred leases	20,368,071	183,233	20,551,304

TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 30,445,113	12,038,812	42,483,925
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NET POSITION

Net investment in capital assets	271,989,321	181,868,675	453,857,996
Restricted for (Restricted by):			
Capital projects - nonexpendable (County charter)	27,582,548	0	27,582,548
Debt service (Bond and loan agreements)	367,950	16,742,675	17,110,625
Perpetual care (County code)	1,013,674	0	1,013,674
Lodgers' tax (State law)	335,880	0	335,880
Clerk records and files (State law)	202,238	0	202,238
Health care assistance (State law)	2,681,782	0	2,681,782
Property tax valuation (State law)	490,484	0	490,484
Grants (Granting entities)	3,344,791	0	3,344,791
Cash requirements (State law)	12,844,020	0	12,844,020
Recreation (County code and contributors)	38,765	0	38,765
LG Abatement (State litigation Settlement)	750,957	0	750,957
Library operations (Contributors)	130,830	0	130,830
Major street maintenance (State law)	702,673	0	702,673
Municipal court (State law and County code)	28,400	0	28,400
Income stabilization - expendable (County charter)	10,400,446	0	10,400,446
Unrestricted	84,402,421	17,618,580	102,021,001
TOTAL NET POSITION	\$ 417,307,180	216,229,930	633,537,110

See accompanying notes to financial statements

INCORPORATED COUNTY OF LOS ALAMOS

Government-wide

Statement of Activities

Year ended June 30, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONS / PROGRAMS							
Governmental activities							
General government	\$ 22,933,730	1,092,320	1,528,733	0	(20,312,677)	0	(20,312,677)
Public safety	25,515,655	163,241	1,512,932	300,331	(23,539,151)	0	(23,539,151)
Physical and economic environment	4,390,441	521,077	0	3,877	(3,865,487)	0	(3,865,487)
Transportation	12,131,324	0	0	2,395,286	(9,736,038)	0	(9,736,038)
Health and welfare	7,162,136	605,579	402,971	0	(6,153,586)	0	(6,153,586)
Culture and recreation	16,236,435	1,236,073	69,839	612,075	(14,318,448)	0	(14,318,448)
Interest on long-term debt	705,533	0	0	0	(705,533)	0	(705,533)
Total governmental activities	89,075,254	3,618,290	3,514,475	3,311,569	(78,630,920)	0	(78,630,920)
Business-type activities							
Joint Utilities							
Electric	53,511,729	109,111,493	0	96,911	0	55,696,675	55,696,675
Gas	5,956,157	7,925,207	0	0	0	1,969,050	1,969,050
Water	9,660,907	12,983,669	0	21,338	0	3,344,100	3,344,100
Wastewater	5,477,131	6,440,913	0	0	0	963,782	963,782
Environmental Services	5,218,794	3,842,702	0	0	0	(1,376,092)	(1,376,092)
Transit (Atomic City Transit)	5,111,792	0	3,708,038	1,512,793	0	109,039	109,039
Fire	42,543,279	10,026,207	30,663,265	0	0	(1,853,807)	(1,853,807)
Airport	2,350,851	87,897	0	1,483,569	0	(779,385)	(779,385)
Total business-type activities	129,830,640	150,418,088	34,371,303	3,114,611	0	58,073,362	58,073,362
Total government	\$ 218,905,894	154,036,378	37,885,778	6,426,180	(78,630,920)	58,073,362	(20,557,558)
General revenues:							
					65,046,963	5,531,249	70,578,212
					9,115,079	0	9,115,079
					614,787	0	614,787
					2,418,981	0	2,418,981
					37,963,054	0	37,963,054
					14,235,288	2,448,159	16,683,447
Transfers:							
					(516,645)	516,645	0
					128,877,507	8,496,053	137,373,560
					50,246,587	66,569,415	116,816,002
					367,060,593	145,637,404	512,697,997
					0	4,023,111	4,023,111
					367,060,593	149,660,515	516,721,108
					\$ 417,307,180	216,229,930	633,537,110

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-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.

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, 2024

	<u>GENERAL</u>	<u>ECONOMIC DEVELOPMENT SPECIAL REVENUE</u>	<u>EMERGENCY DECLARATIONS SPECIAL REVENUE</u>	<u>CAPITAL IMPROVEMENT PROJECTS</u>	<u>CAPITAL PROJECTS PERMANENT</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL</u>
ASSETS							
Equity in pooled cash and investments	\$ 79,144,405	5,763,308	1,239,710	57,259,608	0	8,216,045	151,623,076
Investments	1,510,802	0	0	0	41,883,546	0	43,394,348
Receivables, net of allowance for uncollectibles							
Accounts	1,736,896	3,870	0	0	0	43,769	1,784,535
Interest	961,731	163,026	0	0	0	0	1,124,757
Property taxes	155,618	0	0	0	0	0	155,618
Leases	21,054,666	0	0	0	0	0	21,054,666
Loans receivable, net of discounts/reserve for loan losses	0	1,801,313	0	0	0	0	1,801,313
Due from other governments	14,288,388	0	0	2,982,806	0	718,303	17,989,497
Due from other funds	6,333,142	0	0	0	0	0	6,333,142
Inventories and prepayments							
Inventories	599,630	0	0	0	0	0	599,630
Prepayments	8,458	0	0	0	0	0	8,458
Advances to other funds	146,799	0	0	0	0	0	146,799
Restricted assets							
Cash and cash equivalents	0	0	0	0	0	91,129	91,129
Debt reserves and debt service	0	0	0	0	0	0	0
TOTAL ASSETS	\$ 125,940,535	7,731,517	1,239,710	60,242,414	41,883,546	9,069,246	246,106,968
LIABILITIES							
Accounts payable	\$ 2,054,372	0	164,559	5,248,358	0	117,470	7,584,759
Accrued salaries and benefits payable	1,911,732	0	0	2,276	0	4,574	1,918,582
Customer deposits payable	83,553	0	0	0	0	0	83,553
Due to other funds	123,494	0	0	0	3,900,552	0	4,024,046
Unearned revenue	248,528	1,964,339	599,556	0	0	0	2,812,423
TOTAL LIABILITIES	4,421,679	1,964,339	764,115	5,250,634	3,900,552	122,044	16,423,363
DEFERRED INFLOWS OF RESOURCES:							
Deferred leases	20,368,071	0	0	0	0	0	20,368,071
TOTAL DEFERRED INFLOWS OF RESOURCES	20,368,071	0	0	0	0	0	20,368,071
FUND BALANCE							
Nonspendable							
Principal - Capital projects	0	0	0	0	27,582,548	0	27,582,548
Principal - Perpetual care	1,013,674	0	0	0	0	0	1,013,674
Advances	146,799	0	0	0	0	0	146,799
Inventories	599,630	0	0	0	0	0	599,630
Leases	462,212	0	0	0	0	0	462,212
Prepaid items	8,457	0	0	0	0	0	8,457
Restricted for							
Clerk records and files (State law)	0	0	0	0	0	202,238	202,238
Debt service (Bond and loan agreements)	0	0	0	0	0	367,950	367,950
Grants (Granting entities)	0	0	0	0	0	3,344,791	3,344,791
Library operations (County code and contributors)	127,548	0	0	0	0	3,282	130,830
Lodgers' tax (State law)	0	0	0	0	0	335,880	335,880
Health care claims (State law)	0	0	0	0	0	2,681,782	2,681,782
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	490,484	490,484
Recreation (County code and contributors)	0	0	0	0	0	38,765	38,765
LG Abatement (State litigation Settlement)	0	0	0	0	0	750,957	750,957
Income stabilization (County code)	0	0	0	0	10,400,446	0	10,400,446

Major street maintenance (State law)	0	0	0	0	0	702,673	702,673
Cash requirements (State law)	12,844,020	0	0	0	0	0	12,844,020
Committed to							
Art in Public Places (County code)	0	0	0	166,660	0	0	166,660
Assigned for							
Capital projects	0	0	0	54,825,120	0	0	54,825,120
Fire services	373,192	0	0	0	0	0	373,192
Continuing appropriations	17,596,632	0	0	0	0	0	17,596,632
Economic development	0	5,767,178	0	0	0	0	5,767,178
Emergency response and recovery	0	0	475,595	0	0	0	475,595
Unassigned	67,978,621	0	0	0	0	0	67,978,621
TOTAL FUND BALANCE (deficit)	<u>101,150,785</u>	<u>5,767,178</u>	<u>475,595</u>	<u>54,991,780</u>	<u>37,982,994</u>	<u>8,947,202</u>	<u>209,315,534</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 125,940,535</u>	<u>7,731,517</u>	<u>1,239,710</u>	<u>60,242,414</u>	<u>41,883,546</u>	<u>9,069,246</u>	<u>246,106,968</u>

LOS ALAMOS



INCORPORATED COUNTY OF LOS ALAMOS

Governmental Funds

Reconciliation of Balance Sheet to the Statement of Net Position June 30, 2024

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:	\$ 209,315,534
Capital assets (\$497,625,793), net of accumulated depreciation (\$210,441,921), used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	287,183,873
Right to use assets (\$9,133,434), net of accumulated amortization (\$2,974,932), used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	6,158,502
Long-term liabilities, including bonds payable (\$16,665,000), bond premium/discount (\$1,019,691), net pension liability (\$56,160,066), net other post employments liability (\$9,067,414), compensated absences (\$4,825,394), leases payable (\$740,241), and subscriptions payable (\$4,996,798) are not due and payable in the current period and, therefore are not reported in the governmental funds.	(93,474,604)
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.	2,068,676
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.	16,627,806
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.	(65,277)
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.	(10,077,042)
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.	(430,288)
Net position of governmental activities	\$ <u><u>417,307,180</u></u>

See accompanying notes to financial statements

INCORPORATED COUNTY OF LOS ALAMOS

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2024

	GENERAL	ECONOMIC DEVELOPMENT SPECIAL REVENUE	EMERGENCY DECLARATIONS SPECIAL REVENUE	CAPITAL IMPROVEMENT PROJECTS	CAPITAL PROJECTS PERMANENT	OTHER GOVERNMENTAL	TOTAL
REVENUES							
Taxes							
Property taxes-current	\$ 9,115,079	0	0	0	0	0	9,115,079
Local units in-lieu taxes	398,681	0	0	0	0	0	398,681
Gross receipts taxes	60,893,208	0	0	0	0	3,687,477	64,580,685
Lodgers' tax	0	0	0	0	0	466,278	466,278
Franchise tax-privately owned	143,420	0	0	0	0	0	143,420
Franchise tax-County owned	471,367	0	0	0	0	0	471,367
Penalties and interest-taxes	91,322	0	0	0	0	0	91,322
	71,113,077	0	0	0	0	4,153,755	75,266,832
Licenses and permits							
Business	40,580	0	0	0	0	0	40,580
Nonbusiness	299,941	0	0	0	0	0	299,941
	340,521	0	0	0	0	0	340,521
Intergovernmental							
Federal direct	3,146	0	1,314,094	0	0	0	1,317,240
Federal indirect	339,848	0	0	2,398,817	0	0	2,738,665
Federal shared revenues	4,275	0	0	0	0	0	4,275
Federal in-lieu taxes	436,040	0	0	0	0	0	436,040
State grants-fire	0	0	0	0	0	1,007,788	1,007,788
State grants-library	29,839	0	0	0	0	0	29,839
State grants-police	189,775	0	0	0	0	191,950	381,725
State grants-other	368,861	0	0	623,687	0	296,303	1,288,851
State shared revenues	37,553,397	0	0	0	0	491,051	38,044,448
	38,925,181	0	1,314,094	3,022,504	0	1,987,092	45,248,871
Fines and forfeitures							
Fines	28,363	0	0	0	0	0	28,363
Correction fees	11,292	0	0	0	0	0	11,292
Special fees	4,546	0	0	0	0	0	4,546
Court ordered reimbursements	19,757	0	0	0	0	700	20,457
Noncourt fines and forfeitures	1,360	0	0	0	0	0	1,360
	65,318	0	0	0	0	700	66,018
Charges for services							
Court fees	1,129	0	0	0	0	0	1,129
Clerk fees	41,434	0	0	0	0	16,002	57,436
Planning fees	103,127	0	0	0	0	0	103,127
Finance/treasurer fees	0	0	0	0	0	247,752	247,752
Administrative charges for services	29,116	0	0	0	0	0	29,116
Sales of food or merchandise	91,456	0	0	0	0	0	91,456
Other charges for services	25,747	0	0	0	0	0	25,747
Sheriff fees	2,165	0	0	0	0	0	2,165
Police charges for services	161,361	0	0	0	0	0	161,361
Cemetery services	64,638	0	0	0	0	0	64,638
Perpetual care services	80,300	0	0	0	0	0	80,300
Animal shelter fees	1,880	0	0	0	0	0	1,880
Daily fees/passes	235,224	0	0	0	0	0	235,224
Annual passes	133,594	0	0	0	0	0	133,594
Three-month passes	20,698	0	0	0	0	0	20,698
Punch passes	88,860	0	0	0	0	0	88,860
Recreation fees	128,036	0	0	0	0	0	128,036
Other fees	42,335	0	0	0	0	0	42,335
	1,251,100	0	0	0	0	263,754	1,514,854

Interfund/interdepartmental charges								
Interdepartmental services	12,426,680	0	0	0	0	0	0	12,426,680
Miscellaneous revenue								
Investment income (loss)	7,764,377	167,571	0	0	5,988,092	315,248		14,235,288
Interest charges-delinquent accounts	133	0	0	0	0	0	0	133
Building rental	208,259	0	0	0	0	31,000		239,259
Land rental	506,722	0	0	0	0	0		506,722
Miscellaneous rentals	195,573	0	0	0	0	0		195,573
Pension forfeitures	205,480	0	0	0	0	0		205,480
Economic development loan principal	0	46,429	0	0	0	0		46,429
Donations	40,200	0	0	0	0	0		40,200
Other judgments and settlements	1,283,183	0	0	0	0	605,579		1,888,762
Other	102,752	0	0	0	0	450		103,202
	10,306,679	214,000	0	0	5,988,092	952,277		17,461,048
TOTAL REVENUES	134,428,556	214,000	1,314,094	3,022,504	5,988,092	7,357,578		152,324,824

INCORPORATED COUNTY OF LOS ALAMOS

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2024

	<u>GENERAL</u>	<u>ECONOMIC DEVELOPMENT SPECIAL REVENUE</u>	<u>EMERGENCY DECLARATIONS SPECIAL REVENUE</u>	<u>CAPITAL IMPROVEMENT PROJECTS</u>	<u>CAPITAL PROJECTS PERMANENT</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL</u>
EXPENDITURES							
Current expenditures:							
General government							
County Council	357,013	0	0	0	0	0	357,013
Municipal Court	673,635	0	0	0	0	30,700	704,335
County Manager	4,043,290	0	0	0	0	0	4,043,290
County Manager-Comm. and Public Relations	599,398	0	0	0	0	0	599,398
County Manager-Human Resources	1,864,272	0	0	0	0	0	1,864,272
County Assessor	627,108	0	0	0	0	265,231	892,339
County Attorney	1,403,374	0	0	0	0	0	1,403,374
County Clerk	954,020	0	0	0	0	12,553	966,573
County Probate Clerk	5,649	0	0	0	0	0	5,649
County Sheriff	16,830	0	0	0	0	0	16,830
Administrative Services	11,039,410	0	0	0	0	0	11,039,410
Public Works	10,578,939	0	0	0	0	0	10,578,939
	32,162,938	0	0	0	0	308,484	32,471,422
Public safety							
Fire Department-County share	9,238,278	0	0	0	0	0	9,238,278
Emergency response and recovery	0	0	1,314,094	0	0	0	1,314,094
Fire Marshal	0	0	0	0	0	76,194	76,194
Fire-E.M.S. grant	670,385	0	0	0	0	6,200	676,585
Police	12,971,956	0	0	0	0	48,139	13,020,095
	22,880,619	0	1,314,094	0	0	130,533	24,325,246
Physical and economic environment							
Economic Development	1,328,062	0	0	0	0	0	1,328,062
Community Development	2,217,532	324,777	0	0	0	445,257	2,987,566
	3,545,594	324,777	0	0	0	445,257	4,315,628
Transportation							
Public Works	6,101,937	0	0	0	0	0	6,101,937
Health and welfare							
Community Services-Social Services	2,779,874	0	0	0	0	4,364,408	7,144,282
Culture and recreation							
Community Services-Administration	1,351,447	0	0	0	0	0	1,351,447
Community Services-Library	3,129,170	0	0	0	0	1,350	3,130,520
Community Services-Parks	3,139,975	0	0	0	0	0	3,139,975
Community Services-Recreation	4,099,151	0	0	0	0	290	4,099,441
	11,719,743	0	0	0	0	1,640	11,721,383

Capital outlay:							
General government							
Administrative Services	1,474,039	0	0	2,952,490	0	0	4,426,529
Community and Economic Development	0	0	0	1,490,390	0	0	1,490,390
Public Works	35,109	0	0	0	0	0	35,109
County Clerk	7,983	0	0	0	0	18,643	26,626
Public safety							
Fire	21,158	0	0	0	0	104,789	125,947
Police	774,974	0	0	0	0	123,516	898,490
Emergency response and recovery	157,618	0	0	0	0	0	157,618
Economic environment - Community and Econ. Dev.	11,725	0	0	0	0	0	11,725
Transportation							
Public Works	31,454	0	0	8,919,889	0	0	8,951,343
Health and welfare-Community Services	70,942	0	0	0	0	0	70,942
Culture and recreation							
Community Services	161,296	0	0	8,867,006	0	54,431	9,082,733
	<u>2,746,298</u>	<u>0</u>	<u>0</u>	<u>22,229,775</u>	<u>0</u>	<u>301,379</u>	<u>25,277,452</u>
Debt service:							
Principal	0	0	0	0	0	3,720,000	3,720,000
Interest	0	0	0	0	0	830,159	830,159
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,550,159</u>	<u>4,550,159</u>
TOTAL EXPENDITURES	<u>81,937,003</u>	<u>324,777</u>	<u>1,314,094</u>	<u>22,229,775</u>	<u>0</u>	<u>10,101,860</u>	<u>115,907,509</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	52,491,553	(110,777)	0	(19,207,271)	5,988,092	(2,744,282)	36,417,315
OTHER FINANCING SOURCES (USES)							
Transfers in	3,263,000	1,600,000	0	24,847,425	0	5,241,859	34,952,284
Transfers out	(33,205,485)	0	0	0	(1,591,003)	0	(34,796,488)
	<u>(29,942,485)</u>	<u>1,600,000</u>	<u>0</u>	<u>24,847,425</u>	<u>(1,591,003)</u>	<u>5,241,859</u>	<u>155,796</u>
NET CHANGE IN FUND BALANCE	22,549,068	1,489,223	0	5,640,154	4,397,089	2,497,577	36,573,111
FUND BALANCE							
Beginning of fiscal year	78,601,717	4,277,955	475,595	49,351,626	33,585,905	6,449,625	172,742,423
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 101,150,785</u>	<u>5,767,178</u>	<u>475,595</u>	<u>54,991,780</u>	<u>37,982,994</u>	<u>8,947,202</u>	<u>209,315,534</u>



LOS ALAMOS

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, 2024

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:	\$ 36,573,111
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 (\$25,277,452) exceeded depreciation (\$10,688,111) in the current period.	14,589,341
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.	(3,253,131)
Transfers of capital assets to/from governmental capital assets from/to proprietary funds are not recorded in governmental funds.	(672,441)
The repayment of debt is reflected as a use of current financial resources in the governmental funds, but has no effect on net position.	3,720,000
The amortization of debt premiums and discounts does not use current financial resources, and therefore is not reported in the governmental funds.	798,684
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.	3,927
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.	(689,558)
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.	2,207,674
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.	(56,595)
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.	(2,236,099)
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.	(1,325,696)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues 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. The net gain or loss of certain activities in internal service funds is reported with governmental activities.	647,028
Change in net position of governmental activities	<u>\$ 50,246,587</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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Property taxes-current	\$ 8,865,961	8,865,961	9,115,079	249,118
Local units in-lieu taxes	401,227	401,227	398,681	(2,546)
General gross receipts taxes	52,620,000	52,620,000	60,893,208	8,273,208
Franchise tax-privately owned	142,814	142,814	143,420	606
Franchise tax-County owned	372,440	372,440	471,367	98,927
Penalties and interest-taxes	42,844	42,844	91,322	48,478
	62,445,286	62,445,286	71,113,077	8,667,791
Licenses and permits				
Business	45,548	45,548	40,580	(4,968)
Nonbusiness	262,483	262,483	299,941	37,458
	308,031	308,031	340,521	32,490
Intergovernmental				
Federal direct	2,650	191,795	3,146	(188,649)
Federal indirect	353,063	708,180	339,848	(368,332)
Federal shared revenues	0	0	4,275	4,275
Federal in-lieu taxes	412,570	412,570	436,040	23,470
State grants-library	44,004	86,523	29,839	(56,684)
State grants-police	189,988	367,632	189,775	(177,857)
State grants-other	156,147	214,955	368,861	153,906
State shared revenues	33,169,000	33,395,879	37,553,397	4,157,518
	34,327,422	35,377,534	38,925,181	3,547,648
Fines and forfeitures				
Fines	54,644	54,644	28,363	(26,281)
Correction fees	39,964	39,964	11,292	(28,672)
Special fees	10,031	10,031	4,546	(5,485)
Court ordered reimbursements	35,560	35,560	17,012	(18,548)
Noncourt fines and forfeitures	2,855	2,855	1,360	(1,495)
Magistrate Court Ordered Reimbursements	12,031	12,031	2,745	(9,286)
	155,085	155,085	65,318	(89,767)

Charges for services

Court fees	\$	873	873	1,129	256
Clerk fees		54,482	54,482	41,434	(13,048)
Planning fees		38,765	38,765	103,127	64,362
Administrative charges for services		43,901	43,901	29,116	(14,785)
Sales of food or merchandise		101,756	101,756	91,456	(10,300)
Other charges for services		22,290	22,290	25,747	3,457
Sheriff fees		4,030	4,030	2,165	(1,865)
Police charges for services		20,703	20,703	161,361	140,658
Miscellaneous services		816	816	0	(816)
Cemetery services		61,257	61,257	64,638	3,381
Perpetual care services		58,146	58,146	80,300	22,154
Animal shelter fees		5,611	5,611	1,880	(3,731)
Daily fees/passes		204,020	204,020	235,224	31,204
Annual passes		164,529	164,529	133,594	(30,935)
Three-month passes		31,664	31,664	20,698	(10,966)
Punch passes		67,735	67,735	88,860	21,125
Recreation fees		137,288	137,288	128,036	(9,252)
Other fees		20,554	20,554	42,335	21,781

		1,038,420	1,038,420	1,251,100	212,680
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Interfund/interdepartmental charges

Interdepartmental services		13,600,525	13,600,525	12,426,680	(1,173,845)
		13,600,525	13,600,525	12,426,680	(1,173,845)

Miscellaneous revenue

Interest income		1,870,000	1,870,000	7,764,377	5,894,377
Interest charges-delinquent accounts		0	0	133	133
Buildings rental		353,500	353,500	208,259	(145,241)
Land rental		378,750	378,750	506,722	127,972
Other rental		131,300	131,300	195,573	64,273
Pension forfeitures		81,608	81,608	205,480	123,872
Donations		50,500	50,500	40,200	(10,300)
Other judgments and settlements		619	619	1,283,183	1,282,564
Other		100,528	100,528	102,752	2,224

		2,966,805	2,966,805	10,306,679	7,339,874
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TOTAL REVENUES

		114,841,574	115,891,686	134,428,556	18,536,871
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**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES AND ENCUMBRANCES				
County Council				
Employee salaries and benefits	\$ 92,343	92,343	91,822	521
Outside services	305,221	305,221	240,719	64,502
Materials and supplies	23,000	23,000	23,848	(848)
Intrafund/interfund services	625	625	624	1
	<u>421,189</u>	<u>421,189</u>	<u>357,013</u>	<u>64,176</u>
County Courts (Municipal judge)				
Employee salaries and benefits	616,105	616,105	586,702	29,403
Outside services	91,217	91,217	65,508	25,709
Materials and supplies	19,073	19,073	11,972	7,101
Intrafund/interfund services	8,269	8,269	8,268	1
Debt and fiscal charges	1,500	1,500	1,185	315
	<u>736,164</u>	<u>736,164</u>	<u>673,635</u>	<u>62,529</u>
County Manager				
Operations				
Employee salaries and benefits	1,963,434	1,963,434	1,810,045	153,389
Outside services	2,000,200	7,004,256	3,789,691	3,214,565
Materials and supplies	15,800	15,800	18,620	(2,820)
Intrafund/interfund services	13,051	13,051	13,056	(5)
	<u>3,992,485</u>	<u>8,996,541</u>	<u>5,631,412</u>	<u>3,365,129</u>
Communications and Public Relations				
Employee salaries and benefits	597,279	405,039	499,767	(94,728)
Outside services	119,806	192,240	134,727	57,513
Materials and supplies	23,098	119,806	16,990	102,816
Intrafund/interfund services	0	23,098	0	23,098
	<u>740,183</u>	<u>740,183</u>	<u>651,484</u>	<u>88,699</u>
Human Resources				
Employee salaries and benefits	1,742,097	1,742,097	1,472,234	269,863
Outside services	394,979	697,654	403,799	293,855
Materials and supplies	42,030	42,030	47,344	(5,314)
Intrafund/interfund services	10,547	10,547	10,548	(1)
	<u>2,189,653</u>	<u>2,492,328</u>	<u>1,933,925</u>	<u>558,403</u>
Total County Manager	<u>6,922,321</u>	<u>12,229,052</u>	<u>8,216,821</u>	<u>4,012,231</u>

County Assessor

Employee salaries and benefits	\$	655,627	655,627	606,111	49,516
Outside services		12,036	12,036	11,584	452
Materials and supplies		1,061	1,061	629	432
Intrafund/interfund services		8,783	8,783	8,784	(1)
		677,507	677,507	627,108	50,399

County Attorney

Employee salaries and benefits		1,211,215	1,211,215	1,144,456	66,759
Outside services		223,659	356,659	241,701	114,958
Materials and supplies		16,236	16,236	9,645	6,591
Intrafund/interfund services		7,567	7,567	7,572	(5)
		1,458,677	1,591,677	1,403,374	188,303

County Clerk

Employee salaries and benefits		964,658	939,658	857,498	82,160
Outside services		67,460	64,560	42,924	21,636
Materials and supplies		30,240	58,140	45,349	12,791
Intrafund/interfund services		14,777	14,777	14,784	(7)
Capital outlay		20,000	32,900	32,971	(71)
Debt and fiscal charges		2,000	2,000	805	1,195
		1,099,135	1,112,035	994,331	117,704

County Probate Judge

Employee salaries and benefits		5,869	5,869	5,613	256
Outside services		220	220	0	220
Materials and supplies		294	294	0	294
Intrafund/interfund services		53	33	36	(3)
		6,436	6,416	5,649	767

County Sheriff

Employee salaries and benefits		8,767	8,767	8,617	150
Outside services		4,620	4,620	5,192	(572)
Materials and supplies		3,800	3,800	2,961	839
Intrafund/interfund services		55	55	60	(5)
		17,242	17,242	16,830	412

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
Administrative Services				
Information Management				
Employee salaries and benefits	\$ 3,757,884	3,757,884	3,582,053	175,831
Outside services	3,352,434	3,857,136	2,001,537	1,855,599
Materials and supplies	263,512	406,132	720,758	(314,626)
Intrafund/interfund services	78,548	78,548	78,552	(4)
Capital outlay	241,897	426,497	1,531,207	(1,104,710)
	<u>7,694,275</u>	<u>8,526,197</u>	<u>7,914,107</u>	<u>612,090</u>
Finance				
Employee salaries and benefits	3,418,632	3,614,658	2,417,254	1,197,404
Outside services	162,320	163,320	146,926	16,394
Materials and supplies	17,000	17,500	16,668	832
Intrafund/interfund services	13,482	13,482	13,488	(6)
Capital outlay	17,250	17,250	16,059	1,191
Debt and fiscal charges	5,000	5,000	1,391	3,609
	<u>3,633,684</u>	<u>3,831,210</u>	<u>2,611,786</u>	<u>1,219,424</u>
Procurement				
Employee salaries and benefits	1,596,461	1,568,292	1,647,442	(79,150)
Outside services	81,455	320,728	229,623	91,105
Materials and supplies	55,597	55,097	78,884	(23,787)
Intrafund/interfund services	75,594	75,594	77,210	(1,616)
Capital outlay	6,000	6,000	0	6,000
	<u>1,815,107</u>	<u>2,025,711</u>	<u>2,033,159</u>	<u>(7,448)</u>
Total Administrative Services	13,143,066	14,383,118	12,559,052	1,824,066
Fire				
Fire Mitigation				
Outside services	100,000	462,434	21,158	441,276
	<u>100,000</u>	<u>462,434</u>	<u>21,158</u>	<u>441,276</u>
Fire - County Shared Costs				
Intrafund/interfund services	9,407,440	13,603,828	9,238,278	4,365,550
Total Fire	9,507,440	14,066,262	9,259,436	4,806,826

Community Services-Administration					
Employee salaries and benefits	\$	1,297,548	1,297,548	614,689	682,859
Outside services		884,796	879,217	721,246	157,971
Materials and supplies		24,380	24,380	7,413	16,967
Intrafund/interfund services		8,102	8,102	8,100	2
		<u>2,214,826</u>	<u>2,209,247</u>	<u>1,351,448</u>	<u>857,799</u>
Grants					
Employee salaries and benefits		0	0	6,859	(6,859)
Outside services		147,567	205,688	168,492	37,196
		<u>147,567</u>	<u>205,688</u>	<u>175,351</u>	<u>30,337</u>
Total Community Services-Admin.		2,362,393	2,414,935	1,526,799	888,136
Community Services-Library					
Library operations					
Employee salaries and benefits		2,728,080	2,728,080	2,512,745	215,335
Outside services		157,994	112,994	106,894	6,100
Materials and supplies		48,968	151,967	104,959	47,008
Intrafund/interfund services		54,637	54,637	54,695	(58)
Capital outlay		0	45,000	50,871	(5,871)
		<u>2,989,679</u>	<u>3,092,678</u>	<u>2,830,164</u>	<u>262,514</u>
Collection development					
Outside services		20,000	0	742	(742)
Materials and supplies		300,920	337,720	346,222	(8,502)
		<u>320,920</u>	<u>337,720</u>	<u>346,964</u>	<u>(9,244)</u>
Outside funding sources					
Outside services		0	6,559	6,559	0
Materials and supplies		0	177,914	50,366	127,548
		<u>0</u>	<u>184,473</u>	<u>56,925</u>	<u>127,548</u>
Total Community Services-Library		3,310,599	3,614,871	3,234,053	380,818
Community Services-Parks					
Parks Maintenance					
Employee salaries and benefits		2,111,201	2,111,201	1,703,971	407,230
Outside services		492,029	539,969	312,381	227,588
Materials and supplies		273,300	428,442	278,573	149,869
Intrafund/interfund services		853,244	853,244	891,843	(38,599)
Capital outlay		0	217,000	71,811	145,189
Debt and fiscal charges		2,100	2,100	3,512	(1,412)
		<u>3,731,874</u>	<u>4,151,956</u>	<u>3,262,091</u>	<u>889,865</u>
Parks Maintenance Projects					
Cemetery					
Materials and supplies		22,200	22,200	14,702	7,498
Intrafund/interfund services		37,000	37,000	19,279	17,721
Debt and fiscal charges		0	0	2,914	(2,914)
		<u>59,200</u>	<u>59,200</u>	<u>36,895</u>	<u>22,305</u>
Total Community Svcs.-Parks		3,791,074	4,211,156	3,298,986	912,170

See accompanying notes to financial statements

Attachment 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, 2024**

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
Recreation				
Employee salaries and benefits	\$ 692,214	692,214	751,862	(59,648)
Outside services	442,717	303,467	170,317	133,150
Materials and supplies	68,998	68,998	53,821	15,177
Intrafund/interfund services	18,864	18,864	18,864	0
	<u>1,222,793</u>	<u>1,083,543</u>	<u>994,864</u>	<u>88,679</u>
Recreation -Aquatic Center				
Employee salaries and benefits	1,425,263	1,367,751	1,083,104	284,647
Outside services	112,898	138,788	90,218	48,570
Materials and supplies	103,837	183,349	122,911	60,438
Intrafund/interfund services	273,977	273,977	251,301	22,676
Debt and fiscal charges	7,560	7,560	16,255	(8,695)
	<u>1,923,535</u>	<u>1,971,425</u>	<u>1,563,789</u>	<u>407,636</u>
Recreation - Ice Rink				
Employee salaries and benefits	164,541	164,541	182,088	(17,547)
Outside services	9,460	9,460	5,940	3,520
Materials and supplies	19,280	49,280	40,061	9,219
Intrafund/interfund services	57,189	57,189	57,192	(3)
Capital outlay	0	4,630	4,547	83
Debt and fiscal charges	1,500	1,500	3,989	(2,489)
	<u>251,970</u>	<u>286,600</u>	<u>293,817</u>	<u>(7,217)</u>
Recreation -Golf Course				
Employee salaries and benefits	743,423	743,423	717,991	25,432
Outside services	75,648	54,632	11,228	43,404
Materials and supplies	145,000	155,622	156,380	(758)
Intrafund/interfund services	330,792	330,792	387,443	(56,651)
Capital outlay	5,000	67,267	49,077	18,190
Debt and fiscal charges	11,000	11,000	14,741	(3,741)
	<u>1,310,863</u>	<u>1,362,736</u>	<u>1,336,860</u>	<u>25,876</u>
Total Community Svcs.-Recreation	4,709,161	4,704,304	4,189,330	514,974
Community Services-Social Services				
Employee salaries and benefits	336,392	336,392	281,657	54,735
Outside services	2,367,479	2,303,830	2,216,777	87,053
Materials and supplies	11,750	4,675	1,457	3,218
Intrafund/interfund services	110,085	110,085	111,707	(1,622)
Capital outlay	0	71,303	70,942	361
Total Community Svcs.-Social Services	2,825,706	2,826,285	2,682,540	143,745
Total Community Svcs. Department	16,998,933	17,771,551	14,931,708	2,839,843

Police

Operations

Employee salaries and benefits	\$ 11,448,805	11,295,878	11,109,607	186,271
Outside services	743,303	821,372	601,156	220,216
Materials and supplies	315,149	694,834	498,957	195,877
Intrafund/interfund services	790,056	794,056	794,641	(585)
Capital outlay	31,050	1,041,550	1,029,080	12,470
Debt and fiscal charges	0	0	848	(848)
	<u>13,328,363</u>	<u>14,647,690</u>	<u>14,034,289</u>	<u>613,401</u>

Emergency Management

Employee salaries and benefits	337,105	337,105	348,560	(11,455)
Outside services	80,570	83,645	34,785	48,860
Materials and supplies	16,300	16,300	3,741	12,559
Intrafund/interfund services	1,429	1,429	1,428	1
Capital outlay	0	0	13,460	(13,460)
	<u>435,404</u>	<u>438,479</u>	<u>401,974</u>	<u>36,505</u>

Police Grants

Employee salaries and benefits	19,984	41,810	45,800	(3,990)
Outside services	404,988	649,986	234,856	415,130
Materials and supplies	5,300	36,534	22,673	13,861
Capital outlay	0	216,681	144,159	72,522
	<u>430,272</u>	<u>945,011</u>	<u>447,488</u>	<u>497,523</u>

Total Police	14,194,039	16,031,180	14,883,751	1,147,429
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**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, 2024**

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
Public Works				
Administration				
Employee salaries and benefits	\$ 1,130,672	1,130,672	614,322	516,350
Outside services	12,723	12,723	4,272	8,451
Materials and supplies	4,440	4,440	3,702	738
Intrafund/interfund services	9,477	9,477	9,480	(3)
	<u>1,157,312</u>	<u>1,157,312</u>	<u>631,776</u>	<u>525,536</u>
Engineering				
Employee salaries and benefits	1,464,261	1,464,261	1,469,734	(5,473)
Outside services	30,509	30,509	9,108	21,401
Materials and supplies	24,770	24,770	20,376	4,394
Intrafund/interfund services	45,179	45,179	45,180	(1)
	<u>1,564,719</u>	<u>1,564,719</u>	<u>1,544,398</u>	<u>20,321</u>
Traffic and Streets				
Employee salaries and benefits	2,699,826	2,699,826	2,375,586	324,240
Outside services	488,792	863,921	540,064	323,857
Materials and supplies	457,913	441,793	494,617	(52,824)
Intrafund/interfund services	1,328,843	1,328,843	1,365,347	(36,504)
Capital outlay	14,729	150,849	62,200	88,649
	<u>4,990,103</u>	<u>5,485,232</u>	<u>4,837,814</u>	<u>647,418</u>
Pavement management				
Outside services	1,012,366	3,233,475	2,061,474	1,172,001
	<u>1,012,366</u>	<u>3,233,475</u>	<u>2,061,474</u>	<u>1,172,001</u>
Custodial				
Employee salaries and benefits	1,511,086	1,511,086	1,389,078	122,008
Outside services	100,380	101,080	62,467	38,613
Materials and supplies	160,165	160,165	184,128	(23,963)
Intrafund/interfund services	59,805	59,805	59,808	(3)
Capital outlay	0	0	19,680	(19,680)
	<u>1,831,436</u>	<u>1,832,136</u>	<u>1,715,161</u>	<u>116,975</u>

Capital Projects and Facilities maintenance				
Employee salaries and benefits	\$ 2,366,743	2,667,406	2,430,321	237,085
Outside services	495,006	628,095	585,610	42,485
Materials and supplies	359,860	509,860	470,100	39,760
Intrafund/interfund services	1,154,075	1,154,075	1,133,418	20,657
Debt and fiscal charges	530	530	0	530
	<u>4,376,214</u>	<u>4,959,966</u>	<u>4,619,449</u>	<u>340,517</u>
Facilities maintenance projects				
Employee salaries and benefits	418,520	0	0	0
Outside services	2,573,247	6,704,316	3,179,747	3,524,569
Materials and supplies	0	0	75,806	(75,806)
Capital outlay	0	0	15,429	(15,429)
	<u>2,991,767</u>	<u>6,704,316</u>	<u>3,270,982</u>	<u>3,433,334</u>
Total Public Works	17,923,917	24,937,156	18,681,054	6,256,102
Community Development (CDD)				
CDD - Administration				
Employee salaries and benefits	876,459	996,150	914,727	81,423
Outside services	77,564	303,312	271,508	31,804
Materials and supplies	11,010	15,010	14,935	75
Intrafund/interfund services	17,806	17,806	17,808	(2)
Debt and fiscal charges	13,000	13,000	9,617	3,383
	<u>995,839</u>	<u>1,345,278</u>	<u>1,228,595</u>	<u>116,683</u>
CDD - Community Development				
Employee salaries and benefits	1,857,391	1,737,700	1,483,741	253,959
Outside services	2,692,035	9,580,028	1,193,749	8,386,279
Materials and supplies	28,025	35,321	27,834	7,487
Intrafund/interfund services	32,324	32,324	32,328	(4)
Capital outlay	0	11,559	11,725	(166)
	<u>4,609,775</u>	<u>11,396,932</u>	<u>2,749,377</u>	<u>8,647,555</u>
Total Community Development	5,605,614	12,742,210	3,977,972	8,764,238
TOTAL EXPENDITURES AND ENCUMBRANCES	88,711,680	116,722,759	86,587,734	30,135,025
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	26,129,894	(831,074)	47,840,822	48,671,896

See accompanying notes to financial statements

Attachment 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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
Joint Utility System Fund-Electric	\$ 655,691	0	0	0
Fire Fund	3,263,000	3,263,000	3,263,000	0
	<u>3,918,691</u>	<u>3,263,000</u>	<u>3,263,000</u>	<u>0</u>
Transfers out to:				
State/Other Grants Fund	0	(11,700)	(11,700)	0
Health Care Assistance Fund	0	(650,000)	(650,000)	0
Economic Development Fund	0	(1,600,000)	(1,600,000)	0
Other Special Revenues Fund	0	(30,000)	(30,000)	0
Gross Receipts Tax Revenue Bonds Fund	0	(5,250,159)	(4,550,158)	700,001
Capital Improvement Projects Fund	0	(23,256,422)	(23,256,422)	0
Joint Utility System Fund-Electric	0	(80,416)	(80,416)	0
Joint Utility System Fund-Gas	0	(20,962)	(20,962)	0
Joint Utility System Fund-Water	0	(4,136,583)	(636,583)	3,500,000
Joint Utility System Fund-Wastewater	0	(261,918)	(261,918)	0
Transit Fund	0	(1,200,000)	(1,200,000)	0
Airport Fund	0	(907,326)	(907,326)	0
	<u>0</u>	<u>(37,405,486)</u>	<u>(33,205,485)</u>	<u>4,200,001</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,918,691</u>	<u>(34,142,486)</u>	<u>(29,942,485)</u>	<u>4,200,001</u>
NET CHANGE IN FUND BALANCE	<u>\$ 30,048,585</u>	<u>(34,973,560)</u>	<u>17,898,337</u>	<u>52,871,897</u>
ADJUSTMENTS TO GAAP				
Encumbrances			4,776,410	
Provision for uncollectible accounts			(9,747)	
Adjustments to inventory			(115,932)	
			<u>4,650,731</u>	
GAAP BASIS			<u>22,549,068</u>	
FUND BALANCE				
Beginning of fiscal year			<u>78,601,717</u>	
FUND BALANCE - END OF FISCAL YEAR			<u>\$ 101,150,785</u>	

See accompanying notes to financial statements



LOS ALAMOS

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Miscellaneous revenues				
Investment income	\$ 108,000	108,000	167,571	59,571
Economic development loan repayment (principal)	46,429	46,429	46,429	0
	<u>154,429</u>	<u>154,429</u>	<u>214,000</u>	<u>59,571</u>
TOTAL REVENUES	154,429	154,429	214,000	59,571
EXPENDITURES AND ENCUMBRANCES				
Community and Economic Development				
Outside services	3,933,750	4,303,350	0	4,303,350
Economic development and housing loans	200,000	576,540	324,777	251,763
Debt and fiscal charges	400,000	400,000	0	400,000
	<u>4,533,750</u>	<u>5,279,890</u>	<u>324,777</u>	<u>4,955,113</u>
TOTAL EXPENDITURES AND ENCUMBRANCES	4,533,750	5,279,890	324,777	4,955,113
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	(4,379,321)	(5,125,461)	(110,777)	5,014,684
OTHER FINANCING SOURCES (USES)				
Transfer in from:				
General Fund	1,600,000	1,600,000	1,600,000	0
Transfers out to:				
Joint Utilities Fund	(2,000,000)	(2,000,000)	0	(2,000,000)

NET CHANGE IN FUND BALANCE	\$ <u>(4,779,321)</u>	<u>(5,525,461)</u>	1,489,223	<u>3,014,684</u>
ADJUSTMENTS TO GAAP			<u>0</u>	
GAAP BASIS			1,489,223	
FUND BALANCE				
Beginning of fiscal year			<u>4,277,955</u>	
FUND BALANCE - END OF FISCAL YEAR			\$ <u>5,767,178</u>	

See accompanying notes to financial statements

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal direct	\$ 50,000	50,000	1,314,094	1,264,094
	<u>50,000</u>	<u>50,000</u>	<u>1,314,094</u>	<u>1,264,094</u>
EXPENDITURES AND ENCUMBRANCES				
Administrative Services - Finance Office				
Employee salaries and benefits	34,833	34,833	21,476	13,357
Outside services	2,142,454	2,626,047	1,401,799	1,224,248
	<u>2,177,287</u>	<u>2,660,880</u>	<u>1,423,275</u>	<u>1,237,605</u>
<i>EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES</i>	(2,127,287)	(2,610,880)	(109,181)	2,501,699
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
Transfers out to:				
NET CHANGE IN FUND BALANCE	\$ <u>(2,127,287)</u>	<u>(2,610,880)</u>	(109,181)	<u>2,501,699</u>
ADJUSTMENTS TO GAAP				
Encumbrances			109,181	
GAAP BASIS			<u>0</u>	
FUND BALANCE				
Beginning of fiscal year			475,595	
FUND BALANCE - END OF FISCAL YEAR			<u>\$ 475,595</u>	

See accompanying notes to financial statements

Attachment 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, 2024

	ENTERPRISE FUNDS						BUSINESS- TYPE ACTIVITIES - INTERNAL SERVICE FUNDS
	JOINT UTILITY SYSTEM	ENVIRONMENTAL SERVICES	TRANSIT	FIRE	AIRPORT	TOTAL	
ASSETS							
Current Assets:							
Equity in pooled cash and investments	\$ 13,653,944	3,997,125	2,707,855	0	2,110,112	22,469,036	22,217,723
Investments	45,216,425	0	0	0	0	45,216,425	0
Receivables, net of allowance for uncollectibles							
Accounts	8,093,338	348,520	659	807,277	9,355	9,259,149	8,748
Interest	585,687	0	0	0	0	585,687	0
Unbilled	1,517,022	144,788	0	0	0	1,661,810	0
Leases	191,110	0	0	0	0	191,110	0
Due from other governments	591,574	354,217	884,896	8,439,790	1,351,457	11,621,934	0
Inventories and prepayments							
Inventories	2,705,660	0	0	0	0	2,705,660	0
Power plant inventories	83,700	0	0	0	0	83,700	0
Prepayments	663,446	0	0	0	0	663,446	0
Total Current Assets	73,301,906	4,844,650	3,593,410	9,247,067	3,470,924	94,457,957	22,226,471
Non-current assets:							
Restricted assets							
Cash and cash equivalents							
Debt reserves and debt service	2,059,434	577,714	0	0	0	2,637,148	0
Operations and maintenance	24,972,667	367,115	0	0	0	25,339,782	0
Capital assets							
Land	2,959,328	0	0	1,081,176	4,387,040	8,427,544	0
Utility plant in service	316,386,226	0	0	0	0	316,386,226	0
Buildings	0	6,112,038	63,147	17,336,040	1,620,330	25,131,555	0
Improvements other than buildings	0	1,683,448	929,533	143,285	15,454,705	18,210,971	0
Machinery and equipment	3,381,868	92,230	1,364,876	2,971,999	57,580	7,868,553	34,091,772
Less accumulated depreciation	(156,484,073)	(2,965,797)	(1,969,431)	(9,459,575)	(10,718,017)	(181,596,893)	(23,287,251)
Construction in progress	28,291,816	0	0	0	0	28,291,816	0
Right-to-use assets							
Buildings and structures-lease, net of amortization	0	0	0	518,949	0	518,949	0
Subscription based IT arrangements, net of amortization	1,624,590	12,683	366,131	282,430	14,663	2,300,497	0
Total Non-current Assets	223,191,856	5,879,431	754,256	12,874,304	10,816,301	253,516,148	10,804,521
TOTAL ASSETS	\$ 296,493,762	10,724,081	4,347,666	22,121,371	14,287,225	347,974,105	33,030,992
DEFERRED OUTFLOWS OF RESOURCES:							
Deferred amounts (debts) from refunding of debt	\$ 180,340	0	0	0	0	180,340	0
Deferred other post employment benefits	831,384	111,659	203,326	1,310,071	10,931	2,467,371	95,344
Deferred pensions	3,212,111	363,887	689,664	13,576,380	78,450	17,920,492	403,567
Deferred decommissioning cost	1,856,168	0	0	0	0	1,856,168	0
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 6,080,003	475,546	892,990	14,886,451	89,381	22,424,371	498,911

LIABILITIES

Current Liabilities:

Accounts payable	\$ 5,385,540	287,784	113,219	247,255	626,545	6,660,343	1,341,418
Claims and judgments payable	0	0	0	0	0	0	640,055
Accrued salaries and benefits payable	207,935	25,660	45,758	388,572	0	667,925	19,957
Customer deposits payable	661,748	17,150	0	0	0	678,898	0
Due to other governments	134,095	10,694	0	0	0	144,789	0
Due to other funds	0	0	0	2,181,768	0	2,181,768	0
Current portion of long-term liabilities							
Accrued compensated absences	917,619	143,893	187,105	2,376,709	0	3,625,326	122,047
Revenue bonds payable	1,325,000	0	0	0	0	1,325,000	0
Contracts and intergovernmental debt payable	1,026,150	252,058	0	0	0	1,278,208	0
Special closure costs	0	58,077	0	0	0	58,077	0
Subscription based IT arrangements liability	144,843	5,310	93,222	37,488	5,712	286,575	0
Lease liability	0	0	0	175,239	0	175,239	0
Interest payable on revenue bonds and other debt	77,211	12,317	0	0	0	89,528	0
Interest payable on subscription based IT arrangements liability	0	195	8,274	11,652	19	20,140	0
Interest payable on leases	0	0	0	504	0	504	0
Total Current Liabilities	9,880,141	813,138	447,578	5,419,187	632,276	17,192,320	2,123,477

Noncurrent Liabilities:

Due in more than one year							
Accrued compensated absences	413,205	55,319	83,015	1,918,511	0	2,470,050	44,232
Claims and judgments payable	0	0	0	0	0	0	29,734
Revenue bonds payable	9,963,816	0	0	0	0	9,963,816	0
Contracts and intergovernmental debt payable	36,732,414	2,549,460	0	0	0	39,281,874	0
Advances from other funds	0	0	0	0	146,799	146,799	0
Special closure costs	10,777,612	987,314	0	0	0	11,764,926	0
Net other post employment benefits liability	2,187,498	246,514	516,329	3,142,615	50,223	6,143,179	314,290
Net pension liability	14,669,670	1,701,001	3,246,194	62,592,490	285,753	82,495,108	1,775,428
Subscription based IT arrangements liability	1,485,727	5,592	251,770	236,258	8,831	1,988,178	0
Lease liability	0	0	0	356,514	0	356,514	0
Total Noncurrent Liabilities	76,229,942	5,545,200	4,097,308	68,246,388	491,606	154,610,444	2,163,684
TOTAL LIABILITIES	\$ 86,110,083	6,358,338	4,544,886	73,665,575	1,123,882	171,802,764	4,287,161

DEFERRED INFLOWS OF RESOURCES:

Deferred other post employment benefits	2,449,638	300,670	542,405	6,085,535	34,332	9,412,580	313,658
Deferred pensions	49,010	13,396	49,430	2,017,505	0	2,129,341	0
Deferred leases	183,233	0	0	0	0	183,233	0
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 2,681,881	314,066	591,835	8,103,040	34,332	11,725,154	313,658

NET POSITION

Net investment in capital assets	145,662,145	2,122,182	409,264	12,068,805	10,801,758	171,064,154	10,804,521
Restricted, net of related liabilities, for:							
Debt service	16,177,278	565,397	0	0	0	16,742,675	0
Unrestricted	51,942,378	1,839,644	(305,329)	(56,829,598)	2,416,634	(936,271)	18,124,563
TOTAL NET POSITION	\$ 213,781,801	4,527,223	103,935	(44,760,793)	13,218,392	186,870,558	28,929,084

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

28,929,084
 430,288
\$ 216,229,930

INCORPORATED COUNTY OF LOS ALAMOS

Proprietary Funds

Statement of Revenues, Expenses, and Changes in Net Position
Year ended June 30, 2024

	ENTERPRISE FUNDS						BUSINESS- TYPE ACTIVITIES - INTERNAL SERVICE FUNDS
	JOINT UTILITY SYSTEM	ENVIRONMENTAL SERVICES	TRANSIT	FIRE	AIRPORT	TOTAL	
OPERATING REVENUES							
Utility sales and other services	\$ 74,392,664	3,573,027	0	787,929	87,897	78,841,517	0
Sales of food or merchandise	0	1,184	0	0	0	1,184	0
Interfund charges for services	0	81,431	0	9,238,278	0	9,319,709	6,544,275
Insurance and pension contributions							
County	0	0	0	0	0	0	9,730,684
Employees and retirees	0	0	0	0	0	0	1,920,861
Rentals	23,900	0	0	0	0	23,900	0
Intergovernmental - charges for services	3,146,891	0	0	30,636,311	0	33,783,202	0
Miscellaneous operating revenue	785,714	187,060	0	0	0	972,774	161,060
	<u>78,349,169</u>	<u>3,842,702</u>	<u>0</u>	<u>40,662,518</u>	<u>87,897</u>	<u>122,942,286</u>	<u>18,356,880</u>
OPERATING EXPENSES							
Employee salaries and benefits	14,321,437	1,782,910	2,820,705	30,308,220	102,990	49,336,262	1,756,092
Contractual services	50,998,864	3,074,147	2,013,386	9,521,687	1,694,715	67,302,799	12,270,664
Materials and supplies	1,460,206	107,724	34,807	1,968,673	15,426	3,586,836	1,591,677
Depreciation and amortization	5,521,791	189,120	281,013	1,050,520	539,674	7,582,118	2,448,042
Special closure costs	1,083,084	0	0	0	0	1,083,084	0
Other	60,824	17,728	0	86,491	0	165,043	406
	<u>73,446,206</u>	<u>5,171,629</u>	<u>5,149,911</u>	<u>42,935,591</u>	<u>2,352,805</u>	<u>129,056,142</u>	<u>18,066,881</u>
OPERATING INCOME (LOSS)	4,902,963	(1,328,927)	(5,149,911)	(2,273,073)	(2,264,908)	(6,113,856)	289,999
NONOPERATING REVENUES (EXPENSES)							
Gross receipts taxes for solid waste recycling	0	1,843,739	0	0	0	1,843,739	0
Fire excise tax	0	0	0	3,687,510	0	3,687,510	0
Gain (loss) on disposition of capital assets	(452,218)	0	0	0	0	(452,218)	170,283
Investment income (loss)	2,093,254	189,830	80,583	0	84,492	2,448,159	875,420
Miscellaneous nonoperating revenue	58,112,113	0	0	0	0	58,112,113	0
Interest on long-term debt	(668,319)	(78,419)	0	0	0	(746,738)	0
Interest on long-term lease liability	0	0	0	(857)	0	(857)	0
Interest on long-term subscription liability	0	0	(8,274)	(19,816)	(179)	(28,269)	0
Inventory adjustment	(235,090)	0	0	0	0	(235,090)	0
Intergovernmental - non-capital grants	0	0	3,708,038	26,954	0	3,734,992	0
	<u>58,849,740</u>	<u>1,955,150</u>	<u>3,780,347</u>	<u>3,693,791</u>	<u>84,313</u>	<u>68,363,341</u>	<u>1,045,703</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	63,752,703	626,223	(1,369,564)	1,420,718	(2,180,595)	62,249,485	1,335,702
TRANSFERS AND CONTRIBUTIONS							
Transfers in	2,053,690	0	1,200,000	0	907,326	4,161,016	1,719,228
Transfers out	(1,465,435)	(170,789)	(1,136,816)	(3,263,000)	0	(6,036,040)	0
Intergovernmental - capital grants	118,249	0	1,512,793	0	1,483,569	3,114,611	0
Contributed capital assets - governmental activities	0	0	0	0	0	0	672,441
	<u>706,504</u>	<u>(170,789)</u>	<u>1,575,977</u>	<u>(3,263,000)</u>	<u>2,390,895</u>	<u>1,239,587</u>	<u>2,391,669</u>
CHANGE IN NET POSITION	64,459,207	455,434	206,413	(1,842,282)	210,300	63,489,072	3,727,371
NET POSITION							
Net Position, June 30, 2023, as previously presented	145,299,483	4,071,789	(102,478)	(42,918,511)	13,008,092	119,358,375	25,201,713
Error correction, see Note 25	4,023,111	0	0	0	0	4,023,111	0
Net Position, June 30, 2023, as adjusted or restated	<u>149,322,594</u>	<u>4,071,789</u>	<u>(102,478)</u>	<u>(42,918,511)</u>	<u>13,008,092</u>	<u>123,381,486</u>	<u>25,201,713</u>
NET POSITION - END OF FISCAL YEAR	\$ 213,781,801	4,527,223	103,935	(44,760,793)	13,218,392	186,870,558	28,929,084

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, 2024

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: \$ 63,489,072

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. 3,727,371

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. (647,028)

Change in net position of business-type activities \$ 66,569,415

INCORPORATED COUNTY OF LOS ALAMOS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
Year ended June 30, 2024

	<u>JOINT UTILITY SYSTEM</u>	<u>ENVIRONMENTAL SERVICES</u>	<u>TRANSIT</u>	<u>FIRE</u>	<u>AIRPORT</u>	<u>TOTAL</u>	<u>BUSINESS-TYPE ACTIVITIES INTERNAL SERVICE FUNDS</u>
CASH FLOWS - OPERATING ACTIVITIES							
Cash received from customers and users	\$ 75,483,790	3,838,207	0	9,868,358	83,810	89,274,165	6,719,740
Cash received from contributions-employer and employees	0	0	0	0	0	0	11,651,545
Cash paid to suppliers for goods and services	(52,914,545)	(3,235,577)	(1,934,974)	(11,529,139)	(1,720,290)	(71,334,525)	(13,300,606)
Cash paid to employees	(14,220,286)	(1,806,069)	(2,867,063)	(28,253,160)	(104,290)	(47,250,868)	(1,760,540)
Taxes received from customers and users	1,708,369	143,820	0	0	0	1,852,189	0
Taxes remitted to State (from customers and users)	(1,700,358)	(143,837)	0	0	0	(1,844,195)	0
NET CASH FLOWS - OPERATING ACTIVITIES	8,356,970	(1,203,456)	(4,802,037)	(29,913,941)	(1,740,770)	(29,303,234)	3,310,139
CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES							
Cash received from grants	0	0	3,419,197	27,129,681	106,451	30,655,329	0
Transfers to other funds	(1,422,829)	0	0	(3,263,000)	0	(4,685,829)	0
Transfers from other funds	2,053,691	0	1,200,000	0	907,326	4,161,017	48,066
Gross receipts taxes received	0	1,916,921	0	3,687,710	0	5,604,631	0
Cash received from short-term interfund loans	91,053	0	0	0	0	91,053	0
Cash paid on short-term interfund loans	(91,053)	0	0	2,181,768	0	2,090,715	0
Cash received from judgements and settlements	58,112,114	0	0	0	0	58,112,114	0
NET CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES	58,742,976	1,916,921	4,619,197	29,736,159	1,013,777	96,029,030	48,066
CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES							
Cash received from capital grants	0	0	1,512,793	0	682,571	2,195,364	0
Proceeds received from loans	15,304,148	0	0	0	0	15,304,148	0
Principal repaid	(7,124,738)	(248,114)	0	0	0	(7,372,852)	0
Interest and other debt service paid	(884,823)	(78,872)	0	(20,673)	0	(984,368)	0
Cash paid for acquisition of capital assets	(24,023,036)	(137,846)	(1,395,552)	(309,846)	0	(25,866,280)	(1,871,480)
Proceeds from sale of capital assets	2,842,733	0	0	0	0	2,842,733	170,284
NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES	(13,885,716)	(464,832)	117,241	(330,519)	682,571	(13,881,255)	(1,701,196)
CASH FLOWS - INVESTING ACTIVITIES							
Proceeds from sale of investment securities	1,000,000	0	0	0	0	1,000,000	0
Gain on investments	2,093,254	189,830	72,309	0	84,313	2,439,706	875,420
NET CASH FLOWS - INVESTING ACTIVITIES	3,093,254	189,830	72,309	0	84,313	3,439,706	875,420
NET INCREASE (DECREASE) IN CASH	56,307,484	438,463	6,710	(508,301)	39,891	56,284,247	2,532,429
EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR	<u>29,594,986</u>	<u>4,503,491</u>	<u>2,701,145</u>	<u>508,301</u>	<u>2,070,221</u>	<u>39,378,144</u>	<u>19,685,294</u>
EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR	<u>\$ 85,902,470</u>	<u>4,941,954</u>	<u>2,707,855</u>	<u>0</u>	<u>2,110,112</u>	<u>95,662,391</u>	<u>22,217,723</u>

(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**

OPERATING INCOME(LOSS)	\$	4,902,963	(1,328,927)	(5,149,911)	(2,273,074)	(2,264,908)	(6,113,857)	289,999
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES								
Depreciation and amortization expense		5,521,791	189,120	281,013	1,050,520	539,674	7,582,118	2,448,042
Operating grants included in operating revenues		0	0	0	(30,636,311)	0	(30,636,311)	0
Amortization of special closure costs		1,083,084	0	0	0	0	1,083,084	0
Provision for uncollectible accounts receivable		31,510	(14,454)	0	86,491	0	103,547	0
Change in assets and liabilities:								
Accounts and other receivables		(1,335,671)	(41,577)	0	(157,849)	(4,087)	(1,539,184)	14,811
Inventories		(1,531,595)	0	0	0	0	(1,531,595)	0
Accounts payable		(9,241,597)	(53,706)	113,219	(38,779)	(10,149)	(9,231,012)	465,571
Salaries and benefits payable		9,495,114	44,155	(46,358)	2,055,061	(1,300)	11,546,672	(4,448)
Other current liabilities		(576,640)	1,950	0	0	0	(574,690)	0
Claims and judgements payable		0	0	0	0	0	0	96,164
Due to other governments		8,011	(17)	0	0	0	7,994	0
Total adjustments		3,454,007	125,471	347,874	(27,640,867)	524,138	(23,189,377)	3,020,140
NET CASH FLOWS - OPERATING ACTIVITIES	\$	8,356,970	(1,203,456)	(4,802,037)	(29,913,941)	(1,740,770)	(29,303,234)	3,310,139

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

NON CASH TRANSACTIONS:

Asset transfers - proprietary funds	\$	96,911	(170,789)	(1,136,816)	0	0	(1,210,694)	1,636,124
Contributed capital assets - governmental activities		0	0	0	0	0	0	707,479
TOTAL NON CASH TRANSACTIONS	\$	96,911	(170,789)	(1,136,816)	0	0	(1,210,694)	2,343,603

LOS ALAMOS





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 FIDUCIARY NET POSITION
June 30, 2024

	PENSION TRUST FUNDS	CUSTODIAL FUNDS
ASSETS		
Cash and cash equivalents	\$ 0	249,381
Receivables, net of allowance for uncollectibles:		
Employee loans	1,709,921	0
Property taxes	0	368,069
Others	6,593	313
Total receivables	<u>1,716,514</u>	<u>368,382</u>
Investments at fair value:		
Participant directed mutual funds	74,866,183	0
Total investments	<u>74,866,183</u>	<u>0</u>
Due from other funds	123,494	0
TOTAL ASSETS	<u>\$ 76,706,191</u>	<u>617,763</u>
LIABILITIES		
Accounts payable and other liabilities	\$ 66,729	538,421
Due to other funds	250,822	0
TOTAL LIABILITIES	<u>317,551</u>	<u>538,421</u>
NET POSITION		
Restricted for:		
Pensions	76,388,640	0
Employee fund	0	14,947
Recreation programs	0	44,724
Utility assistance program	0	19,671
TOTAL NET POSITION	<u>\$ 76,388,640</u>	<u>79,342</u>

INCORPORATED COUNTY OF LOS ALAMOS
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2024

	<u>PENSION TRUST FUNDS</u>	<u>CUSTODIAL FUNDS</u>
ADDITIONS		
Contributions:		
Employer, net of forfeitures	\$ 5,295,659	0
Employees (plan member)	588,377	0
Customers	0	16,080
Property tax received	0	41,114,090
Donations for recreation programs	0	500
Employee fund	0	2,921
Total contributions	<u>5,884,036</u>	<u>41,133,591</u>
Investment earnings:		
Net increase in fair value of investments	8,844,747	0
Sales tax collections for other governments	0	2,483,904
Fee collections for other governments	0	5,784
TOTAL ADDITIONS	<u>14,728,783</u>	<u>43,623,279</u>
DEDUCTIONS		
Benefits paid to participants or beneficiaries	3,187,937	11,155
Administrative expense	27,138	0
Payment to State	0	3,004,328
Property tax payment	0	40,599,450
Employee fund	0	6,450
TOTAL DEDUCTIONS	<u>3,215,075</u>	<u>43,621,383</u>
Net increase (decrease) in fiduciary net position	11,513,708	1,896
NET POSITION		
Beginning of fiscal year	<u>64,874,932</u>	<u>77,446</u>
NET POSITION - END OF FISCAL YEAR	<u><u>\$ 76,388,640</u></u>	<u><u>79,342</u></u>

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INCORPORATED COUNTY OF LOS ALAMOS

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

(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. GASB Statement No.14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units—an amendment of GASB Statement No. 14*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14*, GASB Statements No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*, GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, as well as other applicable GASB Statements are used for the determination to include any potential component units in the financial reporting entity of the County.

- 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 2024, 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. 99 (GASBS 99), "Omnibus 2022"
- GASB Statement No. 100 (GASBS 100), "Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62"

GASBS 99 enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. GASBS 99 does not impact Los Alamos County.

GASBS 100 prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. See Note 25 for detail on error correction.

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 (60 days) 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. For this purpose, revenues from federal and state grant sources are determined to be available if collected within 12 months of the end of the current fiscal period.

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, provision for uncollectible accounts, 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, 2024. The County does not have investments that are reported at amortized cost.

I. Accounts and Loans Receivable – Allowance for Uncollectible Accounts

Where collection of trade and loan receivables is uncertain, the County provides an allowance for uncollectible accounts. See item M. 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. 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 \$.8 million in the year ended June 30, 2024.

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:

<u>Asset Category</u>	<u>Estimated Useful Life in Years</u>
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 position that is applicable to a future period. Deferred inflows of resources are defined as an acquisition of net position 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 \$838 per year of service for active Fire Department employees at June 30, 2024, and approximately \$350 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 the fall 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 2024, the County Council and the New Mexico Department of Finance and Administration approved a total of approximately \$148.4 million of budget revisions (transfers and supplementary 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: \$17.0 million for Utilities projects and increases in Other Purchased Power, \$31.4 million in encumbrance carryovers, \$12.2 million in available budget carryovers and \$6.2 million in other budget increases. For the fiscal year ended June 30, 2024 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, 2024, the Fire Fund, a major proprietary fund, reported a deficit net position of \$44,760,793. 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.

(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		25,341,334
Cash equivalents		6,154,844
Book value of investments		<u>356,603,653</u>
Total reported in notes to financial statements	\$	<u>388,104,231</u>
Government-wide Statement of Net Position:		
Equity in pooled cash and investments	\$	196,309,835
Investments		88,610,773
Restricted assets-Cash & Cash Equivalents		28,068,059
Restricted assets-Investments		
Custodial Funds:		
Equity in pooled cash and investments		249,381
Investments (mutual funds), at fair value		<u>74,866,183</u>
Total reported in financial statements	\$	<u>388,104,231</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, 2024, the County had deposits with bank balances of \$25,341,334 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, 2024, are presented below using the Moody's or Standard and Poor's rating scales:

<u>Investment Type</u>	Fair Value	Quality Ratings		
		AAA _m	AA+	A
U.S. Government Agencies	\$ 57,399,935	57,399,935	0	0
U.S Treasuries	118,579,562	118,579,562	0	0
<u>Unrated investments:</u>				
New Mexico State Investment Council	63,004,678			
NM Local Government Investment Pool - General Fund	24,500,000	24,500,000		
NM Local Government Investment Pool - Utilities Fund	18,253,295	18,253,295		
Exempt from credit risk disclosure:				
LAC Pension	<u>74,866,183</u>			
Total Investments	\$ <u>356,603,653</u>			

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	\$ 57,399,935	11,786,280	41,563,010	4,050,645	0
U.S Treasuries	118,579,562	27,449,155	91,130,407	0	0
	175,979,497	39,235,435	132,693,417	4,050,645	0
<u>Other Investments</u>					
New Mexico State Investment Council	63,004,678				
NM Local Government Investment Pool - General Fund	24,500,000				
NM Local Government Investment Pool - Utilities Fund	18,253,295				
LAC Pension Plan	74,866,183				
Total Investments	\$ 356,603,653				

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 as of June 30, 2024 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 as of June 30, 2024 (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	\$ 12,547,385	3.5%
FFCB	Federal agency securities	32,822,400	9.2%
FHLB	Federal agency securities	12,030,150	3.4%
U.S TREAS	U.S Treasuries securities	118,579,562	33.3%

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, 2024 are as follows:

	<u>Fair Value Measurements Using</u>			
	<u>6/30/2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level				
U.S. Agencies Securities	\$ 57,399,935	57,399,935	0	0
U.S. Treasuries Securities	118,579,562	118,579,562	0	0
New Mexico State Investment Council	63,004,678	31,418,943	31,585,735	0
NM Local Government Investment Pool - General Fund	24,500,000	24,500,000	0	0
NM Local Government Investment Pool - Utilities Fund	18,253,295	18,253,295	0	0
Alliance Benefit Group - LAC Pension Plan	74,866,183	71,122,874	3,743,309	0
Total investments by fair value level	<u>\$ 356,603,653</u>	<u>321,274,609</u>	<u>35,329,044</u>	

(4) ACCOUNTS RECEIVABLES

Accounts receivable balances at June 30, 2024, net of applicable allowances for uncollectible accounts, are as follows:

	<u>Accounts Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net</u>
Governmental activities:			
General	\$ 1,776,017	(39,121)	1,736,896
Economic Development	3,870	0	3,870
Capital Improvement Projects	147,329	(147,329)	0
Other Governmental	43,769	0	43,769
Total governmental activities	<u>1,970,985</u>	<u>(186,450)</u>	<u>1,784,535</u>
Business-type activities:			
Joint Utility System	8,156,806	(63,468)	8,093,338
Airport	9,452	(97)	9,355
Environmental Services	362,804	(14,284)	348,520
Fire	1,854,892	(1,047,615)	807,277
Transit	659	0	659
Internal Service	12,315	(3,567)	8,748
Total business-type activities	<u>10,396,928</u>	<u>(1,129,031)</u>	<u>9,267,897</u>
Totals	<u>\$ 12,367,913</u>	<u>(1,315,481)</u>	<u>11,052,432</u>

On the Government-wide Statement of Net Position an additional \$250,822 due from the Pension Trust Fund is classified as pension forfeitures receivable.

(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, 2024, 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, 2024, 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, 2024, 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 2024 was \$46,429.

The details of the economic development loan receivable balances at June 30, 2024, are as follows:

Principal, economic development loans:	
UbiQD	\$ 193,452
Elemetric Instruments Inc (formerly Advanced Realtime Technologies, LLC)	51,170
Avanza Technologies, Inc.	227,944
Subtotal economic development loans	<u>472,566</u>
Less: Reserve for loan losses	(279,114)
UbiQD principal payment in FY24	<u>(46,429)</u>
Total loans receivable, net of reserve for loan losses (as reflected in Economic Development Fund)	<u><u>\$ 147,023</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, 2024 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 - 2	18,600
Loan No. FY2019 - 5	9,100	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 - 6	21,600	Loan No. FY2022 - 4	11,000
Loan No. FY2020 - 7	19,078	Loan No. FY2023 - 1	24,900
Loan No. FY2020 - 8	22,300	Loan No. FY2023 - 2	20,000
Loan No. FY2020 - 9	45,000	Loan No. FY2023 - 3	25,000
Loan No. FY2021 - 1	17,650	Loan No. FY2023 - 10	29,330
Loan No. FY2021 - 2	24,800		
Loan No. FY2021 - 3	25,500	Subtotal economic development loans	<u>523,929</u>
Loan No. FY2021 - 4	16,600	Less: Discounts on economic development loans	-
Loan No. FY2021 - 5	22,150	Less: Reserve for loan losses	<u>-</u>
Loan No. FY2021 - 6	18,700		
Loan No. FY2022 - 1	34,100	Total loans receivable, net of reserve for loan losses	\$ <u>523,929</u>
Loan No. FY2022 - 2	30,400	(as reflected in Economic Development Fund)	
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		
Loan No. FY2023 - 6	45,000		
Loan No. FY2023 - 7	13,430		
Loan No. FY2023 - 9	34,660		
Loan No. FY2024 - 1	12,214		
Loan No. FY2024 - 2	19,215		
Loan No. FY2024 - 3	44,877		
Loan No. FY2024 - 4	45,000		
Subtotal economic development loans	<u>1,130,361</u>		
Less: Discounts on economic development loans	-		
Less: Reserve for loan losses	<u>-</u>		
Total loans receivable, net of reserve for loan losses			
(as reflected in Economic Development Fund)	\$ <u>1,130,361</u>		

(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, 2024 are:

Transfers in (from other funds)	Transfers out (to other funds)						Total
	General	Capital Projects Permanent	Joint Utility System	Environmental Services	Transit	Fire	
General	\$ 0	0	0	0	0	3,263,000	3,263,000
Economic Development	1,600,000	0	0	0	0	0	1,600,000
Capital Improvement Projects	23,256,422	1,591,003	0	0	0	0	24,847,425
Joint Utility System	999,878	0	1,053,812	0	0	0	2,053,690
Transit	1,200,000	0	0	0	0	0	1,200,000
Airport	907,326	0	0	0	0	0	907,326
Internal Service	0	0	411,623	170,789	1,136,816	0	1,719,228
Other Governmental	5,241,859	0	0	0	0	0	5,241,859
	<u>\$ 33,205,485</u>	<u>1,591,003</u>	<u>1,465,435</u>	<u>170,789</u>	<u>1,136,816</u>	<u>3,263,000</u>	<u>40,832,528</u>
Capital assets were transferred into (out of) the following funds from (to) governmental activities:							
Internal Service	\$ 672,441						
Total	<u>\$ 672,441</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, 2024 are presented below:

Advances from other funds	Advances to 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 and Fire Fund.

Due to/due from balances at June 30, 2024 are presented below:

Due to other funds	Due from other funds		
	General	Pension	Total
General	\$ 0	123,494	123,494
Capital Projects Permanent Fund	3,900,552	0	3,900,552
Fire	2,181,768	0	2,181,768
Pension Trust	250,822	0	250,822
	<u>\$ 6,333,142</u>	<u>123,494</u>	<u>6,456,636</u>

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

The County capitalized approximately \$89.7 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, \$40.2 million were additions to governmental activities and \$49.5 million were additions to business-type activities. During fiscal year 2024, the County added approximately \$43.5 million in new construction in progress, \$22.4 million in governmental activities capital assets and \$21.1 million in business-type activities capital assets. Machinery and equipment in the amount of \$707,480 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.

Capital asset activity for the year ended June 30, 2024 was as follows:

	June 30, 2023			Donations, Transfers and Adjustments	June 30, 2024
	Balance	Additions	Disposals		Balance
Governmental activities capital assets:					
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	1,724,499	0	0	0	1,724,499
Construction in progress	6,739,873	22,416,726	(13,999,345)	0	15,157,254
Total capital assets, not being depreciated	<u>66,776,002</u>	<u>22,416,726</u>	<u>(13,999,345)</u>	<u>0</u>	<u>75,193,383</u>
Capital assets, being depreciated					
Buildings	144,583,954	0	0	0	144,583,954
Improvements other than buildings	40,233,176	2,362,698	0	0	42,595,874
Machinery and equipment	23,598,598	3,986,214	(206,982)	(672,441)	26,705,389
Infrastructure	201,289,166	7,258,028	0	0	208,547,194
Capital assets, being depreciated	<u>409,704,894</u>	<u>13,606,940</u>	<u>(206,982)</u>	<u>(672,441)</u>	<u>422,432,411</u>
Less accumulated depreciation for:					
Buildings	(43,831,333)	(2,911,155)	0	0	(46,742,488)
Improvements other than buildings	(14,005,617)	(1,910,700)	0	0	(15,916,317)
Machinery and equipment	(14,409,428)	(2,112,988)	206,982	0	(16,315,434)
Infrastructure	(127,714,414)	(3,753,268)	0	0	(131,467,682)
Total accumulated depreciation	<u>(199,960,792)</u>	<u>(10,688,111)</u>	<u>206,982</u>	<u>0</u>	<u>(210,441,921)</u>
Right-to-use assets - Leases					
Buildings	358,145	164,326	0	0	522,471
Machinery and equipment	803,673	0	0	0	803,673
Leased assets, being amortized	<u>1,161,818</u>	<u>164,326</u>	<u>0</u>	<u>0</u>	<u>1,326,144</u>
Less accumulated amortization for:					
Buildings	(195,249)	(102,490)	0	0	(297,739)
Machinery and equipment	(116,465)	(179,280)	0	0	(295,745)
Total accumulated amortization	<u>(311,714)</u>	<u>(281,770)</u>	<u>0</u>	<u>0</u>	<u>(593,484)</u>
Total Leased assets, being amortized, net	<u>850,104</u>	<u>(117,444)</u>	<u>0</u>	<u>0</u>	<u>732,660</u>
Right-to-use assets - SBITA					
IT Subscriptions	4,553,173	4,073,045	0	(4,783)	8,621,435
SBITA assets, being amortized	<u>4,553,173</u>	<u>4,073,045</u>	<u>0</u>	<u>(4,783)</u>	<u>8,621,435</u>
Less accumulated amortization for:					
IT Subscriptions	(1,277,432)	(1,918,161)	0	0	(3,195,593)
Total accumulated amortization	<u>(1,277,432)</u>	<u>(1,918,161)</u>	<u>0</u>	<u>0</u>	<u>(3,195,593)</u>
Total SBITA assets, being amortized, net	<u>3,275,741</u>	<u>2,154,884</u>	<u>0</u>	<u>(4,783)</u>	<u>5,425,842</u>
Total right-to-use assets, being amortized, net	<u>4,125,845</u>	<u>2,037,440</u>	<u>0</u>	<u>(4,783)</u>	<u>6,158,502</u>
Total capital assets, being depreciated, net	<u>213,869,947</u>	<u>4,956,269</u>	<u>0</u>	<u>(677,224)</u>	<u>218,148,992</u>
Total governmental activities capital assets \$	<u>280,645,949</u>	<u>27,372,995</u>	<u>(13,999,345)</u>	<u>(677,224)</u>	<u>293,342,375</u>

	June 30, 2023 Balance	Additions	Disposals	Donations, Transfers and Adjustments	June 30, 2024 Balance
Business-type activities capital assets:					
Capital assets, not being depreciated:					
Land	\$ 8,427,544	0	0	0	8,427,544
Construction in progress	24,335,498	21,138,959	(17,182,641)	0	28,291,816
Total capital assets, not being depreciated	<u>32,763,042</u>	<u>21,138,959</u>	<u>(17,182,641)</u>	<u>0</u>	<u>36,719,360</u>
Capital assets, being depreciated					
Buildings	25,094,555	37,000	0	0	25,131,555
Improvements other than buildings	18,210,971	0	0	0	18,210,971
Utility plant in service	296,489,229	21,206,532	(1,309,535)	0	316,386,226
Machinery and equipment	38,320,418	4,868,399	(1,152,327)	(76,165)	41,960,325
Capital assets, being depreciated	<u>378,115,173</u>	<u>26,111,931</u>	<u>(2,461,862)</u>	<u>(76,165)</u>	<u>401,689,077</u>
Less accumulated depreciation for:					
Buildings	(9,910,405)	(608,525)	0	0	(10,518,930)
Improvements other than buildings	(10,777,691)	(578,267)	0	0	(11,355,958)
Utility plant in service	(152,231,972)	(5,285,282)	1,086,568	0	(156,430,686)
Machinery and equipment	(24,192,510)	(3,065,444)	679,384	0	(26,578,570)
Total accumulated depreciation	<u>(197,112,578)</u>	<u>(9,537,518)</u>	<u>1,765,952</u>	<u>0</u>	<u>(204,884,144)</u>
Right-to-use assets - Leases					
Buildings	1,037,899	0	0	0	1,037,899
Improvements other than buildings	0	0	0	0	0
Machinery and equipment	0	0	0	0	0
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	(345,967)	(172,983)	0	0	(518,950)
Improvements other than buildings	0	0	0	0	0
Machinery and equipment	0	0	0	0	0
Total accumulated amortization	<u>(345,967)</u>	<u>(172,983)</u>	<u>0</u>	<u>0</u>	<u>(518,950)</u>
Total Leased assets, being amortized, net	<u>691,932</u>	<u>(172,983)</u>	<u>0</u>	<u>0</u>	<u>518,949</u>
Right-to-use assets - SBITA					
IT Subscriptions	501,589	2,224,374	(40,421)	0	2,685,542
SBITA assets, being amortized	<u>501,589</u>	<u>2,224,374</u>	<u>(40,421)</u>	<u>0</u>	<u>2,685,542</u>
Less accumulated amortization for:					
IT Subscriptions	(73,122)	(319,659)	0	7,736	(385,045)
Total accumulated amortization	<u>(73,122)</u>	<u>(319,659)</u>	<u>0</u>	<u>7,736</u>	<u>(385,045)</u>
Total SBITA assets, being amortized, net	<u>428,467</u>	<u>1,904,715</u>	<u>(40,421)</u>	<u>7,736</u>	<u>2,300,497</u>
Total right-to-use assets, being amortized, net	<u>1,120,399</u>	<u>1,731,732</u>	<u>(40,421)</u>	<u>7,736</u>	<u>2,819,446</u>
Total capital assets, being depreciated, net	<u>182,122,994</u>	<u>18,306,145</u>	<u>(736,331)</u>	<u>(68,429)</u>	<u>199,624,379</u>
Total business-type activities capital assets \$	<u>214,886,036</u>	<u>39,445,104</u>	<u>(17,918,972)</u>	<u>(68,429)</u>	<u>236,343,739</u>

Depreciation and amortization expense for the year ended June 30, 2024 was as follows:

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

General government	\$	3,170,492
Public safety		1,034,329
Economic Development		235,631
Transportation		5,880,416
Health and Welfare		102,751
Culture and recreation		<u>2,464,423</u>
Total depreciation expense - governmental activities	\$	<u><u>12,888,042</u></u>

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

Joint Utility Fund		
Electric	\$	1,852,424
Gas		482,160
Water		2,299,616
Wastewater		887,591
Environmental Services		189,120
Transit		281,013
Fire		1,050,520
Airport		539,674
Equipment - Internal Service		<u>2,448,042</u>
Total depreciation expense - business-type activities	\$	<u><u>10,030,160</u></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 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, 2023 available at 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 2024 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 2023 annual audit report at 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.

On May 2, 2023, Los Alamos County Council adopted Resolution Numbers 23-13 to 23-19, which authorize the County to pick-up approximately 5% of all PERA member contributions. The active plan rates, including the 5% PERA pick-up, 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	8.080%	10.580%	15.870%
Municipal Police Plan 5	11.130%	13.630%	25.320%
Municipal Detention officer Plan 1	11.360%	13.860%	23.590%
Municipal Fire Plan 5	11.080%	15.080%	28.020%

Statutorily required contributions to the pension plan from the County were \$8,423,840 and employer paid member benefits that were “picked up” by the County were \$3,086,447 for the year ended June 30, 2024. The County’s total contributions to PERA for the years ended June 30, 2024, 2023, and 2022 were \$8,812,402, \$5,638,871, and \$5,959,393 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, 2023, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2023. 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, 2023. Only employer contributions for the pay period end dates that fell within the period of July 1, 2022 to June 30, 2023 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to fiscal year 2023 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, 2024, the County recognized PERA All Plans combined net pension expense of \$17,873,668. At June 30, 2024, 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 of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,894,958	\$ (851,234)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	9,941,503	-
Changes in proportion and differences between County contributions and proportionate share of contributions	1,429,099	(581,515)
County contributions subsequent to measurement date	8,812,402	-
Totals	\$ 31,077,962	\$ (1,432,749)

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 \$696,592; 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>		
2025	\$	7,494,379
2026		2,676,444
2027		9,759,499
2028		902,489
Thereafter	\$	-

For the PERA Municipal General Division, at June 30, 2024, the County reported a liability of \$68,475,296 for its proportionate share of the net pension liability. At June 30, 2024, the County's proportion was 3.2338 percent, which was a slight decrease from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the County recognized PERA Municipal General Division net pension expense of \$8,960,987. At June 30, 2023, 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	\$ 5,139,352	\$ (835,684)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	6,438,293	-
Changes in proportion and differences between County contributions and proportionate share of contributions	447,822	(529,773)
County contributions subsequent to measurement date	4,191,518	-
Totals	\$ <u>16,216,985</u>	\$ <u>(1,365,457)</u>

The amount of \$4,191,518 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2023, were recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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>		
2025	\$	3,584,333
2026		550,310
2027		5,939,127
2028		586,240
Thereafter	\$	-

For PERA Municipal Police Division, at June 30, 2024 the County reported a liability of \$10,993,333 for its proportionate share of the net pension liability. At June 30, 2024, the County's proportion was 1.1399 percent, which was an increase from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the County recognized PERA Municipal Police Division net pension expense of \$1,724,934. At June 30, 2024, the County reported PERA Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

<u>PERA Municipal Police Plan</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 941,712	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	913,029	-
Changes in proportion and differences between County contributions and proportionate share of contributions	140,756	-
County contributions subsequent to measurement date	1,031,340	-
Totals	<u>\$ 3,026,837</u>	<u>\$ -</u>

The amount of \$1,031,340 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2023, were recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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>		
2025	\$	790,263
2026		244,359
2027		877,515
2028		83,360
Thereafter	\$	-

For PERA Municipal Fire Division, at June 30, 2024, the County reported a liability of \$60,961,973 for its proportionate share of the net pension liability. At June 30, 2024, the County's proportion was 6.7677 percent, which was an increase from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the County recognized PERA Municipal Fire Division net pension expense of \$7,187,747. At June 30, 2024, 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 of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,813,894	\$ (15,550)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	2,590,181	-
Changes in proportion and differences between County contributions and proportionate share of contributions	840,521	(51,742)
County contributions subsequent to measurement date	3,589,544	-
Totals	<u>\$ 11,834,140</u>	<u>\$ (67,292)</u>

The amount of \$3,589,544 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2023, were recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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>		
2025	\$	3,119,783
2026		1,881,775
2027		2,942,857
2028		232,889
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, 2022 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, 2023 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, 2023. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2023 actuarial valuation.

Actuarial valuation date	June 30, 2022
Actuarial cost method	Entry age normal
Amortization method	Level percentage of Payroll for all divisions except for Legislative division which is Level Dollar
Amortization period	25 years
Actuarial assumptions:	
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	38.0%	6.90%
Risk Reduction and Mitigation	17.0%	3.90%
Credit Oriented Fixed Income	19.0%	6.00%
Real Assets to Include Real Estate Equity	18.0%	7.00%
Multi-Risk Allocation	8.0%	0.61%
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.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
PERA Municipal General Division:			
County's proportionate share of the net pension liability	\$ 99,278,946	\$ 68,475,296	\$ 42,864,510
PERA Municipal Police Division:			
County's proportionate share of the net pension liability	15,831,310	10,993,333	7,033,196
PERA Municipal Fire Division:			
County's proportionate share of the net pension liability	78,787,470	60,961,973	46,331,361

Pension plan fiduciary net position: Detailed information about the pension plan’s fiduciary net position is available in the fiscal year 2023 PERA financial report. The report is available at nmpera.org/financial-overview/comprehensive-annual-financial-report.

Payable Changes in the Net Pension Liability. At June 30, 2024, the County reported a payable of \$1,036,237 for outstanding contributions due to PERA for the year ended June 30, 2024.

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, 2024 were \$5,884,036 (\$588,377 participant; and \$5,295,659 County, net of forfeitures of \$0). 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 \$63 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, 2024 were \$27,138 and is attributable to trustee fees.

Plan investments at June 30, 2024, stated at fair value, based on the funds' share price are shown in the following table:

Mutual funds at fair value:	
American Funds	\$ 3,345,599
Pacific Investment	3,325,705
AB Relative	9,653,154
Parnassus	264,465
Baird	1,709,921
Great Gray Trust	56,539,336
Cash held for investments	28,003
	<hr/>
Total investments	<u>\$ 74,866,183</u>

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 \$25,600 for the fiscal year ended June 30, 2024.

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, 2024, the Fund's measurement date, the following employees were covered by the benefit terms:

Plan Membership	
Current retirees and surviving spouses	52,978
Inactive and eligible for deferred benefit	12,552
Current active members	<u>93,595</u>
	<u>159,125</u>
Active membership	
State general	18,462
State police and corrections	1,260
Municipal general	17,283
Municipal police	3,169
Municipal FTRE	2,419
Educational Retirement Board	<u>51,002</u>
	<u>93,595</u>

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 \$1,270,723 for the year ended June 30, 2024.

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

At June 30, 2024, the County reported a liability of \$15,524,883 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, 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, 2023. At June 30, 2023, the County's proportion was 0.91165 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, 2024, the County recognized OPEB income of \$5,074,480. At June 30, 2024 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 262,449	\$ 2,810,787
Changes of assumptions	2,987,710	14,645,166
Differences between actual and projected earnings on OPEB plan investments	331,945	-
Changes in proportion	887,198	2,347,327
County contributions made after the measurement date	1,270,723	-
Totals	<u>\$ 5,740,025</u>	<u>\$ 19,803,280</u>

Deferred outflows of resources totaling \$1,270,723 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, 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 will be recognized in OPEB expense as follows:

<u>Year ended June 30</u>	
2025	\$ (4,843,963)
2026	(3,211,148)
2027	(3,678,942)
2028	(2,740,223)
2029	(859,702)
Thereafter	<u>\$ (15,333,978)</u>

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

Actuarial valuation date	June 30, 2023
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	3.00% 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 8.5% graded down to 4.5% over 16 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. 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 Rate of Return
U.S. core fixed income	1.6%
U.S. equity - large cap	6.9%
Non U.S. - emerging markets	8.7%
Non U.S. - developed equities	7.2%
Private equity	10.0%
Credit and structured finance	3.7%
Real estate	3.6%
Absolute return	3.2%
U.S. equity - small/mid cap	6.9%

Discount Rate. The discount rate used to measure the total OPEB liability is 6.22% as of June 30, 2023. 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, 2070. 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 2070. Beyond 2070, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.65%) was applied. Thus, 6.22% 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 (5.22 percent) or 1-percentage-point higher (7.22 percent) than the current discount rate:

1% Decrease (5.22%)	Current Discount Rate (6.22%)	1% Increase (7.22%)
\$ 19,573,048	\$ 15,524,883	\$ 12,243,466

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>
\$ 12,853,026	\$ 15,524,883	\$ 18,593,436

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, 2023.

Payable Changes in the Net OPEB Liability. At June 30, 2024, the County reported a payable of \$30,050 for outstanding contributions due to NMRHCA for the year ended June 30, 2024.

9) LONG-TERM OBLIGATIONS

A. Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2024, 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	\$ 4,768,799	2,905,280	2,848,685	4,825,394	3,558,783
Revenue bonds payable	22,203,375	0	4,518,684	17,684,691	3,905,000
Total governmental activities	\$ 26,972,174	2,905,280	7,367,369	22,510,085	7,463,783
Business-type activities:					
Accrued compensated absences	\$ 5,639,358	4,995,263	4,372,966	6,261,655	3,747,373
Claims and judgments	573,625	669,789	573,625	669,789	640,055
Revenue bonds payable	12,671,361	0	1,382,545	11,288,816	1,325,000
Contracts and intergovernmental debt	30,138,710	11,664,391	1,156,099	40,560,082	1,278,208
Special closure costs	12,501,320	882,295	1,560,612	11,823,003	58,077
Total business-type activities	\$ 61,524,374	18,211,738	9,045,847	70,603,345	7,048,713

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 \$166,279 and claims and judgments in the amount of \$669,789 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.

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 scheduled annual maturity requirements of the 2013 GRT Advance Refunding Bonds as of June 30, 2024, is as follows:

Year ending June 30	2013 Series	
	Principal	Interest
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>\$ 16,665,000</u>	<u>1,529,604</u>
2013 Series Principal	\$ 16,665,000	
Discounts and premiums	<u>1,019,690</u>	
Total Payable	<u>\$ 17,684,690</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.

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, 2024 are as presented below.

Year ending June 30	2014A Series		2014B Series	
	Principal	Interest	Principal	Interest
2025	\$ 450,000	189,660	0	0
2026	465,000	175,710	0	0
2027	475,000	161,295	0	0
2028	495,000	144,195	0	0
2029	510,000	2,029	0	0
2030-2034	2,840,000	10,160	0	0
	<u>\$ 5,235,000</u>	<u>683,049</u>	<u>0</u>	<u>0</u>
2014A Series Principal	\$ 5,235,000			
2014B Series Principal	0			
Unamortized balances:				
Discounts and premiums	257,758			
Total payable	<u>\$ 5,492,758</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, 2024 are as presented below.

Year ending June 30	2010 A Series		2010 B Series		2010 C Series		2010 D Series		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
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	0	0	0	0	660,000	168,416	285,000	76,304	1,189,720
2028	0	0	0	0	685,000	128,288	305,000	58,976	1,177,264
2029	0	0	0	0	700,000	86,640	325,000	40,432	1,152,072
2030	0	0	0	0	725,000	44,080	340,000	20,672	1,129,752
	<u>\$ 0</u>	<u>0</u>	<u>350,000</u>	<u>19,236</u>	<u>3,680,000</u>	<u>856,919</u>	<u>1,780,000</u>	<u>395,839</u>	<u>7,081,994</u>
2010 A Series Principal	\$ 0								
2010 B Series Principal			350,000						
2010 C Series Principal					3,680,000				
2010 D Series Principal							1,780,000		
Unamortized balances:									
Refunding costs		0							
Discounts and premiums		(13,942)							
Total payable	<u>\$ 5,796,058</u>								

D. Intergovernmental Notes Payable

Business-type Activities

Beginning in December 2005 through June 2024, the County entered into various agreements to borrow \$40,560,082 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.

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.

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 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.

WPF 5673: To construct Phase II new Bayo non-potable water tank and existing tank upgrades, etc. The agreement included a grant in the amount of \$2,190,000 and is to be repaid from the net system revenues.

Loan terms and repayment schedules are shown below:

	New Mexico Environment Department	New Mexico Environment Department	New Mexico Environment Department	New Mexico Finance Authority	New Mexico Environment Department Construction Programs Bureau	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority
Loan Number	CWSRF 1438143	CWSRF 083	CWSRF 110	PP 3732	ARRA CWSRF 09	WPF 820	WPF 821	WPF 918	WPF 940	WPF 3557	WPF 4826	
Date of agreement	Dec 2005	Aug 2022	Sep 2022	May 2007	Dec 2009	Nov 2011	Jan 2013	Jun 2015	Mar 2015	Feb 2017	Mar 2022	
Beginning principal	14,355,105	6,259,681	25,000,000	4,331,349	234,812	600,000	140,000	562,400	182,000	53,840	320,000	
Term of agreement, in years	20	20	20	15	20	20	20	20	20	20	20	
Interest rate	3%	0.01%	0.01%	2.57%	2.56%	-	-	-	-	-	-	
Administrative fee	-	-	-	-	0.44%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	
Payable in year ending 6/30/2025:												
Principal	412,446	312,718	-	252,058	12,833	31,144	7,043	28,204	9,472	2,667	16,325	
Interest and/or admin fee	47,707	595	-	74,927	2,950	549	142	785	264	95	708	
Total	460,153	313,313	-	326,985	15,783	31,693	7,185	28,989	9,736	2,762	17,033	
Payable in year ending 6/30/2026:												
Principal	416,571	312,749	-	256,570	13,218	31,220	7,061	28,275	9,495	2,674	16,366	
Interest and/or admin fee	43,583	563	-	70,415	2,565	471	125	715	240	88	667	
Total	460,154	313,312	-	326,985	15,783	31,691	7,186	28,990	9,735	2,762	17,033	
Payable in five years ending 6/30/2031:												
Principal	2,146,178	1,564,216	-	1,371,738	72,282	157,239	35,569	142,436	47,835	13,468	82,445	
Interest and/or admin fee	154,587	2,348	-	263,187	6,633	1,181	357	2,510	844	341	2,719	
Total	2,300,765	1,566,564	-	1,634,925	78,915	158,420	35,926	144,946	48,679	13,809	85,164	
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	
Interest and/or admin fee	45,111	1,566	-	59,804	-	-	18	720	243	171	1,683	
Total	1,840,614	1,566,564	-	980,956	-	-	7,185	115,956	38,943	13,809	85,163	
Payable in five years ending 6/30/2041:												
Principal	-	1,565,782	-	-	-	-	-	-	-	5,503	84,528	
Interest and/or admin fee	-	783	-	-	-	-	-	-	-	21	634	
Total	-	1,566,565	-	-	-	-	-	-	-	5,524	85,162	
Payable in five years ending 6/30/2046:												
Principal	-	626,532	-	-	-	-	-	-	-	-	-	
Interest and/or admin fee	-	95	-	-	-	-	-	-	-	-	-	
Total	-	626,627	-	-	-	-	-	-	-	-	-	
Total payable												
Principal	4,770,698	5,946,995	19,462,379	2,801,518	98,333	219,603	56,840	314,151	105,502	37,950	283,144	
Interest and/or admin fee	290,988	5,950	-	468,333	12,148	2,201	642	4,730	1,591	716	6,411	
Total	5,061,686	5,952,945	19,462,379	3,269,851	110,481	221,804	57,482	318,881	107,093	38,666	289,555	

	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	New Mexico Water Trust Board and New Mexico Finance Authority	Totals
Loan Number	DW 5456	WPF 5081	WPF 5426	DW 5637	WPF 5673	
Date of agreement	May 2022	Mar 2021	Jan 2022	Jul 2022	Jan 2023	
Beginning principal	3,709,892	540,000	1,300,000	865,570	1,460,000	
Term of agreement, in years	25	25	25	25	25	
Interest rate	1.00%	-	-	1.00%	-	
Administrative fee	-	0.25%	0.25%	-	0.25%	
Payable in year ending 6/30/2025:						
Principal	125,005	10,605	57,687	-	-	1,278,207
Interest and/or admin fee	41,774	518	3,117	-	-	174,131
Total	166,779	11,123	60,804	-	-	1,452,338
Payable in year ending 6/30/2026:						
Principal	131,349	10,632	57,832	-	-	1,294,012
Interest and/or admin fee	35,430	492	2,973	-	-	158,327
Total	166,779	11,124	60,805	-	-	1,452,339
Payable in five years ending 6/30/2031:						
Principal	676,715	53,558	291,333	-	-	6,655,012
Interest and/or admin fee	157,179	2,059	12,691	-	-	606,636
Total	833,894	55,617	304,024	-	-	7,261,648
Payable in five years ending 6/30/2036:						
Principal	711,233	54,230	294,993	-	-	5,600,330
Interest and/or admin fee	122,661	1,385	9,029	-	-	242,391
Total	833,894	55,615	304,022	-	-	5,842,721
Payable in five years ending 6/30/2041:						
Principal	747,514	54,912	298,700	-	-	2,756,939
Interest and/or admin fee	86,381	706	5,324	-	-	93,849
Total	833,895	55,618	304,024	-	-	2,850,788
Payable in five years ending 6/30/2046:						
Principal	1,276,139	23,419	246,387	-	-	2,172,477
Interest and/or admin fee	58,093	90	1,082	-	-	59,360
Total	1,334,232	23,509	247,469	-	-	2,231,837
Total payable						
Principal	3,667,955	207,356	1,246,932	599,239	741,487	40,560,082
Interest and/or admin fee	501,518	5,250	34,216	-	-	1,334,694
Total	4,169,473	212,606	1,281,148	599,239	741,487	41,894,776

(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, 2024, the Formula Rate was \$3.30 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, 2024, the County paid \$2,385,058 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 2024 was \$91,836. 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 2025. 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 \$244,311 to pay FERC for headwater benefits associated with the San Juan-Chama Diversion Project.

(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 \$24,153,155 during fiscal year 2024 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.

In March 2024, the County entered into a power purchase agreement with Mercuria from April 1, 2024 through February 28, 2026 for 40 megawatts around the clock. The County is paying \$76.75 per megawatt hour.

(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, 2024 the remaining 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 \$367,115 is reflected in restricted assets in the Environmental Services Fund as of June 30, 2024. 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 were applied to reduce the face amount of the 2004A refunding bonds. As of June 30, 2024, \$6,837,322 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, 2024, the balance in this trust is \$2,745,022. 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, 2024, the balance in this trust is \$1,195,268. 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 \$669,789 reported in the Risk Management Fund at June 30, 2024 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 2024 Insurance coverage summary:

<u>Insurance Coverage</u>	<u>Deductible</u>	<u>Insurance Liability Limits</u>
General, Medical Malpractice and Automotive Liability/Uninsured Motorist	\$25,000	\$400,000 per person and \$750,000 per occurrence for bodily injury \$100,000 per occurrence, fire legal liability damage \$300,000 for all past and & future medical/medically-related expenses per occurrence \$100,000 per Legally Described Real Property for Physical Damage or Distruction (PD) \$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 defense/fines, business interruption/extra expense, data recovery, extortion/ransomware, 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 2023 and 2024 are summarized below.

	Group Insurance (Dental)	Medical Insurance	Workers Compensation	General Liability	Total
Claims liability, June 30, 2022	\$ 13,000	588,000	1,930,216	120,685	2,651,901
Current year claims, insurance, and 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
Current year claims, insurance, and changes in estimates	494,113	7,537,778	0	922,252	8,954,143
Claims and insurance payments	(496,713)	(7,433,278)	0	(927,988)	(8,857,979)
Claims liability, June 30, 2024	\$ 9,400	536,500	0	123,889	669,789

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. 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 2024, the County recognized intergovernmental revenue of approximately \$30.6 million under the terms of this cooperative agreement.

Intergovernmental revenues of approximately \$3.1 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 a 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 \$0.295 per dth (dekatherms) of gas purchased during fiscal year 2024.

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 and ended on December 31, 2023, the County's share was 20-25% of the incurred expenses for the Department, with NNSA paying the remainder. Under the cooperative agreement that began on January 1, 2024, the County's share is 24% 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, 2024 are as follows:

Major Governmental Funds:	
General Fund	\$ 4,776,410
Emergency Declarations	109,181
Capital Improvement Projects	24,327,494
Other Governmental	2,077,738
Total Governmental Funds	<u>31,290,823</u>
Major Proprietary Funds:	
Joint Utility System	10,383,147
Environmental Services	528,425
Transit	975,664
Fire	85,475
Airport	1,765,375
Total Proprietary Funds	<u>13,738,086</u>
Internal Service Funds:	
Equipment	1,225,517
Risk Management	174,136
Total Internal Service Funds	<u>1,399,653</u>
Outstanding Encumbrances at June 30, 2024	<u>\$ 46,428,562</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, 2024 was \$634,905. The future minimum lease payments under short-term leases as of June 30, 2024, are approximately as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2025	772,709
2026	779,066
2027	635,015
2028	201,486
2029	0
	<u>\$ 2,388,276</u>

(16) ECONOMIC DEPENDENCY

The County has significant economic dependence upon Los Alamos National Laboratory (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, 2024, an estimated 75-80% of GRT revenues relate directly to LANL operations.

On September 27, 2024, Moody’s upgraded the County’s GRT revenue bond rating from Aa3 to Aa2 primarily because the pledged revenue is generated from a broad revenue base and will continue to provide strong coverage of over 4 times the maximum annual debt service (MADS). Over the last five years, pledge revenues have grown significantly due to increased economic activity at LANL which led to a coverage of 16.7 times MADS for the year ended June 30, 2023. Coverage is expected to decline for the year ended June 30, 2025, but will remain well above 4 times as previously mentioned.

(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 2024, the County expensed amortization costs of \$618.7 million and adjusted the deferred outflows by the same amount. As of June 30, 2024, the unamortized balance was \$1,856,168.

(18) TAX ABATEMENTS

As of June 30, 2024, the County does not provide tax abatements and therefore, no GASB Statement 77 is required.

(19) CONDUIT DEBT

As of June 30, 2024, the County does not have any conduit debt.

(20) LEASES RECEIVABLE

For the year ended June 30, 2024, 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.

As of June 30, 2024, Los Alamos County, NM had 8 active leases. The leases have receipts that range from \$3,776 to \$523,810 and interest rates that range from 0.8140% to 2.6410%. As of June 30, 2024, the total combined value of the lease receivable is \$21,245,776, the total combined value of the short-term lease receivable is \$285,559, and the combined value of the deferred inflow of resources is \$20,551,304. The leases had \$0 of Variable Receipts and \$0 of other receipts, not included in the Lease Receivable, within the Fiscal Year.

GENERAL GOVERNMENT LEASES ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Short-Term Balance as of June 30, 2024
Lease Receivable					
Buildings					
2500 Trinity Drive - Courts	\$ 1,019,144	0	94,076	925,068	97,821
4250 Diamond Drive - Pajarito Golf Lease	312,257	0	40,321	271,936	40,718
Total Building Lease Receivable	1,331,401	0	134,397	1,197,004	138,539
Land					
15th Street - Nectar	1,100,136	0	4,370	1,095,765	4,477
Eastern #2 246 East Road	7,601	0	3,728	3,873	3,873
LA Sombra Sub Division	677,566	0	18,625	658,941	19,061
North Mesa No.1	55,541	0	12,332	43,209	12,473
Smiths Trinity Site Lease	18,140,710	0	84,837	18,055,874	86,917
Total Land Lease Receivable	19,981,554	0	123,892	19,857,662	126,801
Total Lease Receivable	\$ 21,312,955	0	258,289	21,054,666	265,340

GENERAL GOVERNMENT LEASES ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Deferred Inflow of Resources				
Buildings				
2500 Trinity Drive - Courts	\$ 982,112	0	103,380	878,732
4250 Diamond Drive - Pajarito Golf Lease	309,507	0	41,268	268,240
Total Building Deferred Inflow of Resources	1,291,619	0	144,648	1,146,972
Land				
15th Street - Nectar	1,084,145	0	13,330	1,070,816
Eastern #2 246 East Road	7,327	0	3,663	3,663
LA Sombra Sub Division	665,196	0	28,306	636,890
North Mesa No.1	54,972	0	12,446	42,525
Smiths Trinity Site Lease	17,754,744	0	287,539	17,467,205
Total Land Deferred Inflow of Resources	19,566,384	0	345,284	19,221,099
Total Deferred Inflow of Resources	\$ 20,858,003	0	489,932	20,368,071

BUSINESS-TYPE ACTIVITIES:		Balance as of			Balance as of	Short-Term Balance as of
WATER DISTRIBUTION ACTIVITIES		July 1, 2023	Additions	Reductions	June 30, 2024	June 30, 2024
Lease Receivable						
Equipment						
T-Mobile Antenna Collocation and Facilities	\$	210,086	0	18,975	191,110	20,220
Total Equipment Lease Receivable		210,086	0	18,975	191,110	20,220
Total Lease Receivable	\$	210,086	0	18,975	191,110	20,220

BUSINESS-TYPE ACTIVITIES:		Balance as of			Balance as of
WATER DISTRIBUTION ACTIVITIES		July 1, 2023	Additions	Reductions	June 30, 2024
Deferred Inflow of Resources					
Equipment					
T-Mobile Antenna Collocation and Facilities	\$	207,133	0	23,900	183,233
Total Equipment Deferred Inflow of Resources		207,133	0	23,900	183,233
Total Deferred Inflow of Resources	\$	207,133	0	23,900	183,233

The future minimum lease receipts of these leases as of June 30, 2024, were as follows:

Principal and Interest Expected to Maturity				
Governmental Activities				
Fiscal Year		Principal Payments	Interest Payments	Total Payments
2025	\$	265,339	496,435	761,774
2026		268,548	491,530	760,078
2027		275,808	486,506	762,314
2028		276,399	481,364	757,763
2029		281,820	476,103	757,924
2030 - 2034		1,159,621	2,301,748	3,461,369
2035 - 2039		827,941	2,199,806	3,027,747
2040 - 2044		1,093,011	2,084,032	3,177,043
2045 - 2049		1,122,904	1,945,648	3,068,552
2050 - 2054		1,206,661	1,807,557	3,014,218
2055 - 2059		1,426,670	1,648,469	3,075,139
2060 - 2064		1,681,472	1,460,681	3,142,153
2065 - 2069		1,976,195	1,239,674	3,215,869
2070 - 2074		2,316,688	980,267	3,296,955
2075 - 2079		2,709,629	676,522	3,386,151
2080 - 2084		3,162,631	321,636	3,484,266
2085 - 2089		606,693	59,542	666,235
2090 - 2094		113,537	41,463	155,000
2095 - 2099		128,157	26,842	155,000
2100 - 2104		144,660	10,340	155,000
2105		10,282	52	10,333
Total	\$	21,054,666	19,236,217	40,290,883

Principal and Interest Expected to Maturity				
Business-Type Activities				
Fiscal Year		Principal Payments	Interest Payments	Total Payments
Fiscal Year		Principal Payments	Interest Payments	Total Payments
2025	\$	20,220	4,805	25,026
2026		21,521	4,256	25,777
2027		22,879	3,671	26,550
2028		24,296	3,050	27,346
2029		25,776	2,391	28,167
2030 - 2034		76,418	2,842	79,260
Total	\$	191,110	21,015	212,126

(21) LEASES PAYABLE

For the year ended June 30, 2024, 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.

As of June 30, 2024, Los Alamos County had 8 active leases. The leases have payments that range from \$9,545 to \$180,378 and interest rates that range from 0.6480% to 3.1550%. As of June 30, 2024, the total combined value of the lease liability is \$1,271,993, the total combined value of the short-term lease liability is \$452,132. The combined value of the right-to-use asset, as of June 30, 2024 of \$2,193,127 with accumulated amortization of \$941,518 is included within the lease class activities table found below. The leases had \$0 of variable payments and \$0 of other payments, not included in the lease liability, within the fiscal year. See Note 7 for details related to the right-to-use assets associated with leases.

Principal and Interest Expected to Maturity				
Governmental Activities				
Fiscal Year		Principal Payments	Interest Payments	Total Payments
2025	\$	276,893	15,105	291,998
2026		246,471	9,030	255,501
2027		148,491	3,896	152,386
2028		68,386	590	68,975
Total	\$	740,241	28,621	768,860

Principal and Interest Requirements to Maturity				
Business-Type Activities				
Fiscal Year		Principal Payments	Interest Payments	Total Payments
2025	\$	175,239	5,139	180,378
2026		177,243	3,135	180,378
2027		179,271	1,107	180,378
Total	\$	531,753	9,381	541,134

Activity (Rollforward Schedule)					
GOVERNMENTAL ACTIVITIES:					
	Balance as of			Balance as of	Short-Term Balance as of
	July 1, 2023	Additions	Reductions	June 30, 2024	June 30, 2024
Lease Liability					
Buildings					
1183 Diamond Drive - Suite 200	\$ 49,142	0	49,142	0	0
1183 Diamond Drive - Suite E	119,555	0	37,257	82,298	38,711
1183 Diamond Drive - Unit D LSE24-938	-	164,326	17,426	146,900	69,350
Total Building Lease Liability	168,697	164,326	103,825	229,198	108,061
Equipment					
Quadient Finance USA - Postage Meter	35,350	0	8,430	26,920	8,696
Sharp Printer	510,593	0	106,313	404,280	109,090
Total Equipment Lease Liability	545,943	0	114,743	431,200	117,786
Land Improvements					
XCELL_TOWERS-POLICE	53,482	0	11,859	41,623	12,826
Total Land Improvement Lease Liability	53,482	0	11,859	41,623	12,826
Vehicles					
Golf Cars	83,740	0	45,520	38,220	38,220
Total Vehicle Lease Liability	83,740	0	45,520	38,220	38,220
Total Lease Liability	\$ 851,862	164,326	275,947	740,241	276,893

BUSINESS-TYPE ACTIVITIES: FIRE FUND ACTIVITIES	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Short-Term Balance as of June 30, 2024
Lease Liability					
Buildings					
999 Central Avenue Lease	\$ 705,010	0	173,257	531,753	175,239
Total Building Lease Liability	705,010	0	173,257	531,753	175,239
Total Lease Liability	\$ 705,010	0	173,257	531,753	175,239

(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, 2024 are summarized below (excluding short-term leases):

<u>Business-Type Activities</u>	<u>Number of Lease Contracts</u>	<u>Lease Terms*</u>
Lessor		
Ground Leases	42	5
Hangar Leases	10	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, 2024, were as follows:

Fiscal Year Ending June 30,	Total
2025	\$ 31,072
2026	32,314
2027	33,607
2028	34,951
2029	36,349
Total	\$ 168,293

For the year ended June 30, 2024, the County recognized the following in lease income on regulated airport leases:

Business-Type Activities	2024
Lease income	\$ 84,714

(23) SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS

For the year ended June 30, 2024, 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. For additional information, refer to the disclosures below.

As of June 30, 2024, Los Alamos County, NM had 45 active subscriptions. The subscriptions have payments that range from \$2,893 to \$400,000 and interest rates that range from 1.5803% to 3.5910%. As of June 30, 2024, the total combined value of the subscription liability is \$7,271,550, and the total combined value of the short-term subscription liability is \$2,008,848. The combined value of the right-to-use asset, as of June 30, 2024 of \$10,647,724 with accumulated amortization of \$2,921,385 is included within the subscription class activities table found below. The subscriptions had \$0 of variable payments and \$0 of other payments, not included in the subscription liability, within the fiscal year. See Note 7 for details related to the right-to-use assets associated with SBITAs.

Principal and Interest Requirements to Maturity				
Governmental Activities				
Fiscal Year		Principal Payments	Interest Payments	Total Payments
2025	\$	1,722,272	124,051	1,846,323
2026		1,571,109	81,909	1,653,017
2027		829,594	40,553	870,147
2028		483,444	22,415	505,859
2029		56,875	10,225	67,100
2030 - 2034		180,951	34,799	215,750
2035 - 2039		152,553	9,597	162,150
Total	\$	4,996,798	323,549	5,320,346

Principal and Interest Requirements to Maturity				
Business-Type Activities				
Fiscal Year		Principal Payments	Interest Payments	Total Payments
2025	\$	286,577	69,732	356,309
2026		307,921	60,854	368,775
2027		271,574	51,319	322,893
2028		252,569	43,126	295,694
2029		187,465	35,193	222,659
2030 - 2034		494,857	115,343	610,200
2035 - 2039		473,790	30,359	504,149
Total	\$	2,274,753	405,926	2,680,679

Activity (Rollforward Schedule)					
GOVERNMENTAL ACTIVITIES:	Balance as of	Additions	Reductions	Balance as of	Short-Term Balance as of
	July 1, 2023			June 30, 2024	June 30, 2024
Subscription Liability					
Software					
ACHIEVEIT SOFTWARE	\$ 0	100,997	26,274	74,723	24,242
Advanced Network Management Inc - Datacenter and Collaboration Managed Services	272,487	0	64,937	207,550	67,015
BOLDplanning Emergency Operations Plan Software	24,848	0	5,926	18,922	6,113
Brainier Solutions, Inc	0	305,714	21,397	284,317	17,634
CARAHSOFT Akitabox, Inc	0	95,302	31,134	64,168	30,864
CCC Cemetery IMS Cloud License	0	14,011	2,587	11,424	2,691
Carahsoft - Legistar Open Platform	197,322	0	35,703	161,619	39,365
Cisco VoIP Telephony	279,386	0	56,134	223,252	83,740
CliftonLarsonAllen ARPA Software Portal Application	144,555	0	47,172	97,383	48,178
Datacenter - Voice Over Internet Protocol	88,917	0	70,860	18,057	18,057
ESRI - GIS Cloud Services	0	0	0	0	0
ESRI GIS ENTERPRISE AGR24-904	0	82,862	28,400	54,462	26,849
Econolite Systems Inc - Centracrs Traffic Controller Software	0	37,752	7,500	30,252	6,922
EnerGov Software	646,577	0	162,335	484,242	165,361
Fifth Asset Inc. dba Debtbook	204,862	0	10,276	194,586	10,513
GRANICUS - OpenCities License Subscription	138,295	0	20,866	117,429	21,377
INDIGENT HEALTHCARE SOLUTIONS, LTD.	29,107	0	14,407	14,700	14,700
IQGeo America Inc.	0	25,582	8,108	17,474	7,917
Infor - CAD & RMS	321,797	0	154,493	167,304	167,304
Justice Systems Inc	0	27,515	9,041	18,474	8,837
OpenGov Inc.	0	138,409	45,186	93,223	44,787
SENSIBLE IT - Traffic and Criminal Software	18,086	0	9,368	8,718	8,718
SHI - Microsoft Enterprise	0	0	0	0	0
SHI - Microsoft Enterprise AGR24-911	0	1,167,077	400,000	767,077	378,154
SHI - STREETLIGHT DATA INC	0	49,506	17,071	32,435	15,931
SirsiDynix - Integrated Library System	159,168	0	37,536	121,632	39,010
Skydio X2E Drone	15,303	0	4,994	10,309	5,101
Tyler - Eagle Assessor License	198,938	20	69,210	129,748	62,090
Tyler Eagle Recorder	70,668	0	23,065	47,603	23,553
Tyler ExecuTime Software	0	137,664	24,825	112,839	24,989
Tyler Software - MUNIS AGR16-701-A2	0	1,616,274	319,128	1,297,146	295,084
Tyler Software - Munis	0	0	0	0	0
Unite USA Inc	0	175,693	59,963	115,730	57,176
Total Software Subscription Liability	2,810,316	3,974,378	1,787,896	4,996,798	1,722,272
Total Subscription Liability	\$ 2,810,316	3,974,378	1,787,896	4,996,798	1,722,272

BUSINESS-TYPE ACTIVITIES:	Balance as of	Additions	Reductions	Balance as of	Short-Term Balance as of
	July 1, 2023			June 30, 2024	June 30, 2024
Subscription Liability					
Software					
Amazon Web & Learning Management System	\$ 63,080	0	14,538	48,542	15,337
Avail Technologies, Inc	0	354,046	69,859	284,187	64,756
CCC Cemetery IMS Cloud License	14,010	0	14,010	0	0
Ferguson Enterprise SaaS	0	515,120	87,086	428,034	74,328
Ferguson/Sensus - Customer Portal Core	49,764	0	7,108	42,656	7,496
Fire Inspection Software Solution	190,667	0	7,879	182,788	8,764
MRSP LLC - Smartphone for Meter Reading-AGR20-912	0	36,578	12,625	23,953	11,765
Municipal Media Corp DBA Recycle Coach A-1	0	16,365	5,463	10,902	5,310
Open Access Technology International, Inc	0	1,186,627	50,700	1,135,927	51,254
Remix - Hosted software	0	0	0	0	0
Remix Technologies - AGR24-914	0	88,755	27,950	60,805	28,466
Target Solutions Learning - Check It	55,090	0	12,674	42,416	13,387
Virtower LLC	0	17,383	2,840	14,543	5,712
Total Software Subscription Liability	372,611	2,214,874	312,732	2,274,753	286,575
Total Subscription Liability	\$ 372,611	2,214,874	312,732	2,274,753	286,575

ELECTRIC DISTRIBUTION ACTIVITIES:	Balance as of	Additions	Reductions	Balance as of	Short-Term Balance as of
	July 1, 2023			June 30, 2024	June 30, 2024
Subscription Liability					
Software					
CCC Cemetery IMS Cloud License	\$ 14,010	0	14,010	0	0
Ferguson Enterprise SaaS	0	515,120	87,086	428,034	74,328
Ferguson/Sensus - Customer Portal Core	49,764	0	7,108	42,656	7,496
Open Access Technology International, Inc	0	1,186,627	50,700	1,135,927	51,254
Total Software Subscription Liability	63,774	1,701,747	158,904	1,606,617	133,078
Total Subscription Liability	\$ 63,774	1,701,747	158,904	1,606,617	133,078

WASTE WATER ACTIVITIES:	Balance as of	Additions	Reductions	Balance as of	Short-Term Balance as of
	July 1, 2023			June 30, 2024	June 30, 2024
Subscription Liability					
Software					
MRSP LLC - Smartphone for Meter Reading-AGR20-912	\$ 0	36,578	12,625	23,953	11,765
Total Software Subscription Liability	0	36,578	12,625	23,953	11,765
Total Subscription Liability	\$ 0	36,578	12,625	23,953	11,765

FIRE FUND ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Short-Term Balance as of June 30, 2024
Subscription Liability Software					
Amazon Web & Learning Management System	\$ 63,080	0	14,538	48,542	15,337
Fire Inspection Software Solution	190,667	0	7,879	182,788	8,764
Target Solutions Learning - Check It	55,090	0	12,674	42,416	13,387
Total Software Subscription Liability	308,837	0	35,091	273,746	37,488
Total Subscription Liability	\$ 308,837	0	35,091	273,746	37,488

TRANSIT ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Short-Term Balance as of June 30, 2024
Subscription Liability Software					
Avail Technologies, Inc	\$ 0	354,046	69,859	284,187	64,756
Remix - Hosted software	0	0	0	0	0
Remix Technologies - AGR24-914	0	88,755	27,950	60,805	28,466
Total Software Subscription Liability	0	442,801	97,809	344,992	93,222
Total Subscription Liability	\$ 0	442,801	97,809	344,992	93,222

ENVIRONMENTAL SERVICES ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Short-Term Balance as of June 30, 2024
Subscription Liability Software					
Municipal Media Corp DBA Recycle Coach A-1	\$ 0	16,365	5,463	10,902	5,310
Total Software Subscription Liability	0	16,365	5,463	10,902	5,310
Total Subscription Liability	\$ 0	16,365	5,463	10,902	5,310

AIRPORT ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Short-Term Balance as of June 30, 2024
Subscription Liability					
Software					
Virtower LLC	\$ 0	17,383	2,840	14,543	5,712
Total Software Subscription Liability	0	17,383	2,840	14,543	5,712
Total Subscription Liability	\$ 0	17,383	2,840	14,543	5,712

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

The County implemented GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements for the year ended June 30, 2023, with the objective of improving financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). For the year ended June 30, 2024, 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 \$1,461,054, which is recorded as expense for the year ended June 30, 2024. 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 \$5,073,702.

(25) ERROR CORRECTION

GASB statement 34 states that utility capital assets should be recognized once the construction of the utility capital assets are complete. In fiscal year 2022, the construction of utility assets along New Mexico Highway 502 was complete; however, the County expensed the cost of the construction of the utilities with the understanding that both the roadway and the utilities belonged to the New Mexico Department of Transportation. However, in fiscal year 2024, it was determined that the utilities portion of the project belonged to the County. In fiscal year 2024, the County capitalized the utilities in the Joint Utilities Fund.

The impact of the error correction on the reporting units is shown below:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances					
	Funds					Government-Wide
	Electric	Gas	Water	Wastewater	Total Joint Utility Sytem Fund	Business-Type Activities
Net Position, June 30, 2023, as previously reported	\$ 31,619,762	\$ 8,490,446	\$ 71,071,586	\$ 34,117,689	\$ 145,299,483	\$ 145,637,404
Error correction	1,328,740	978,632	1,592,846	122,893	4,023,111	4,023,111
Net Position, June 30, 2023, as adjusted or restated	\$ 32,948,502	\$ 9,469,078	\$ 72,664,432	\$ 34,240,582	\$ 149,322,594	\$ 149,660,515



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**

	<u>FY2024</u>	<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>FY2015</u>
	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>Measurement Date as of</u>		<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
					<u>June 30, 2019</u>	<u>June 30, 2018</u>				
County proportion of the net pension liability	3.2338%	3.2527%	3.2981%	3.1545%	3.1100%	3.6388%	3.2978%	3.0931%	3.0997%	3.125%
County proportionate share of the net pension liability	\$ 68,475,296	\$ 57,692,526	\$ 37,158,927	\$ 63,791,160	\$ 58,837,193	\$ 58,015,939	\$ 45,314,561	\$ 49,423,456	\$ 31,604,127	\$ 24,378,354
[a] County covered payroll	38,810,352	34,542,505	30,265,633	29,644,939	30,114,939	28,833,162	30,696,325	26,542,869	27,005,309	25,267,986
County proportionate share of the net pension liability as a percentage of its covered payroll	176.4%	167.0%	122.8%	215.2%	195.4%	201.2%	147.6%	186.2%	117.0%	96.5%
Plan fiduciary net position as a percentage of the total pension liability	67.26%	69.35%	77.25%	66.36%	70.52%	71.13%	73.74%	69.18%	81.5%	81.29%

[a] 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**

	<u>FY2024</u>	<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>FY2015</u>
Actuarial determined contribution	\$ 4,191,518	\$ 3,557,878	\$ 2,966,032	\$ 2,905,204	\$ 2,951,264	\$ 2,753,567	\$ 2,931,499	\$ 2,534,844	\$ 2,579,007	\$ 2,517,567
Contributions in relation to contractually required contributions	4,191,518	3,557,878	2,966,032	2,905,204	2,951,264	2,753,567	2,931,499	2,534,844	2,579,007	2,517,567
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>	<u>\$ 0</u>	<u>\$ 0</u>
County covered payroll	\$ 38,810,352	\$ 34,542,505	\$ 30,265,633	\$ 29,644,939	\$ 30,114,939	\$ 28,833,162	\$ 30,696,325	\$ 26,542,869	\$ 27,005,309	\$ 26,361,958
Contributions as a percentage of covered payroll	10.80%	10.30%	9.80%	9.80%	9.80%	9.55%	9.55%	9.55%	9.55%	9.55%

**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**

	<u>FY2024</u>	<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>FY2015</u>
	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>Measurement Date as of</u>		<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
					<u>June 30, 2019</u>	<u>June 30, 2018</u>				
County proportion of the net pension liability	1.1399%	1.1373%	1.1173%	1.0634%	1.0708%	1.1533%	1.1284%	1.0753%	1.0245%	1.0533%
County proportionate share of the net pension liability	\$ 10,993,333	\$ 9,139,813	\$ 5,778,471	\$ 9,133,220	\$ 7,909,668	\$ 7,869,016	\$ 6,269,001	\$ 7,927,902	\$ 4,926,451	\$ 3,433,643
[a] County covered payroll	5,118,313	4,194,855	3,653,671	3,622,658	2,510,277	2,058,302	2,436,640	2,325,631	2,007,757	2,050,627
County proportionate share of the net pension liability as a percentage of its covered payroll	214.8%	217.9%	158.2%	252.1%	315.1%	382.3%	257.3%	340.9%	245.4%	167.4%
Plan fiduciary net position as a percentage of the total pension liability	67.26%	69.35%	77.25%	66.36%	70.52%	71.13%	73.74%	69.18%	78.3%	81.29%

[a] 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**

	<u>FY2024</u>	<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>FY2015</u>
Actuarial determined contribution	\$ 1,031,340	\$ 824,289	\$ 699,678	\$ 693,739	\$ 480,718	\$ 389,019	\$ 460,525	\$ 405,149	\$ 404,404	\$ 387,569
Contributions in relation to contractually required contributions	1,031,340	824,289	699,678	693,739	480,718	389,019	460,525	405,149	404,404	387,569
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>	<u>\$ 0</u>	<u>\$ 0</u>
County covered payroll	\$ 5,118,313	\$ 4,194,855	\$ 3,653,671	\$ 3,622,658	\$ 2,510,277	\$ 2,058,302	\$ 2,436,640	\$ 2,143,646	\$ 2,139,704	\$ 2,050,630
Contributions as a percentage of covered payroll	20.15%	19.65%	19.15%	19.15%	19.15%	18.90%	18.90%	18.90%	18.90%	18.90%

**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**

	<u>FY2024</u>	<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>FY2015</u>
	<u>Measurement Date as of</u>									
	<u>June 30, 2023</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>	<u>June 30, 2014</u>
County proportion of the net pension liability	6.7677%	6.6860%	6.5460%	6.5852%	7.0259%	7.8388%	7.5073%	7.6203%	7.8438%	7.7878%
County proportionate share of the net pension liability	\$ 60,961,973	\$ 50,776,920	\$ 39,736,064	\$ 49,808,727	\$ 48,284,574	\$ 50,173,239	\$ 42,952,607	\$ 50,835,148	\$ 40,483,279	\$ 35,506,227
[a] County covered payroll	12,865,750	10,135,887	10,473,438	9,340,533	9,164,720	9,357,544	9,961,027	9,097,485	8,935,025	8,832,796
County proportionate share of the net pension liability as a percentage of its covered payroll	473.8%	501.0%	379.4%	533.3%	526.9%	536.2%	431.2%	558.8%	453.1%	402.0%
Plan fiduciary net position as a percentage of the total pension liability	67.26%	69.35%	77.25%	66.36%	70.52%	71.13%	73.74%	69.18%	81.5%	81.29%

[a] 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**

	<u>FY2024</u>	<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>FY2015</u>
Actuarial determined contribution	\$ 3,589,544	\$ 2,777,233	\$ 2,296,683	\$ 2,045,577	\$ 2,012,231	\$ 2,089,272	\$ 2,156,562	\$ 1,920,956	\$ 1,932,454	\$ 1,904,387
Contributions in relation to contractually required contributions	3,589,544	2,777,233	2,296,683	2,045,577	2,012,231	2,089,272	2,156,562	1,920,956	1,932,454	1,904,387
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>	<u>\$ 0</u>	<u>\$ 0</u>
County covered payroll	\$ 15,674,865	\$ 12,398,362	\$ 10,473,438	\$ 9,340,534	\$ 9,188,269	\$ 9,650,217	\$ 9,961,025	\$ 8,872,776	\$ 8,925,885	\$ 8,796,245
Contributions as a percentage of covered payroll	22.90%	22.40%	21.90%	21.90%	21.90%	21.65%	21.65%	21.65%	21.65%	21.65%

INCORPORATED COUNTY OF LOS ALAMOS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES

Year ended June 30, 2024

Changes of benefit terms

The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY2023 audit available at 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, 2024 report is available at nmpera.org/financial-overview/retirement-fund-valuation-reports. The Total Experience Gain or Loss for the PERA Fund (on page C-10 of the report) shows the "total loss for the year" is \$343.7 million. The source of the loss includes the following: contribution surplus with interest of \$81.0 million, asset gains for the year of \$147.5 million, liability experience loss for the year of \$301.9 million, and a decrease in assumption change of \$270.3 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>FY2024</u>	<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, 2023</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	0.91165%	0.91802%	0.94456%	0.90780%	0.96531%	1.02953%	0.09978%
County proportionate share of the net OPEB liability	\$ 15,524,883	\$ 21,221,049	\$ 31,079,328	\$ 38,117,687	\$ 31,299,103	\$ 44,767,617	\$ 45,216,127
[b] County covered payroll	\$ 58,609,429	\$ 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 as a percentage of its covered payroll	26.49%	43.84%	71.31%	97.69%	77.70%	101.35%	108.79%
Plan fiduciary net OPEB as a percentage of the total OPEB liability	44.16%	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>FY2024</u>	<u>FY2023</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>
Contractually required contribution	\$ 1,270,723	\$ 1,086,795	\$ 932,421	\$ 911,093	\$ 854,457	\$ 1,608,813	\$ 3,168,420
Contributions in relation to contractually required contributions	<u>1,270,723</u>	<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>0</u>	<u>19,644</u>	<u>1,578,226</u>
County covered payroll	\$ 58,609,429	\$ 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	2.17%	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, 2024

Changes of benefit terms

The RHCA Fund eligibility benefits are described in Section 2 of the RHCA FY2023 Actuarial Valuation available at nmrhca.org/actuarial-valuation-reports/.

Changes of assumptions

In the total OPEB liability measured as of June 30, 2023, changes in assumptions include adjustments resulting from a decrease in the discount rate from 5.42% to 6.22%

Source: RHCA implementation Guide.

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; Local Government Abatement funds (Opioid Settlement); LAC Community Health Council 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, 2024

	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	
ASSETS							
Equity in pooled cash and investments	\$ 619,143	331,255	3,338,517	2,108,483	1,541,826	276,821	8,216,045
Receivables, net of allowance for uncollectibles							
Accounts	0	43,769	0	0	0	0	43,769
Due from other governments	83,530	0	59,969	574,804	0	0	718,303
Restricted assets							
Cash and cash equivalents							
Debt reserves and debt service	0	0	0	0	0	91,129	91,129
TOTAL ASSETS	\$ 702,673	375,024	3,398,486	2,683,287	1,541,826	367,950	9,069,246
LIABILITIES							
Accounts payable	\$ 0	39,144	53,356	0	24,970	0	117,470
Accrued salaries and benefits payable	0	0	339	1,505	2,730	0	4,574
TOTAL LIABILITIES	0	39,144	53,695	1,505	27,700	0	122,044
FUND BALANCE							
Restricted for							
Clerk records and files (State law)	0	0	0	0	202,238	0	202,238
Debt service (Bond and loan agreements)	0	0	0	0	0	367,950	367,950
Grants (Granting entities)	0	0	3,344,791	0	0	0	3,344,791
Library operations (contributors)	0	0	0	0	3,282	0	3,282
Lodgers' tax (State law)	0	335,880	0	0	0	0	335,880
Health care claims (State law)	0	0	0	2,681,782	0	0	2,681,782
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	490,484	0	490,484
Recreation (County code and contributors)	0	0	0	0	38,765	0	38,765
LG Abatement (State litigation Settlement)	0	0	0	0	750,957	0	750,957
Major street management (State law)	702,673	0	0	0	0	0	702,673
TOTAL FUND BALANCE	702,673	335,880	3,344,791	2,681,782	1,514,126	367,950	8,947,202
TOTAL LIABILITIES AND FUND BALANCE	\$ 702,673	375,024	3,398,486	2,683,287	1,541,826	367,950	9,069,246

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, 2024

	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	
REVENUES							
Taxes							
Gross receipts taxes	\$ 0	0	0	3,687,477	0	0	3,687,477
Lodgers' tax	0	466,278	0	0	0	0	466,278
	<u>0</u>	<u>466,278</u>	<u>0</u>	<u>3,687,477</u>	<u>0</u>	<u>0</u>	<u>4,153,755</u>
Intergovernmental							
State grants-fire	0	0	1,007,788	0	0	0	1,007,788
State grants-police	0	0	191,950	0	0	0	191,950
State grants-social services	0	0	296,303	0	0	0	296,303
State shared revenues	491,051	0	0	0	0	0	491,051
	<u>491,051</u>	<u>0</u>	<u>1,496,041</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,987,092</u>
Fines and forfeits							
Court ordered reimbursements	0	0	0	0	700	0	700
Charges for services							
Clerk fee	0	0	0	0	16,002	0	16,002
Finance/treasurer fees	0	0	0	0	247,752	0	247,752
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>263,754</u>	<u>0</u>	<u>263,754</u>
Miscellaneous revenue							
Investment income	0	13,888	117,885	88,115	51,658	43,702	315,248
Buildings rental	0	0	0	31,000	0	0	31,000
Other judgments and settlements	0	0	0	0	605,579	0	605,579
Other	0	0	450	0	0	0	450
	<u>0</u>	<u>13,888</u>	<u>118,335</u>	<u>119,115</u>	<u>657,237</u>	<u>43,702</u>	<u>952,277</u>
TOTAL REVENUES	491,051	480,166	1,614,376	3,806,592	921,691	43,702	7,357,578
EXPENDITURES							
General government							
Municipal Court	0	0	0	0	30,700	0	30,700
County Assessor	0	0	0	0	265,231	0	265,231
County Clerk	0	0	0	0	12,553	0	12,553
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>308,484</u>	<u>0</u>	<u>308,484</u>
Public safety							
Fire marshal	0	0	76,194	0	0	0	76,194
Fire-E.M.S. grant	0	0	6,200	0	0	0	6,200
Police	0	0	48,139	0	0	0	48,139
	<u>0</u>	<u>0</u>	<u>130,533</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>130,533</u>

See accompanying notes to financial statements

Physical and economic environment								
Community and Economic Development	\$	0	445,257	0	0	0	0	445,257
Transportation								
Health and welfare								
Community Services-Social Services		0	0	317,144	4,044,082	3,182	0	4,364,408
Culture and recreation								
Community Services-Library		0	0	0	0	1,350	0	1,350
Community Services-Recreation		0	0	0	0	290	0	290
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,640</u>	<u>0</u>	<u>1,640</u>
Capital outlay:								
General government								
County Clerk		0	0	0	0	18,643	0	18,643
Public Safety								
Fire		0	0	104,789	0	0	0	104,789
Police		0	0	123,516	0	0	0	123,516
Community Services		0	0	0	54,431	0	0	54,431
		<u>0</u>	<u>0</u>	<u>228,305</u>	<u>54,431</u>	<u>18,643</u>	<u>0</u>	<u>301,379</u>
Debt service:								
Principal		0	0	0	0	0	3,720,000	3,720,000
Interest		0	0	0	0	0	830,159	830,159
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,550,159</u>	<u>4,550,159</u>
TOTAL EXPENDITURES		<u>0</u>	<u>445,257</u>	<u>675,982</u>	<u>4,098,513</u>	<u>331,949</u>	<u>4,550,159</u>	<u>10,101,860</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES		491,051	34,909	938,394	(291,921)	589,742	(4,506,457)	(2,744,282)
OTHER FINANCING SOURCES (USES)								
Transfers in		0	0	11,700	650,000	30,000	4,550,159	5,241,859
		<u>0</u>	<u>0</u>	<u>11,700</u>	<u>650,000</u>	<u>30,000</u>	<u>4,550,159</u>	<u>5,241,859</u>
NET CHANGE IN FUND BALANCE		491,051	34,909	950,094	358,079	619,742	43,702	2,497,577
FUND BALANCE								
Beginning of fiscal year		211,622	300,971	2,394,697	2,323,703	894,384	324,248	6,449,625
FUND BALANCE - END OF FISCAL YEAR	\$	<u>702,673</u>	<u>335,880</u>	<u>3,344,791</u>	<u>2,681,782</u>	<u>1,514,126</u>	<u>367,950</u>	<u>8,947,202</u>

See accompanying notes to financial statements

Attachment B

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
State shared revenues	\$ 450,000	450,000	491,051	41,051
TOTAL REVENUES	<u>450,000</u>	<u>450,000</u>	<u>491,051</u>	<u>41,051</u>
EXPENDITURES AND ENCUMBRANCES				
Public Works - major street maintenance				
Outside services	500,000	600,000	0	600,000
TOTAL EXPENDITURES AND ENCUMBRANCES	<u>500,000</u>	<u>600,000</u>	<u>0</u>	<u>600,000</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	<u>(50,000)</u>	<u>(150,000)</u>	<u>491,051</u>	<u>641,051</u>
NET CHANGE IN FUND BALANCE	<u>\$ (50,000)</u>	<u>(150,000)</u>	<u>491,051</u>	<u>641,051</u>
ADJUSTMENTS TO GAAP				
Encumbrances			0	
GAAP BASIS			<u>491,051</u>	
FUND BALANCE				
Beginning of fiscal year			211,622	
FUND BALANCE - END OF FISCAL YEAR			<u>\$ 702,673</u>	

See accompanying notes to financial statements

Attachment B

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Selective gross receipt taxes	\$ 400,000	400,000	466,278	66,278
Miscellaneous revenues				
Investment income	4,000	4,000	13,888	9,888
TOTAL REVENUES	404,000	404,000	480,166	76,166
EXPENDITURES AND ENCUMBRANCES				
Community and Economic Development				
Outside services	481,702	506,014	465,566	40,448
Materials and supplies	10,000	10,000	0	10,000
Intrafund/interfund services	3,147	3,147	3,144	3
TOTAL EXPENDITURES AND ENCUMBRANCES	494,849	519,161	468,710	50,451
NET CHANGE IN FUND BALANCE	\$ (90,849)	(115,161)	11,456	126,617
ADJUSTMENTS TO GAAP				
Encumbrances			23,453	
GAAP BASIS			34,909	
FUND BALANCE				
Beginning of fiscal year			300,971	
FUND BALANCE - END OF FISCAL YEAR			\$ 335,880	

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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
State grants-fire	\$ 957,150	1,330,203	1,007,788	(322,415)
State grants-police	164,000	192,000	191,950	(50)
State grants-other	235,296	345,677	296,303	(49,374)
Miscellaneous revenues				
Investment income	39,697	39,697	117,885	78,188
Other	0	0	450	450
TOTAL REVENUES	1,396,143	1,907,577	1,614,376	(293,201)
EXPENDITURES AND ENCUMBRANCES				
Community Services-Social services				
DWI local grant	135,175	143,306	74,088	69,218
Health council grant	113,292	341,369	287,880	53,489
	248,467	484,675	361,968	122,707
Fire				
Grants and contracts				
Fire marshal grant	2,971,530	3,140,716	1,999,704	1,141,012
Fire - Emergency medical services grant	10,150	10,588	6,200	4,388
	2,981,680	3,151,304	2,005,904	1,145,400
Police				
Grants and contracts				
Law enforcement protection grant	152,000	229,728	229,727	1
Law enforcement Retention fund	12,000	40,000	39,950	50
	164,000	269,728	269,677	51
TOTAL EXPENDITURES AND ENCUMBRANCES	3,394,147	3,905,707	2,637,549	1,268,158
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	(1,998,004)	(1,998,130)	(1,023,173)	974,957
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
General Fund	11,700	11,700	11,700	0
NET CHANGE IN FUND BALANCE	\$ (1,986,304)	(1,986,430)	(1,011,473)	974,957
ADJUSTMENTS TO GAAP				
Encumbrances			1,961,567	
GAAP BASIS			950,094	
FUND BALANCE				
Beginning of fiscal year			2,394,697	
FUND BALANCE - END OF FISCAL YEAR			\$ 3,344,791	

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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
General gross receipts taxes	\$ 3,263,000	3,263,000	3,687,477	424,477
Miscellaneous revenues				
Investment income	46,115	31,000	88,115	57,115
Buildings rental	0	0	31,000	31,000
TOTAL REVENUES	<u>3,309,115</u>	<u>3,294,000</u>	<u>3,806,592</u>	<u>512,592</u>
EXPENDITURES AND ENCUMBRANCES				
Community Services-Social Services				
Employee salaries and benefits	146,000	146,000	119,636	26,364
Outside services	3,119,280	4,093,641	3,923,547	170,094
Materials and supplies	17,662	17,662	371	17,291
Capital outlay	0	0	54,431	(54,431)
Debt and fiscal charges	0	0	528	(528)
TOTAL EXPENDITURES AND ENCUMBRANCES	<u>3,282,942</u>	<u>4,257,303</u>	<u>4,098,513</u>	<u>158,790</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	26,173	(963,303)	(291,921)	671,382
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
General Fund	650,000	650,000	650,000	0
NET CHANGE IN FUND BALANCE	<u>\$ 676,173</u>	<u>(313,303)</u>	<u>358,079</u>	<u>671,382</u>
ADJUSTMENTS TO GAAP				
Encumbrances			0	
GAAP BASIS			<u>358,079</u>	
FUND BALANCE				
Beginning of fiscal year			2,323,703	
FUND BALANCE - END OF FISCAL YEAR			<u>\$ 2,681,782</u>	

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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Fines and Forfeits				
Court ordered reimbursements	\$ 3,300	3,300	700	(2,600)
Charges for Services				
Clerk fee	27,000	27,000	16,002	(10,998)
Finance/treasurer fees	225,000	225,000	247,752	22,752
	<u>252,000</u>	<u>252,000</u>	<u>263,754</u>	<u>11,754</u>
Miscellaneous revenues				
Investment income	14,000	13,000	51,658	38,658
Donations	6,200	6,200	0	(6,200)
Other	30,000	767,785	605,579	(162,206)
	<u>50,200</u>	<u>786,985</u>	<u>657,237</u>	<u>(129,748)</u>
TOTAL REVENUES	305,500	1,042,285	921,691	(120,594)
EXPENDITURES AND ENCUMBRANCES				
Municipal Court				
Bench warrant	33,588	33,588	30,700	2,888
County Assessor				
Property tax valuation	327,512	336,643	265,231	71,412
County Clerk				
Recording and equipment	26,700	138,062	123,914	14,148
Community Services				
Aquatic center gift	3,000	3,000	290	2,710
Library gift	3,200	3,200	1,350	1,850
LG Abatement Fund	30,000	896,620	3,182	893,438
	<u>36,200</u>	<u>902,820</u>	<u>4,822</u>	<u>897,998</u>
TOTAL EXPENDITURES AND ENCUMBRANCES	424,000	1,411,113	424,667	986,446

EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	\$	(118,500)	(368,828)	497,024	865,852
OTHER FINANCING SOURCES (USES)					
Transfers in from:					
General Fund		30,000	30,000	30,000	0
Transfers out to:					
NET CHANGE IN FUND BALANCE	\$	<u>(88,500)</u>	<u>(338,828)</u>	<u>527,024</u>	<u>865,852</u>
ADJUSTMENTS TO GAAP					
Encumbrances				92,718	
				<u>92,718</u>	
GAAP BASIS				619,742	
FUND BALANCE					
Beginning of fiscal year				894,384	
FUND BALANCE - END OF FISCAL YEAR	\$			<u>1,514,126</u>	

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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Miscellaneous revenues				
Investment income	\$ 1,020	1,020	43,702	42,682
EXPENDITURES AND ENCUMBRANCES				
Administrative Services - Finance Office				
Principal payment on debt	4,420,000	4,420,000	3,720,000	700,000
Interest payment on debt	830,159	830,159	830,159	0
	<u>5,250,159</u>	<u>5,250,159</u>	<u>4,550,159</u>	<u>700,000</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	(5,249,139)	(5,249,139)	(4,506,457)	742,682
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
General Fund	5,250,159	5,250,159	4,550,159	(700,000)
NET CHANGE IN FUND BALANCE	\$ <u>1,020</u>	<u>1,020</u>	43,702	<u>42,682</u>
FUND BALANCE				
Beginning of fiscal year			324,248	
FUND BALANCE - END OF FISCAL YEAR			\$ <u>367,950</u>	

See accompanying notes to financial statements

Attachment B

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Miscellaneous revenues				
Investment income	\$ 667,000	667,000	5,988,092	5,321,092
OTHER FINANCING SOURCES (USES)				
Transfers out to:				
Capital Improvement Projects Fund	(1,591,003)	(1,591,003)	(1,591,003)	0
NET CHANGE IN FUND BALANCE	\$ (924,003)	(924,003)	4,397,089	5,321,092
FUND BALANCE				
Beginning of fiscal year			33,585,905	
FUND BALANCE - END OF FISCAL YEAR			\$ 37,982,994	

See accompanying notes to financial statements

Attachment B

INCORPORATED COUNTY OF LOS ALAMOS
PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS
Year ended June 30, 2024

PROJECT	ACCOUNT NUMBER	PROJECT-LENGTH BUDGET APPROPRIATIONS	EXPENDED IN PRIOR YEARS	EXPENDED IN CURRENT YEAR	EXPENDED THROUGH JUNE 30, 2024	UNEXPENDED AS OF JUNE 30, 2024	ENCUMBRANCES AS OF JUNE 30, 2024	REMAINING BALANCE AS OF JUNE 30, 2024
CAPITAL IMPROVEMENT PROJECTS								
WAC Building Design	CP1006	\$ 3,913,828	137,126	32,248	169,374	3,744,454	226,145	3,518,309
WR Bathroom-Truck Pads	CP1008	1,591,806	78,194	580,081	658,275	933,531	826,962	106,569
Fire Station Replacements (4&6)	CP1009	5,197,500	0	0	0	5,197,500	0	5,197,500
Limited Term Project Managers	CP1010	264,243	0	0	0	264,243	0	264,243
Deacon Street	CP4003	2,189,000	0	0	0	2,189,000	0	2,189,000
A-8-B Improvements (The Bluffs)	CP4004	699,651	0	0	0	699,651	0	699,651
A-13 (Former LASO Site)	CP4005	3,782	0	0	0	3,782	0	3,782
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	10,570,925	301,575	853,967	1,155,542	9,415,383	8,861,683	553,700
Finch Street - Road Extension	CP4010	1,476,609	0	7,766	7,766	1,468,843	7,867	1,460,976
North Mesa Housing - State Capital Outlay	CP4011	371,221	0	0	0	371,221	0	371,221
Housing Infrastructure	CP4012	5,980,000	0	0	0	5,980,000	329,379	5,650,621
LA Downtown Revitalization & Parking	CP4013	1,497,500	0	0	0	1,497,500	0	1,497,500
MRA (WR Metropolitan Redevelopment Area)	CP4014	1,995,000	0	0	0	1,995,000	0	1,995,000
Street CIP Allocation	CP5001	50,265	0	0	0	50,265	0	50,265
Pavement Condition Index Survey	CP5010	10,528	0	0	0	10,528	0	10,528
Canyon Rim Trail West Phs 3	CP5012	403,275	103,415	70,669	174,084	229,191	217,836	11,355
Project Development, Standards & Guidelines	CP5015	100,244	0	0	0	100,244	0	100,244
Tsikumu 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	4,241,866	0	23,811	23,811	4,218,055	491,177	3,726,878
Transportation Planning	CP5026	60,478	0	0	0	60,478	6,835	53,643
North Mesa - Casa de Oro	CP5027	770,694	0	0	0	770,694	0	770,694
Sherwood Blvd Reconstruction	CP5028	76,748	0	0	0	76,748	0	76,748
33/34 Street and Arkansas	CP5029	308,068	0	0	0	308,068	13,825	294,243
Cumbres Del Norte Road Project	CP5031	55,157	0	0	0	55,157	0	55,157
Urban Trail Project Phase I	CP5032	2,735,700	0	2,027,294	2,027,294	708,406	509,420	198,986
Urban Trail Project Phase II	CP5033	4,126,800	0	1,681,896	1,681,896	2,444,904	2,027,049	417,855
Transit Center	CP5034	990,000	0	138,661	138,661	851,339	135,755	715,584
Waste Water Treatment Plant Road	CP5035	374,207	0	0	0	374,207	0	374,207
NM4 Crossing and multi-use trail improvement project	CP5036	250,000	0	0	0	250,000	0	250,000
Loma Linda Subdivision	CP5037	114,622	0	0	0	114,622	5,113	109,509
Rose Steet Reconstruction	CP5038	2,600,000	0	1,920,427	1,920,427	679,573	496,693	182,880
Pavement Asset Management SW	CP5039	250,000	0	0	0	250,000	0	250,000
Pedestrian Transport Plan	CP5042	186,338	0	0	0	186,338	71,585	114,753
Wayfinding Phase II	CP5043	362,236	0	0	0	362,236	349,496	12,740
Public Art (Continuing)	CP7001	166,660	0	0	0	166,660	46,000	120,660
Parks Small Capital Projects (Continuing)	CP7002	752,042	0	0	0	752,042	307,923	444,119
Ice Rink Improvements Project	CP7004	797,622	0	0	0	797,622	0	797,622
Golf Course Improvement	CP7011	11,293,406	604,851	5,281,383	5,886,234	5,407,172	2,881,150	2,526,022
Pinion Park Splash Pad	CP7012	704,758	0	0	0	704,758	0	704,758
Leisure Lagoon	CP7013	70,805	0	0	0	70,805	29,143	41,662
Community Recreation Space Design	CP7014	349,999	332,147	0	332,147	17,852	17,713	139

Tween Center Construction	CP7015	\$ 400,000	0	0	0	400,000	0	400,000
White Rock Community Rec Space	CP7016	5,730,948	0	0	0	5,730,948	5,730,948	0
Tennis Court With Lights	CP7017	2,612,263	0	0	0	2,612,263	0	2,612,263
CSD Infrastructure - IMP & ADA	CP7018	2,942,734	12,266	112,591	124,857	2,817,877	234,682	2,583,195
Social Service Facilities	CP7019	950,000	0	0	0	950,000	0	950,000
Ball Fields	CP7020	1,030,000	0	779,007	779,007	250,993	234,857	16,136
Ice Rink Flooring and Shade Structure	CP7021	1,485,000	0	0	0	1,485,000	0	1,485,000
Social Service Facilities	CP7022	1,000,000	0	73,967	73,967	926,033	35,904	890,129
Information Technology (Continuing)	CP9003	1,424,004	0	0	0	1,424,004	232,352	1,191,652
Broadband	CP9008	35,000,000	0	0	0	35,000,000	0	35,000,000
		<u>126,694,285</u>	<u>1,569,574</u>	<u>13,583,768</u>	<u>15,153,342</u>	<u>111,540,943</u>	<u>24,327,492</u>	<u>87,213,451</u>

PROJECTS COMPLETED IN FY2024

Municipal Building Replacement (Residual)	CP1001	7,327	0	7,327	7,327	0	0	0
Betty Ehart Senior Center Improvement	CP1005	113,138	113,138	0	113,138	0	0	0
Limited Term Project Managers	CP1010	85,757	0	85,757	85,757	0	0	0
A-8-B Improvements (The Bluffs)	CP4004	10,000	0	10,000	10,000	0	0	0
A-13 (Former LASO Site)	CP4005	1,196,218	581,472	614,746	1,196,218	0	0	0
North Mesa Housing - State Capital Outlay	CP4011	3,911	0	3,911	3,911	0	0	0
Project Development, Standards & Guidelines	CP5015	33,175	0	33,175	33,175	0	0	0
Transportation Planning	CP5026	35,014	0	35,014	35,014	0	0	0
Sherwood Blvd Reconstruction	CP5028	2,307,113	2,307,113	0	2,307,113	0	0	0
33/34 Street and Arkansas	CP5029	2,666,223	1,976,321	689,902	2,666,223	0	0	0
Loma Linda Subdivision	CP5037	2,285,378	0	2,285,378	2,285,378	0	0	0
Pedestrian Transport Plan	CP5042	13,662	0	13,662	13,662	0	0	0
Public Art (Continuing)	CP7001	39,630	0	39,630	39,630	0	0	0
Parks Small Capital Projects (Continuing)	CP7002	746,743	0	746,743	746,743	0	0	0
Leisure Lagoon	CP7013	86,500	0	86,500	86,500	0	0	0
White Rock Community Rec Space	CP7016	1,747,186	0	1,747,186	1,747,186	0	0	0
Information Technology (Continuing)	CP9003	2,247,077	0	2,247,077	2,247,077	0	0	0
TOTAL PROJECTS COMPLETED IN FY2024		<u>13,624,052</u>	<u>4,978,044</u>	<u>8,646,008</u>	<u>13,624,052</u>	<u>0</u>	<u>0</u>	<u>0</u>

PROJECT TOTALS FY2024		<u>\$ 140,318,337</u>	<u>6,547,618</u>	<u>22,229,776</u>	<u>28,777,394</u>	<u>111,540,943</u>	<u>24,327,492</u>	<u>87,213,451</u>
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Note: Project Length Budget Appropriations is the total appropriated since FY2015 reduced by the amounts capitalized in prior years.

L  S A L A M  S



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, 2024

ASSETS	ELECTRIC	GAS	WATER	WASTEWATER	TOTAL JOINT UTILITY SYSTEM
CURRENT ASSETS					
Equity (deficit) in pooled cash and investments	\$ (2,761,829)	512,995	11,782,119	4,120,659	13,653,944
Investments	45,216,425	0	0	0	45,216,425
Receivables, net of allowance for uncollectibles					
Accounts	6,123,142	208,289	1,337,798	424,109	8,093,338
Interest	468,213	0	117,474	0	585,687
Unbilled	747,417	85,417	398,740	285,448	1,517,022
Leases	0	0	191,110	0	191,110
Due from other governments	135,600	0	455,974	0	591,574
Inventories and prepayments					
Inventories	2,215,850	137,278	341,743	10,789	2,705,660
Power plant inventories	83,700	0	0	0	83,700
Prepayments	663,446	0	0	0	663,446
	<u>52,891,964</u>	<u>943,979</u>	<u>14,624,958</u>	<u>4,841,005</u>	<u>73,301,906</u>
RESTRICTED ASSETS					
Cash and cash equivalents					
Debt reserves and debt service	1,904,873	0	154,561	0	2,059,434
Operations and maintenance	22,915,612	1,000,000	0	1,057,055	24,972,667
	<u>24,820,485</u>	<u>1,000,000</u>	<u>154,561</u>	<u>1,057,055</u>	<u>27,032,101</u>
PROPERTY, PLANT AND EQUIPMENT					
Land	0	0	0	2,959,328	2,959,328
Utility plant in service	132,802,889	19,981,951	111,705,067	51,896,319	316,386,226
Machinery and equipment	1,870,324	194,879	837,093	479,572	3,381,868
Less accumulated depreciation	(92,191,904)	(7,515,403)	(39,080,110)	(17,696,656)	(156,484,073)
Construction in progress	2,357,142	32,345	347,286	25,555,043	28,291,816
Right-to-use assets					
Subscription based IT arrangements, net of amortization	1,596,140	0	0	28,450	1,624,590
	<u>46,434,591</u>	<u>12,693,772</u>	<u>73,809,336</u>	<u>63,222,056</u>	<u>196,159,755</u>
OTHER ASSETS					
TOTAL ASSETS	<u>124,147,040</u>	<u>14,637,751</u>	<u>88,588,855</u>	<u>69,120,116</u>	<u>296,493,762</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred amounts from refunding of debt (debits)	180,340	0	0	0	180,340
Deferred other post employment benefits	542,150	90,258	106,904	92,072	831,384
Deferred pensions	2,091,413	578,146	281,549	261,003	3,212,111
Deferred decommissioning cost	1,856,168	0	0	0	1,856,168
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>4,670,071</u>	<u>668,404</u>	<u>388,453</u>	<u>353,075</u>	<u>6,080,003</u>

LIABILITIES

CURRENT LIABILITIES

Accounts payable	\$ 2,490,088	210,507	393,275	2,291,670	5,385,540
Accrued salaries including benefits payable	130,268	13,454	37,684	26,529	207,935
Accrued compensated absences	633,347	106,061	99,180	79,031	917,619
Customer deposits payable	250,587	202,134	209,027	0	661,748
Due to other governments	63,040	12,864	35,129	23,062	134,095
	3,567,330	545,020	774,295	2,420,292	7,306,937

LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Current portion of revenue bonds payable	1,100,704	0	224,296	0	1,325,000
Contracts and intergovernmental debt payable	0	0	300,986	725,164	1,026,150
Current portion of subscription based IT arrangements liability	133,078	0	0	11,765	144,843
Interest payable on debt	60,646	0	4,417	12,148	77,211
	1,294,428	0	529,699	749,077	2,573,204

NON-CURRENT LIABILITIES

Revenue bonds payable	9,581,655	0	382,161	0	9,963,816
Special closure costs	10,777,612	0	0	0	10,777,612
Accrued compensated absences	248,075	79,291	66,423	19,416	413,205
Contracts and intergovernmental debt payable	0	0	7,277,507	29,454,907	36,732,414
Subscription based IT arrangements liability	1,473,539	0	0	12,188	1,485,727
Net other post employment benefits liability	1,302,732	903,680	(45,965)	27,051	2,187,498
Net pension liability	9,642,954	2,283,763	1,491,723	1,251,230	14,669,670
	33,026,567	3,266,734	9,171,849	30,764,792	76,229,942

TOTAL LIABILITIES

	37,888,325	3,811,754	10,475,843	33,934,161	86,110,083
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DEFERRED INFLOWS OF RESOURCES:

Deferred other post employment benefits	1,568,374	364,835	284,143	232,286	2,449,638
Deferred pensions	26,292	22,718	0	0	49,010
Deferred leases	0	0	183,233	0	183,233
	1,594,666	387,553	467,376	232,286	2,681,881

TOTAL DEFERRED INFLOWS OF RESOURCES

	1,594,666	387,553	467,376	232,286	2,681,881
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NET POSITION

Net investment in capital assets	34,325,955	12,693,772	65,624,386	33,018,032	145,662,145
Restricted assets for, net of related liabilities:					
Debt service	13,982,227	1,000,000	150,144	1,044,907	16,177,278
Unrestricted	41,025,938	(2,586,924)	12,259,559	1,243,805	51,942,378
	89,334,120	11,106,848	78,034,089	35,306,744	213,781,801
TOTAL NET POSITION	\$ 89,334,120	11,106,848	78,034,089	35,306,744	213,781,801

See accompanying notes to financial statements



INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM SUBFUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year ended June 30, 2024

	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL JOINT UTILITY SYSTEM</u>
OPERATING REVENUES					
Utility sales and service	\$ 50,598,367	7,751,611	9,621,389	6,421,297	74,392,664
Rentals	0	0	23,900	0	23,900
Intergovernmental	0	0	3,146,891	0	3,146,891
Miscellaneous operating revenue	401,013	173,596	191,489	19,616	785,714
	<u>50,999,380</u>	<u>7,925,207</u>	<u>12,983,669</u>	<u>6,440,913</u>	<u>78,349,169</u>
OPERATING EXPENSES					
Employee salaries and benefits	9,009,034	991,787	2,540,885	1,779,731	14,321,437
Contractual services	40,485,749	4,218,656	3,855,669	2,438,790	50,998,864
Materials and supplies	371,884	197,036	554,957	336,329	1,460,206
Depreciation and amortization	1,852,424	482,160	2,299,616	887,591	5,521,791
Special closure costs	1,083,084	0	0	0	1,083,084
Other	24,225	0	28,003	8,596	60,824
	<u>52,826,400</u>	<u>5,889,639</u>	<u>9,279,130</u>	<u>5,451,037</u>	<u>73,446,206</u>
OPERATING INCOME (LOSS)	(1,827,020)	2,035,568	3,704,539	989,876	4,902,963
NONOPERATING REVENUES (EXPENSES)					
Gain (loss) on disposition of capital assets	(27,478)	(98,259)	(326,161)	(320)	(452,218)
Investment income (loss)	1,343,758	3,281	571,746	174,469	2,093,254
Miscellaneous nonoperating revenue	58,112,113	0	0	0	58,112,113
Interest on long-term debt	(547,274)	0	(65,637)	(55,408)	(668,319)
Inventory adjustment	(222,447)	13,985	(26,683)	55	(235,090)
	<u>58,658,672</u>	<u>(80,993)</u>	<u>153,265</u>	<u>118,796</u>	<u>58,849,740</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	56,831,652	1,954,575	3,857,804	1,108,672	63,752,703
TRANSFERS AND CONTRIBUTIONS					
Transfers in	80,416	178,235	1,533,121	261,918	2,053,690
Transfers out	(623,361)	(495,040)	(42,606)	(304,428)	(1,465,435)
Intergovernmental - capital grants	96,911	0	21,338	0	118,249
NET INCOME (LOSS)	56,385,618	1,637,770	5,369,657	1,066,162	64,459,207
NET POSITION					
Net Position, June 30, 2023, as previously presented	31,619,762	8,490,446	71,071,586	34,117,689	145,299,483
Error correction, see Note 25	1,328,740	978,632	1,592,846	122,893	4,023,111
Net Position, June 30, 2023, as adjusted or restated	<u>32,948,502</u>	<u>9,469,078</u>	<u>72,664,432</u>	<u>34,240,582</u>	<u>149,322,594</u>
NET POSITION - END OF FISCAL YEAR	\$ 89,334,120	11,106,848	78,034,089	35,306,744	213,781,801

See accompanying notes to financial statements

INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM SUBFUNDS
COMBINING STATEMENT OF CASH FLOWS
Year ended June 30, 2024

	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
CASH FLOWS - OPERATING ACTIVITIES					
Cash received from customers and users	\$ 48,196,932	8,164,651	12,667,925	6,454,282	75,483,790
Cash paid to suppliers for goods and services	(42,939,123)	(4,317,997)	(3,770,291)	(1,887,134)	(52,914,545)
Cash paid to employees	(8,978,812)	(929,395)	(2,533,044)	(1,779,035)	(14,220,286)
Taxes received from customers and users	867,132	505,278	335,959	0	1,708,369
Taxes remitted to State (from customers and users)	(855,855)	(513,618)	(330,165)	(720)	(1,700,358)
NET CASH FLOWS - OPERATING ACTIVITIES	(3,709,726)	2,908,919	6,370,384	2,787,393	8,356,970
CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES					
Transfers to other funds	(623,361)	(495,040)	0	(304,428)	(1,422,829)
Transfers from other funds	80,416	178,235	1,533,122	261,918	2,053,691
Cash received from short-term intra subfund loans	0	0	91,053	0	91,053
Cash paid for short-term intra subfund loans	0	0	0	(91,053)	(91,053)
Cash received from judgements and settlements	58,112,114	0	0	0	58,112,114
NET CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES	57,569,169	(316,805)	1,624,175	(133,563)	58,742,976
CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds received from loans	0	0	5,189,432	10,114,716	15,304,148
Principal repaid	(2,603,208)	0	(4,520,724)	(806)	(7,124,738)
Interest and other debt service paid	(538,288)	0	(291,127)	(55,408)	(884,823)
Cash paid for acquisition of capital assets	(2,206,395)	(2,234,363)	(6,949,126)	(12,633,152)	(24,023,036)
Gain (Loss) from sale of capital assets	1,808,784	1,034,269	0	(320)	2,842,733
NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES	(3,539,107)	(1,200,094)	(6,571,545)	(2,574,970)	(13,885,716)
CASH FLOWS - INVESTING ACTIVITIES					
Proceeds from sale of investment securities	0	1,000,000	0	0	1,000,000
Gain on investments	1,343,758	3,281	571,746	174,469	2,093,254
NET CASH FLOWS - INVESTING ACTIVITIES	1,343,758	1,003,281	571,746	174,469	3,093,254
NET INCREASE (DECREASE) IN CASH	51,664,094	2,395,301	1,994,760	253,329	56,307,484
EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR	<u>15,610,987</u>	<u>(882,306)</u>	<u>9,941,920</u>	<u>4,924,385</u>	<u>29,594,986</u>
EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR	<u>\$ <u>67,275,081</u></u>	<u><u>1,512,995</u></u>	<u><u>11,936,680</u></u>	<u><u>5,177,714</u></u>	<u><u>85,902,470</u></u>

(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**

OPERATING INCOME(LOSS)	\$ (1,827,020)	2,035,568	3,704,539	989,876	4,902,963
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES					
Depreciation and amortization expense	1,852,424	482,160	2,299,616	887,591	5,521,791
Amortization of special closure costs	1,083,084	0		0	1,083,084
Provision for uncollectible accounts receivable	0	0	28,003	3,507	31,510
Change in assets and liabilities:					
Accounts and other receivables	(2,484,986)	215,906	936,916	(3,507)	(1,335,671)
Inventories	(1,455,541)	(39,635)	(36,227)	(192)	(1,531,595)
Accounts and retentions payable	(470,104)	123,345	(9,817,842)	923,004	(9,241,597)
Salaries and benefits payable	217,169	76,377	9,213,734	(12,166)	9,495,114
Other current liabilities	(636,029)	23,538	35,851	0	(576,640)
Due to other governments	11,277	(8,340)	5,794	(720)	8,011
Total adjustments	(1,882,706)	873,351	2,665,845	1,797,517	3,454,007
NET CASH FLOWS - OPERATING ACTIVITIES	\$ (3,709,726)	2,908,919	6,370,384	2,787,393	8,356,970

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

NON CASH TRANSACTIONS:

Asset transfers - proprietary funds	\$ 96,911	0	0	0	96,911
TOTAL NON CASH TRANSACTIONS	\$ 96,911	0	0	0	96,911

**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, 2024**

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$ 6,702,205	15,425,679	3,265,140	(12,160,539)
Charges for services	100,062,525	100,062,525	75,191,108	(24,871,417)
Miscellaneous revenues	2,671,214	66,714,214	60,299,151	(6,415,063)
TOTAL REVENUES	109,435,944	182,202,418	138,755,399	(43,447,019)
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Electric Subfund	68,962,069	71,259,241	53,903,392	17,355,849
Gas Subfund	16,937,060	17,441,464	5,631,508	11,809,956
Water Subfund	23,252,307	49,792,257	19,687,359	30,104,898
Wastewater Subfund	7,973,569	23,516,792	22,057,012	1,459,780
TOTAL EXPENSES AND ENCUMBRANCES	117,125,005	162,009,754	101,279,271	60,730,483
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(7,689,061)	20,192,664	37,476,128	17,283,464
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000,000	2,520,569	2,053,691	(466,878)
Transfers out	(1,572,012)	(1,089,956)	(1,094,678)	(4,722)
Proceeds from intergovernmental loans	0	0	11,632,034	11,632,034
TOTAL OTHER FINANCING SOURCES (USES)	427,988	1,430,613	12,591,047	11,160,434
NET CHANGE IN FUND BALANCE	\$ (7,261,073)	21,623,277	50,067,175	28,443,898
ADJUSTMENTS TO GAAP				
Encumbrances			10,383,147	
Changes in compensated absences			(92,650)	
Provision for uncollectible accounts			(49,653)	
Depreciation and amortization			(5,521,791)	
Adjustments to inventory			(235,090)	
Special closure costs			(1,083,084)	

Net book value of disposed capital assets	\$	(452,218)
Proceeds from intergovernmental loans		(11,632,034)
Assets transferred - proprietary funds		(59,130)
Capital outlay capitalized		21,278,594
Principal on interfund loan		(91,053)
Pension expense		(319,686)
Principal on debt service		2,266,680
		<u>14,392,032</u>
GAAP BASIS		64,459,207
NET POSITION		
Net Position, June 30, 2023, as previously presented		145,299,483
Error correction, see Note 25		4,023,111
Net Position, June 30, 2023, as adjusted or restated		<u>149,322,594</u>
NET POSITION - END OF FISCAL YEAR	\$	<u>213,781,801</u>

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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal subsidy	\$ 30,867	30,867	96,911	66,044
Charges for services				
Residential	14,971,374	14,971,374	8,062,090	(6,909,284)
Commercial and industrial	0	0	4,410,353	4,410,353
Public street and highway lighting	0	0	103,235	103,235
Municipal	0	0	1,754,446	1,754,446
Educational	0	0	592,858	592,858
Wholesale	48,827,161	48,827,161	35,489,128	(13,338,033)
Miscellaneous services	258,101	258,101	587,270	329,169
	<u>64,056,636</u>	<u>64,056,636</u>	<u>50,999,380</u>	<u>(13,057,256)</u>
Miscellaneous revenues				
Interest income (loss)	196,045	666,045	1,449,064	783,019
Gain (loss) on investments	0	0	(105,306)	(105,306)
Other judgments and settlements	0	58,000,000	58,112,113	112,113
	<u>196,045</u>	<u>58,666,045</u>	<u>59,455,871</u>	<u>789,826</u>
TOTAL REVENUES	64,283,548	122,753,548	110,552,162	(12,201,386)
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Electric production				
Employee salaries and benefits	2,443,409	2,443,409	2,376,324	67,085
Outside services	55,245,591	55,529,540	41,004,812	14,524,728
Materials and supplies	468,750	468,750	540,525	(71,775)
Intrafund/interfund services	1,309,404	1,309,404	1,331,673	(22,269)
Capital outlay	10,000	10,000	117,595	(107,595)
Debt and fiscal charges	442,768	442,768	441,377	1,391
	<u>59,919,922</u>	<u>60,203,871</u>	<u>45,812,306</u>	<u>14,391,565</u>
Electric distribution				
Employee salaries and benefits	6,222,774	6,222,774	5,956,869	265,905
Outside services	3,390,179	5,342,268	1,206,951	4,135,317
Materials and supplies	581,962	601,102	1,902,160	(1,301,058)

Intrafund/interfund services	\$	2,376,920	2,356,920	2,174,193	182,727
Capital outlay		103,000	103,000	89,356	13,644
Debt and fiscal charges		918,731	975,309	1,028,292	(52,983)
		<u>13,593,566</u>	<u>15,601,373</u>	<u>12,357,821</u>	<u>3,243,552</u>
General and administrative					
Employee salaries and benefits		991,211	991,211	599,010	392,201
Outside services		288,000	293,416	99,950	193,466
Materials and supplies		24,000	24,000	54,996	(30,996)
Intrafund/interfund services		(5,854,630)	(5,854,630)	(5,020,691)	(833,939)
		<u>(4,551,419)</u>	<u>(4,546,003)</u>	<u>(4,266,735)</u>	<u>(279,268)</u>
TOTAL EXPENSES AND ENCUMBRANCES		<u>68,962,069</u>	<u>71,259,241</u>	<u>53,903,392</u>	<u>17,355,849</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES		(4,678,521)	51,494,307	56,648,770	5,154,463
OTHER FINANCING SOURCES (USES)					
Transfers in from:					
General Fund		0	80,416	80,416	0
Transfers out to:					
General Fund		(643,769)	(599,344)	(157,273)	442,071
Water Production subfund		0	0	(405,927)	(405,927)
Equipment Fund		0	0	(40,866)	(40,866)
		<u>0</u>	<u>0</u>	<u>(40,866)</u>	<u>(40,866)</u>
NET CHANGE IN FUND BALANCE	\$	<u>(5,322,290)</u>	<u>50,975,379</u>	<u>56,125,120</u>	<u>5,149,741</u>
ADJUSTMENTS TO GAAP					
Encumbrances				596,486	
Changes in compensated absences				(13,034)	
Provision for uncollectible accounts				(24,224)	
Depreciation and amortization				(1,852,424)	
Adjustments to inventory				(222,447)	
Special closure costs				(1,083,084)	
Net book value of disposed capital assets				(27,478)	
Assets transferred - proprietary funds				(12,095)	
Capital outlay capitalized				2,206,395	
Pension expense				(229,993)	
Principal on debt service				922,396	
				<u>260,498</u>	
GAAP BASIS				<u>56,385,618</u>	
NET POSITION					
Net Position, June 30, 2023, as previously presented				31,619,762	
Error correction, see Note 25				1,328,740	
Net Position, June 30, 2023, as adjusted or restated				<u>32,948,502</u>	
NET POSITION - END OF FISCAL YEAR	\$			<u>89,334,120</u>	

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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for services				
Residential	\$ 19,897,954	19,897,954	5,860,232	(14,037,722)
Commercial and industrial	0	0	1,396,048	1,396,048
Municipal	0	0	276,208	276,208
Educational	0	0	183,925	183,925
Miscellaneous services	0	0	197,624	197,624
	<u>19,897,954</u>	<u>19,897,954</u>	<u>7,914,037</u>	<u>(11,983,917)</u>
Miscellaneous revenues				
Interest income	0	0	3,281	3,281
	<u>0</u>	<u>0</u>	<u>3,281</u>	<u>3,281</u>
TOTAL REVENUES	<u>19,897,954</u>	<u>19,897,954</u>	<u>7,917,318</u>	<u>(11,980,636)</u>
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Gas				
Employee salaries and benefits	904,804	1,064,804	913,406	151,398
Outside services	13,929,830	14,241,534	2,984,684	11,256,850
Materials and supplies	178,300	200,500	542,365	(341,865)
Intrafund/interfund services	1,733,126	1,733,126	1,127,577	605,549
Capital outlay	191,000	201,500	63,476	138,024
TOTAL EXPENSES AND ENCUMBRANCES	<u>16,937,060</u>	<u>17,441,464</u>	<u>5,631,508</u>	<u>11,809,956</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	2,960,894	2,456,490	2,285,810	(170,680)

OTHER FINANCING SOURCES (USES)

Transfers in from:					
General Fund	\$	0	20,962	20,962	0
Electric Distribution subfund		0	157,273	157,273	0
		<u>0</u>	<u>178,235</u>	<u>178,235</u>	<u>0</u>
Transfer out to:					
General Fund		(928,243)	(490,612)	0	490,612
Water Distribution subfund		0	0	(490,612)	(490,612)
		<u>0</u>	<u>0</u>	<u>(490,612)</u>	<u>(490,612)</u>
NET CHANGE IN FUND BALANCE	\$	<u>2,032,651</u>	<u>2,144,113</u>	1,973,433	<u>(170,680)</u>

ADJUSTMENTS TO GAAP

Encumbrances				77,661	
Changes in compensated absences				(58,204)	
Provision for uncollectible accounts				11,169	
Depreciation and amortization				(482,160)	
Adjustments to inventory				13,985	
Net book value of disposed capital assets				(98,259)	
Assets transferred - proprietary funds				(4,428)	
Capital outlay capitalized				225,891	
Pension expense				(21,318)	
				<u>(335,663)</u>	
GAAP BASIS				1,637,770	

NET POSITION

Net Position, June 30, 2023, as previously presented				8,490,446	
Error correction, see Note 25				978,632	
Net Position, June 30, 2023, as adjusted or restated				<u>9,469,078</u>	
NET POSITION - END OF FISCAL YEAR	\$			<u>11,106,848</u>	

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal direct	\$ 0	0	317,313	317,313
Federal indirect	0	0	37,806	37,806
Federal subsidy	21,338	21,338	21,338	0
State grants-other	6,650,000	13,873,474	2,791,772	(11,081,702)
	<u>6,671,338</u>	<u>13,894,812</u>	<u>3,168,229</u>	<u>(10,726,583)</u>
Charges for services				
Residential	7,220,311	7,220,311	5,156,944	(2,063,367)
Commercial and industrial	0	0	660,575	660,575
Municipal	310,019	310,019	832,826	522,807
Educational	0	0	205,867	205,867
Wholesale	1,901,250	1,901,250	2,709,124	807,874
Miscellaneous services	31,840	31,840	271,443	239,603
	<u>9,463,420</u>	<u>9,463,420</u>	<u>9,836,779</u>	<u>373,359</u>
Miscellaneous revenues				
Interest income	122,151	122,151	574,477	452,326
Other	2,000,000	5,500,000	0	(5,500,000)
Interfund loan repayment	187,569	2,260,569	91,053	(2,169,516)
	<u>2,309,720</u>	<u>7,882,720</u>	<u>665,530</u>	<u>(7,217,190)</u>
TOTAL REVENUES	18,444,478	31,240,952	13,670,538	(17,570,414)
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Water distribution				
Employee salaries and benefits	979,071	1,059,071	1,053,021	6,050
Outside services	210,000	511,216	719,771	(208,555)
Materials and supplies	344,700	374,239	354,522	19,717
Intrafund/interfund services	1,500,969	1,500,969	983,589	517,380
Capital outlay	676,816	676,816	44,108	632,708
	<u>3,711,556</u>	<u>4,122,311</u>	<u>3,155,011</u>	<u>967,300</u>
Water production				
Employee salaries and benefits	1,405,020	1,445,020	1,455,729	(10,709)
Outside services	14,267,425	40,396,356	11,776,758	28,619,598
Materials and supplies	157,100	166,229	298,130	(131,901)
Intrafund/interfund services	2,345,363	2,345,363	2,264,260	81,103

Capital outlay	\$	428,980	464,962	152,854	312,108
Debt and fiscal charges		936,863	852,016	584,617	267,399
		<u>19,540,751</u>	<u>45,669,946</u>	<u>16,532,348</u>	<u>29,137,598</u>
TOTAL EXPENSES AND ENCUMBRANCES		<u>23,252,307</u>	<u>49,792,257</u>	<u>19,687,359</u>	<u>30,104,898</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES		(4,807,829)	(18,551,305)	(6,016,821)	12,534,484
OTHER FINANCING SOURCES (USES)					
Transfers in from:					
General Fund		0	0	636,583	636,583
Economic Development Fund		2,000,000	2,000,000	0	(2,000,000)
Gas Fund		0	0	490,612	490,612
Electric Distribution Subfund		0	0	405,927	405,927
Proceeds from issuance of long-term debt:					
Intergovernmental loans		0	0	1,176,138	1,176,138
NET CHANGE IN FUND BALANCE	\$	<u>(2,807,829)</u>	<u>(16,551,305)</u>	<u>(3,307,561)</u>	<u>13,243,744</u>
ADJUSTMENTS TO GAAP					
Encumbrances				5,655,456	
Changes in compensated absences				3,397	
Provision for uncollectible accounts				(28,003)	
Depreciation and amortization				(2,299,616)	
Adjustments to inventory				(26,683)	
Net book value of disposed capital assets				(326,161)	
Proceeds from intergovernmental loans				(1,176,138)	
Assets transferred - proprietary funds				(42,607)	
Capital outlay capitalized				6,530,209	
Principal on interfund loans				(91,053)	
Pension expense				(37,831)	
Principal on debt service				516,248	
				<u>8,677,218</u>	
GAAP BASIS				5,369,657	
NET POSITION					
Net Position, June 30, 2023, as previously presented				71,071,586	
Error correction, see Note 25				1,592,846	
Net Position, June 30, 2023, as adjusted or restated				<u>72,664,432</u>	
NET POSITION - END OF FISCAL YEAR	\$			<u>78,034,089</u>	

See accompanying notes to financial statements

Attachment B

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
State grants-other	\$ 0	1,500,000	0	(1,500,000)
Charges for services				
Wastewater collection	6,644,515	6,644,515	5,580,586	(1,063,929)
Commercial and industrial	0	0	840,711	840,711
Miscellaneous services	0	0	19,615	19,615
	<u>6,644,515</u>	<u>6,644,515</u>	<u>6,440,912</u>	<u>(203,603)</u>
Miscellaneous revenues				
Interest income	165,449	165,449	174,469	9,020
	<u>165,449</u>	<u>165,449</u>	<u>174,469</u>	<u>9,020</u>
TOTAL REVENUES	<u>6,809,964</u>	<u>8,309,964</u>	<u>6,615,381</u>	<u>(1,694,583)</u>
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Wastewater				
Employee salaries and benefits	2,395,880	2,115,880	1,725,638	390,242
Outside services	2,335,000	18,383,033	16,613,552	1,769,481
Materials and supplies	349,600	349,600	395,033	(45,433)
Intrafund/interfund services	2,128,055	1,788,055	2,101,751	(313,696)
Capital outlay	0	0	350,218	(350,218)
Debt and fiscal charges	765,034	880,224	870,820	9,404
TOTAL EXPENSES AND ENCUMBRANCES	<u>7,973,569</u>	<u>23,516,792</u>	<u>22,057,012</u>	<u>1,459,780</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	<u>(1,163,605)</u>	<u>(15,206,828)</u>	<u>(15,441,631)</u>	<u>(234,803)</u>
Transfers in from:				
General Fund	0	261,918	261,918	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Proceeds from long-term debt				
Intergovernmental loans	0	0	10,455,896	10,455,896
Proceeds from revenue bonds				
NET CHANGE IN FUND BALANCE	<u>\$ (1,163,605)</u>	<u>(14,944,910)</u>	<u>(4,723,817)</u>	<u>10,221,093</u>

ADJUSTMENTS TO GAAP

Encumbrances	\$	4,053,544
Changes in compensated absences		(24,809)
Provision for uncollectible accounts		(8,595)
Depreciation and amortization		(887,591)
Adjustments to inventory		55
Net book value of disposed capital assets		(320)
Proceeds from intergovernmental loans		(10,455,896)
Capital outlay capitalized		12,316,099
Pension expense		(30,544)
Principal on debt service		828,036

5,789,979

1,066,162**GAAP BASIS****NET POSITION**

Net Position, June 30, 2023, as previously presented	34,117,689
Error correction, see Note 25	122,893

34,240,582

Net Position, June 30, 2023, as adjusted or restated

NET POSITION - END OF FISCAL YEAR

\$ 35,306,744



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

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Selective gross receipt taxes	\$ 1,640,000	1,640,000	1,843,739	203,739
Charges for services				
Sales of food or merchandise (trash bags)	0	0	1,184	1,184
Residential	2,423,000	2,423,000	2,442,471	19,471
Commercial and industrial	744,768	744,768	588,220	(156,548)
Other charges for services	690,000	690,000	542,336	(147,664)
	<u>3,857,768</u>	<u>3,857,768</u>	<u>3,574,211</u>	<u>(283,557)</u>
Interfund/interdepartmental charges				
Interdepartmental services	79,920	79,920	81,431	1,511
Miscellaneous revenues				
Interest income	50,000	50,000	189,830	139,830
Interest charges-delinquent accounts	0	0	3,572	3,572
Other	120,750	120,750	183,488	62,738
	<u>170,750</u>	<u>170,750</u>	<u>376,890</u>	<u>206,140</u>
TOTAL REVENUES	<u>5,748,438</u>	<u>5,748,438</u>	<u>5,876,271</u>	<u>127,833</u>
EXPENSES AND ENCUMBRANCES				
Public Works				
Environmental Services				
Employee salaries and benefits	1,970,558	1,970,558	1,744,394	226,164
Outside services	1,725,100	1,776,214	1,674,629	101,585
Materials and supplies	257,940	257,940	107,724	150,216
Intrafund/interfund services	1,509,934	1,509,934	1,498,129	11,805
Capital outlay	4,209,218	4,643,627	664,143	3,979,484
Debt and fiscal charges	326,985	326,985	329,807	(2,822)
	<u>9,999,735</u>	<u>10,485,258</u>	<u>6,018,826</u>	<u>4,466,432</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>9,999,735</u>	<u>10,485,258</u>	<u>6,018,826</u>	<u>4,466,432</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(4,251,297)	(4,736,820)	(142,555)	4,594,265

OTHER FINANCING SOURCES (USES)

Proceeds from long-term debt				
Revenue bonds	\$ 4,000,000	4,000,000	0	(4,000,000)
NET CHANGE IN FUND BALANCE	\$ (251,297)	(736,820)	(142,555)	594,265
ADJUSTMENTS TO GAAP				
Encumbrances			528,425	
Changes in compensated absences			(4,859)	
Provision for uncollectible accounts			(14,454)	
Depreciation and amortization			(189,120)	
Special closure costs			58,077	
Capital outlay capitalized			176,252	
Assets transferred - proprietary funds			(170,789)	
Principal on debt service			248,114	
Pension expense			(33,657)	
			<u>597,989</u>	
GAAP BASIS			455,434	
NET POSITION				
Beginning of fiscal year			4,071,789	
NET POSITION - END OF FISCAL YEAR			<u>\$ 4,527,223</u>	

See accompanying notes to financial statements

**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal direct	\$ 200,662	204,111	232,346	28,235
Federal indirect	2,865,327	6,218,268	2,914,947	(3,303,321)
State grants-other	0	197,249	197,248	(1)
Other intergovernmental (NCRTD)	1,876,289	1,876,289	1,876,289	0
	<u>4,942,278</u>	<u>8,495,917</u>	<u>5,220,830</u>	<u>(3,275,087)</u>
Interfund/interdepartmental charges				
Miscellaneous revenues				
Interest income	53,842	53,842	80,583	26,741
TOTAL REVENUES	<u>4,996,120</u>	<u>8,549,759</u>	<u>5,301,413</u>	<u>(3,248,346)</u>
EXPENSES AND ENCUMBRANCES				
Public Works				
Transit (Atomic City Transit)				
Employee salaries and benefits	3,839,991	3,244,912	2,778,525	466,387
Outside services	186,850	703,512	97,926	605,586
Materials and supplies	58,620	62,378	34,806	27,572
Intrafund/interfund services	1,907,490	2,644,003	1,907,880	736,123
Capital outlay	1,088,959	5,853,112	2,486,104	3,367,008
Debt and fiscal charges	0	0	8,274	(8,274)
TOTAL EXPENSES AND ENCUMBRANCES	<u>7,081,910</u>	<u>12,507,917</u>	<u>7,313,515</u>	<u>5,194,402</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(2,085,790)	(3,958,158)	(2,012,102)	1,946,056
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
General Fund	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>0</u>
Transfers out to:				
NET CHANGE IN FUND BALANCE	<u><u>\$ (885,790)</u></u>	<u><u>(2,758,158)</u></u>	<u><u>(812,102)</u></u>	<u><u>1,946,056</u></u>

ADJUSTMENTS TO GAAP

Encumbrances	\$	975,664
Changes in compensated absences		6,641
Depreciation and amortization		(281,013)
Capital outlay capitalized		(1,136,816)
Lease expense capitalized		107,309
Assets transferred - proprietary funds		1,395,552
Pension expense		(48,822)
		<u>1,018,515</u>
GAAP BASIS		206,413

NET POSITION

Beginning of fiscal year		(102,478)
NET POSITION - END OF FISCAL YEAR	\$	<u>103,935</u>

**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, 2024**

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Fire excise tax	\$ 3,263,000	3,263,000	3,687,510	424,510
Intergovernmental revenue				
Federal direct - NNSA cooperative agreement	34,758,947	42,620,390	30,636,311	(11,984,079)
State grants-other	504,620	504,620	26,954	(477,666)
Charges for services				
Ambulance services	560,000	560,000	787,929	227,929
Interfund/interdepartmental charges				
County share of fire services	9,407,440	13,603,828	9,238,278	(4,365,550)
TOTAL REVENUES	<u>48,494,007</u>	<u>60,551,838</u>	<u>44,376,982</u>	<u>(16,174,856)</u>
EXPENSES AND ENCUMBRANCES				
Fire Department				
Operations				
Employee salaries and benefits	29,394,974	36,250,054	23,329,286	12,920,768
Outside services	20,825	30,644	63,233	(32,589)
Materials and supplies	459,027	801,105	469,499	331,606
	<u>29,874,826</u>	<u>37,081,803</u>	<u>23,862,018</u>	<u>13,219,785</u>
Life Safety				
Employee salaries and benefits	0	0	33,736	(33,736)
Outside services	139,374	205,088	70,726	134,362
Materials and supplies	330,372	640,511	637,089	3,422
Capital outlay	0	0	14,193	(14,193)
	<u>469,746</u>	<u>845,599</u>	<u>755,744</u>	<u>89,855</u>
Training				
Employee salaries and benefits	0	0	1,602,337	(1,602,337)
Outside services	364,096	535,765	370,582	165,183
Materials and supplies	102,400	715,877	456,960	258,917
Capital outlay	0	0	14,226	(14,226)
	<u>466,496</u>	<u>1,251,642</u>	<u>2,444,105</u>	<u>(1,192,463)</u>

Emergency Medical Services				
Employee salaries and benefits	\$	0	0	5,052
Outside services		159,940	235,350	200,716
Materials and supplies		166,101	313,603	216,000
		<u>326,041</u>	<u>548,953</u>	<u>421,768</u>
Non contract-administration				
Employee salaries and benefits		243,621	243,621	23,961
Outside services		31,200	56,740	42,848
Materials and supplies		25,578	25,578	345
Intrafund/interfund services		204,221	204,221	204,216
Debt and fiscal charges		0	0	20,673
		<u>504,620</u>	<u>530,160</u>	<u>292,043</u>
Administration				
Employee salaries and benefits		3,624,306	5,239,319	3,422,020
Outside services		448,175	706,130	244,933
Materials and supplies		82,520	(28,572)	263,036
Intrafund/interfund services		8,910,706	10,727,818	8,357,926
Capital outlay		0	0	268,114
		<u>13,065,707</u>	<u>16,644,695</u>	<u>12,556,029</u>
		<u>44,707,436</u>	<u>56,902,852</u>	<u>40,331,707</u>
TOTAL EXPENSES AND ENCUMBRANCES		44,707,436	56,902,852	40,331,707
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES		3,786,571	3,648,986	4,045,275
OTHER FINANCING SOURCES (USES)				
Transfers out to:				
General Fund		<u>(3,263,000)</u>	<u>(3,263,000)</u>	<u>(3,263,000)</u>
NET CHANGE IN FUND BALANCE	\$	<u>523,571</u>	<u>385,986</u>	<u>782,275</u>
ADJUSTMENTS TO GAAP				
Encumbrances				85,475
Changes in compensated absences				(568,837)
Provision for uncollectible accounts				(86,491)
Depreciation and amortization				(877,537)
Lease amortization				(172,983)
Non-lease component expense				(44,030)
Lease expense capitalized				267,621
Net book value of disposed capital assets				95,215
Pension expense				(1,322,991)
				<u>(2,624,558)</u>
				<u>(1,842,283)</u>
GAAP BASIS NET POSITION				
Beginning of fiscal year				(42,918,510)
NET POSITION - END OF FISCAL YEAR	\$			<u><u>(44,760,793)</u></u>

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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal direct	\$ 0	25,817	0	(25,817)
State grants-other	0	4,552,777	1,483,568	(3,069,209)
	<u>0</u>	<u>4,578,594</u>	<u>1,483,568</u>	<u>(3,095,026)</u>
Charges for services				
Airport fees	80,000	80,000	87,897	7,897
Miscellaneous revenues				
Interest income	14,598	14,598	84,492	69,894
	<u>14,598</u>	<u>14,598</u>	<u>84,492</u>	<u>69,894</u>
TOTAL REVENUES	<u>94,598</u>	<u>4,673,192</u>	<u>1,655,957</u>	<u>(3,017,235)</u>
EXPENSES AND ENCUMBRANCES				
Public Works				
Airport operations				
Employee salaries and benefits	162,955	162,955	102,307	60,648
Outside services	258,323	5,320,754	3,261,049	2,059,705
Materials and supplies	48,133	48,133	22,831	25,302
Intrafund/interfund services	194,324	194,325	191,457	2,868
Capital outlay	120,000	218,664	76,442	142,222
Debt and fiscal charges	1,591	1,591	179	1,412
	<u>785,326</u>	<u>5,946,422</u>	<u>3,654,265</u>	<u>2,292,157</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>785,326</u>	<u>5,946,422</u>	<u>3,654,265</u>	<u>2,292,157</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(690,728)	(1,273,230)	(1,998,308)	(725,078)

OTHER FINANCING SOURCES (USES)

Transfers in from:

General Fund

\$	<u>657,326</u>	<u>907,326</u>	<u>907,326</u>	<u>0</u>
	657,326	907,326	907,326	0

NET CHANGE IN FUND BALANCE

\$	<u>(33,402)</u>	<u>(365,904)</u>	<u>(1,090,982)</u>	<u>(725,078)</u>
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ADJUSTMENTS TO GAAP

Encumbrances

1,765,375

Changes in compensated absences

1,531

Depreciation and amortization

(539,674)

Capital outlay capitalized

76,264

Pension expense

(2,214)

1,301,282

210,300

GAAP BASIS

NET POSITION

Beginning of fiscal year

13,008,092

NET POSITION - END OF FISCAL YEAR

\$ **13,218,392**



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, 2024

	EQUIPMENT	RISK MANAGEMENT	TOTAL
ASSETS			
CURRENT ASSETS			
Equity in pooled cash and investments	\$ 8,953,277	13,264,446	22,217,723
Receivables, net of allowance for uncollectibles			
Accounts	5,448	3,300	8,748
Inventories and prepayments			
	<u>8,958,725</u>	<u>13,267,746</u>	<u>22,226,471</u>
PROPERTY, PLANT AND EQUIPMENT			
Machinery and equipment	34,091,772	0	34,091,772
Less accumulated depreciation	(23,287,251)	0	(23,287,251)
	<u>10,804,521</u>	<u>0</u>	<u>10,804,521</u>
TOTAL ASSETS	<u>19,763,246</u>	<u>13,267,746</u>	<u>33,030,992</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred other post employment benefits	76,034	19,310	95,344
Deferred pensions	308,635	94,932	403,567
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	367,661	973,757	1,341,418
Claims and judgments payable	0	640,055	640,055
Accrued salaries including benefits payable	16,406	3,551	19,957
Accrued compensated absences	107,660	14,387	122,047
	<u>491,727</u>	<u>1,631,750</u>	<u>2,123,477</u>
NONCURRENT LIABILITIES			
Accrued compensated absences	40,647	3,585	44,232
Claims and judgments payable	0	29,734	29,734
Net other post employment benefits liability	218,319	95,971	314,290
Net pension liability	1,353,152	422,276	1,775,428
	<u>1,612,118</u>	<u>551,566</u>	<u>2,163,684</u>
TOTAL LIABILITIES	<u>2,103,845</u>	<u>2,183,316</u>	<u>4,287,161</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred other post employment benefits	230,761	82,897	313,658
NET POSITION			
Net investment in capital assets	10,804,521	0	10,804,521
Unrestricted	7,008,788	11,115,775	18,124,563
TOTAL NET POSITION	<u>\$ 17,813,309</u>	<u>11,115,775</u>	<u>28,929,084</u>

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, 2024

	<u>EQUIPMENT</u>	<u>RISK MANAGEMENT</u>	<u>TOTAL</u>
OPERATING REVENUES			
Interfund charges for services	\$ 6,544,176	99	6,544,275
Insurance and pension contributions			
County	0	9,730,684	9,730,684
Employees and retirees	0	1,920,861	1,920,861
Miscellaneous operating revenue	161,060	0	161,060
	<u>6,705,236</u>	<u>11,651,644</u>	<u>18,356,880</u>
OPERATING EXPENSES			
Employee salaries and benefits	1,271,163	484,929	1,756,092
Contractual services	1,191,997	11,078,667	12,270,664
Materials and supplies	1,566,887	24,790	1,591,677
Depreciation and amortization	2,448,042	0	2,448,042
Other	0	406	406
	<u>6,478,089</u>	<u>11,588,792</u>	<u>18,066,881</u>
OPERATING INCOME (LOSS)	227,147	62,852	289,999
NONOPERATING REVENUES (EXPENSES)			
Gain (loss) on disposition of fixed assets	170,283	0	170,283
Investment income	345,760	529,660	875,420
	<u>516,043</u>	<u>529,660</u>	<u>1,045,703</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	743,190	592,512	1,335,702
TRANSFERS AND CONTRIBUTIONS			
Transfers in	1,752,007	0	1,752,007
Transfers out	0	(32,779)	(32,779)
Contributed capital assets - governmental activities	707,479	(35,038)	672,441
	<u>2,459,486</u>	<u>(67,817)</u>	<u>2,391,669</u>
NET INCOME (LOSS)	3,202,676	524,695	3,727,371
NET POSITION			
Beginning of fiscal year	14,610,633	10,591,080	25,201,713
NET POSITION - END OF FISCAL YEAR	\$ <u>17,813,309</u>	<u>11,115,775</u>	<u>28,929,084</u>

See accompanying notes to financial statements

Attachment B

**INCORPORATED COUNTY OF LOS ALAMOS
INTERNAL SERVICE FUNDS**

**COMBINING STATEMENT OF CASH FLOWS
Year ended June 30, 2024**

	<u>EQUIPMENT</u>	<u>RISK MANAGEMENT</u>	<u>TOTAL</u>
CASH FLOWS - OPERATING ACTIVITIES			
Cash received from customers and users	\$ 6,719,585	155	6,719,740
Cash received from contributions-employer and employees	0	11,651,545	11,651,545
Cash paid to suppliers for goods and services	(2,445,273)	(10,855,333)	(13,300,606)
Cash paid to employees	(1,251,221)	(509,319)	(1,760,540)
NET CASH FLOWS - OPERATING ACTIVITIES	<u>3,023,091</u>	<u>287,048</u>	<u>3,310,139</u>
CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	48,066	0	48,066
NET CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES	<u>48,066</u>	<u>0</u>	<u>48,066</u>
CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES			
Cash paid for acquisition of capital assets	(1,803,663)	(67,817)	(1,871,480)
Proceeds from sale of capital assets	170,284	0	170,284
NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,633,379)</u>	<u>(67,817)</u>	<u>(1,701,196)</u>
CASH FLOWS - INVESTING ACTIVITIES			
Interest received on investments	<u>345,760</u>	<u>529,660</u>	<u>875,420</u>
NET INCREASE (DECREASE) IN CASH	1,783,538	748,891	2,532,429
EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR	<u>7,169,739</u>	<u>12,515,555</u>	<u>19,685,294</u>
EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR	<u>\$ 8,953,277</u>	<u>13,264,446</u>	<u>22,217,723</u>

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

OPERATING INCOME(LOSS)	\$	227,147	62,852	289,999
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FLOWS - OPERATING ACTIVITIES				
Depreciation and amortization expense		2,448,042	0	2,448,042
Change in assets and liabilities:				
Accounts and other receivables		14,349	462	14,811
Accounts payable		313,611	151,960	465,571
Salaries and benefits payable		19,942	(24,390)	(4,448)
Claims and judgments payable		0	96,164	96,164
Total adjustments		<u>2,795,944</u>	<u>224,196</u>	<u>3,020,140</u>
NET CASH FLOWS - OPERATING ACTIVITIES	\$	<u>3,023,091</u>	<u>287,048</u>	<u>3,310,139</u>

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

NON CASH TRANSACTIONS:

Asset transfers - proprietary funds	\$	1,703,941	(32,779)	1,671,162
Contributed capital assets - governmental activities		707,479	(35,038)	672,441
TOTAL NON CASH CAPITAL ACQUISITIONS	\$	<u>2,411,420</u>	<u>(67,817)</u>	<u>2,343,603</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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Interfund/interdepartmental charges				
Charges for special services	\$ 6,544,165	6,544,165	6,544,176	11
Miscellaneous revenues				
Investment income (loss)	113,000	113,000	345,760	232,760
Other	150,000	150,000	161,060	11,060
	<u>263,000</u>	<u>263,000</u>	<u>506,820</u>	<u>243,820</u>
TOTAL REVENUES	<u>6,807,165</u>	<u>6,807,165</u>	<u>7,050,996</u>	<u>243,831</u>
EXPENSES AND ENCUMBRANCES				
Public Works				
Fleet management-equipment maintenance				
Employee salaries and benefits	1,352,197	1,352,197	1,252,350	99,847
Outside services	177,600	177,675	143,810	33,865
Materials and supplies	1,950,800	1,956,879	1,556,098	400,781
Intrafund/interfund services	1,045,461	1,045,461	1,052,281	(6,820)
	<u>4,526,058</u>	<u>4,532,212</u>	<u>4,004,539</u>	<u>527,673</u>
Fleet management-equipment replacement				
Materials and supplies	0	0	14,323	(14,323)
Capital outlay	2,265,770	3,326,436	3,021,552	304,884
	<u>2,265,770</u>	<u>3,326,436</u>	<u>3,035,875</u>	<u>290,561</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>6,791,828</u>	<u>7,858,648</u>	<u>7,040,414</u>	<u>818,234</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	15,337	(1,051,483)	10,582	1,062,065

OTHER FINANCING SOURCES (USES)**Transfers in from:**

Joint Utility System Fund-Electric

\$	0	48,066	48,066	0
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Proceeds from sale of capital assets

	250,000	250,000	170,283	(79,717)
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NET CHANGE IN NET POSITION

\$	<u>265,337</u>	<u>(753,417)</u>	<u>228,931</u>	<u>982,348</u>
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ADJUSTMENTS TO GAAP

Encumbrances

1,225,517

Changes in compensated absences

4,731

Depreciation and amortization

(2,448,042)

Capital outlay capitalized

1,803,663

Asset transfers - proprietary funds

1,703,941

Contributed capital assets - governmental activities

707,479

Pension expense

(23,544)

2,973,745**GAAP BASIS**3,202,676**NET POSITION**

Beginning of fiscal year

14,610,633**NET POSITION - END OF FISCAL YEAR**

\$	<u>17,813,309</u>
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**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, 2024

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for services				
Administrative charges for services	\$ 0	0	99	99
Interfund/interdepartmental charges				
County insurance contributions	10,534,004	10,534,004	9,730,684	(803,320)
Miscellaneous revenues				
Investment income	208,333	208,333	529,660	321,327
Group insurance contributions				
Employees	2,155,870	2,155,870	1,920,861	(235,009)
	<u>2,364,203</u>	<u>2,364,203</u>	<u>2,450,521</u>	<u>86,318</u>
TOTAL REVENUES	<u>12,898,207</u>	<u>12,898,207</u>	<u>12,181,304</u>	<u>(716,903)</u>
EXPENSES AND ENCUMBRANCES				
Administrative Services - Human Resources				
Group insurance				
Outside services	686,600	686,600	557,857	128,743
Intrafund/interfund services	(29,900)	(29,900)	(48,198)	18,298
	<u>656,700</u>	<u>656,700</u>	<u>509,659</u>	<u>147,041</u>
Medical Insurance				
Outside services	8,640,736	8,640,736	8,906,501	(265,765)
Unemployment insurance				
Outside services	70,000	70,000	0	70,000
Workers' compensation insurance				
Outside services	600,000	600,000	508,898	91,102
Administration and other insurance				
Employee salaries and benefits	495,100	495,100	507,576	(12,476)
Outside services	1,727,769	1,818,149	1,174,923	643,226
Materials and supplies	32,630	32,630	24,790	7,840
Intrafund/interfund services	38,366	38,366	56,658	(18,292)
Capital outlay	6,000	6,000	67,817	(61,817)
	<u>2,299,865</u>	<u>2,390,245</u>	<u>1,831,764</u>	<u>558,481</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>12,267,301</u>	<u>12,357,681</u>	<u>11,756,822</u>	<u>600,859</u>
NET CHANGE IN NET POSITION	<u>\$ 630,906</u>	<u>540,526</u>	<u>424,482</u>	<u>(116,044)</u>

ADJUSTMENTS TO GAAP

Encumbrances	\$	174,136
Changes in compensated absences		31,143
Provision for uncollectible accounts		(406)
Capital outlay capitalized		67,817
Asset transfers - proprietary funds		(32,779)
Contributed capital assets - governmental activities		(35,038)
Incurred but not reported claims adjustment		(96,164)
Pension expense		(8,496)
		<u>100,213</u>
GAAP BASIS		<u>524,695</u>

NET POSITION

Beginning of fiscal year		<u>10,591,080</u>
NET POSITION - END OF FISCAL YEAR	\$	<u><u>11,115,775</u></u>

INCORPORATED COUNTY OF LOS ALAMOS
CUSTODIAL FUNDS
STATEMENT OF CUSTODIAL NET POSITION
June 30, 2024

	<u>Property Taxes</u>	<u>Employee Assistance Fund</u>	<u>Recreation Contributions</u>	<u>Utility Assistance Program</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 170,039	14,947	44,724	19,671	249,381
Receivables, net of allowance for uncollectibles:					
Property taxes	368,069	0	0	0	368,069
Others	313	0	0	0	313
Total receivables	<u>368,382</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>368,382</u>
TOTAL ASSETS	<u><u>\$ 538,421</u></u>	<u><u>14,947</u></u>	<u><u>44,724</u></u>	<u><u>19,671</u></u>	<u><u>617,763</u></u>
LIABILITIES					
Accounts payable and other liabilities	\$ 538,421	0	0	0	538,421
TOTAL LIABILITIES	<u><u>538,421</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>538,421</u></u>
NET POSITION					
Restricted for:					
Employee fund	0	14,947	0	0	14,947
Recreation Programs	0	0	44,724	0	44,724
Utility Assistance Program	0	0	0	19,671	19,671
TOTAL NET POSITION	<u><u>\$ 0</u></u>	<u><u>14,947</u></u>	<u><u>44,724</u></u>	<u><u>19,671</u></u>	<u><u>79,342</u></u>

INCORPORATED COUNTY OF LOS ALAMOS
CUSTODIAL FUNDS
STATEMENT OF CHANGES IN CUSTODIAL NET POSITION
Year Ended June 30, 2024

	<u>Property Taxes</u>	<u>Employee Assistance Fund</u>	<u>Recreation Contributions</u>	<u>Utility Assistance Program</u>	<u>Total</u>
ADDITIONS					
Contributions:					
Customers	\$ 0	0	0	16,080	16,080
Property tax received	41,114,090	0	0	0	41,114,090
Donations for recreation programs	0	0	500	0	500
Employee fund	0	2,921	0	0	2,921
Total contributions	<u>41,114,090</u>	<u>2,921</u>	<u>500</u>	<u>16,080</u>	<u>41,133,591</u>
Sales tax collections for other governments	2,483,904	0	0	0	2,483,904
Fee collections for other governments	5,784	0	0	0	5,784
TOTAL ADDITIONS	<u>43,603,778</u>	<u>2,921</u>	<u>500</u>	<u>16,080</u>	<u>43,623,279</u>
DEDUCTIONS					
Benefits paid to participants or beneficiaries	0	0	65	11,090	11,155
Payment to State	3,004,328	0	0	0	3,004,328
Property tax payment	40,599,450	0	0	0	40,599,450
Employee fund	0	6,450	0	0	6,450
TOTAL DEDUCTIONS	<u>43,603,778</u>	<u>6,450</u>	<u>65</u>	<u>11,090</u>	<u>43,621,383</u>
Net increase (decrease) in custodial net position	0	(3,529)	435	4,990	1,896
NET POSITION					
Beginning of fiscal year	0	18,476	44,289	14,681	77,446
NET POSITION - END OF FISCAL YEAR	<u>\$ 0</u>	<u>14,947</u>	<u>44,724</u>	<u>19,671</u>	<u>79,342</u>

See accompanying notes to financial statements

Attachment B



LOS ALAMOS

where discoveries are made

Statistical Section

This section of the County's annual comprehensive 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>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>	<u>FY2024</u>
Governmental activities										
Net investment in capital assets	\$ 250,108,256	252,531,286	259,802,145	245,740,292	243,608,904	241,821,819	244,701,611	250,230,434	257,547,997	271,989,321
Restricted	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	60,915,438
Unrestricted	<u>24,828,055</u> [b]	<u>23,440,469</u>	<u>11,708,367</u>	<u>(14,208,320)</u> [c]	<u>(9,962,668)</u>	<u>(4,966,319)</u>	<u>13,286,669</u> [e]	<u>29,906,366</u> [g]	<u>58,331,700</u> [g]	<u>84,402,421</u>
Total governmental activities net position [a]	<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>	<u>417,307,180</u>
Business-type activities										
Net investment in capital assets	\$ 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	181,868,675
Restricted	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	16,742,675
Unrestricted	<u>(13,031,536)</u> [b]	<u>(11,155,982)</u>	<u>(19,209,288)</u>	<u>(47,684,553)</u> [c]	<u>(45,260,431)</u> [d]	<u>(55,904,827)</u>	<u>(46,157,528)</u>	<u>(39,151,053)</u>	<u>(30,380,460)</u>	<u>17,618,580</u>
Total business-type activities net position [a]	<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>	<u>216,229,930</u>
Primary government										
Net investment in capital assets	\$ 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	453,857,996
Restricted	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	77,658,113
Unrestricted	<u>11,796,519</u> [b]	<u>12,284,487</u>	<u>(7,500,921)</u>	<u>(61,892,873)</u> [c]	<u>(55,223,099)</u> [d]	<u>(60,871,146)</u>	<u>(32,870,859)</u>	<u>(9,244,687)</u>	<u>27,951,240</u>	<u>102,021,001</u>
Total primary government net position [a]	<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>	<u>633,537,110</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>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>	<u>FY2024</u>
Expenses										
Governmental activities:										
General government	\$ 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	22,933,730
Public safety	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	25,515,655
Physical and economic environment	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	4,390,441
Transportation	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	12,131,324
Health and welfare	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	7,162,136
Culture and recreation	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	16,236,435
Interest on long-term debt	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	705,533
Total governmental activities expenses	<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>	<u>89,075,254</u>
Business-type activities:										
Joint Utilities										
Electric	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	53,511,729
Gas	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	5,956,157
Water	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	9,660,907
Wastewater	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	5,477,131
Environmental Services	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	5,218,794
Transit (Atomic City Transit)	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	5,111,792
Fire	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	42,543,279
Airport	1,251,229	1,777,165	1,628,521	1,134,060	931,841	924,622	827,233	1,240,670	2,162,626	2,350,851
Total business-type activities expenses	<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>	<u>129,830,640</u>
Total primary government expenses	<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>	<u>218,905,894</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General government	\$ 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	1,092,320
Public safety	27,970	21,186	33,262	32,631	38,749	103,530	209,150	128,997	59,174	163,241
Physical and economic environment	285,865	267,346	350,571	394,274	391,345	585,986	933,120	848,415	670,006	521,077
Health and welfare	0	0	0	0	0	0	0 [d]	448,462 [e]	128,834 [e]	605,579
Culture and recreation	1,054,444	1,049,593	1,002,205	884,437	549,841	417,634	528,851	1,037,267	1,226,187	1,236,073
Operating grants and contributions	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	3,514,475
Capital grants and contributions	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	3,311,569
Total governmental activities program revenues	<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>	<u>10,444,334</u>
Business-type activities:										
Charges for services:										
Joint Utilities										
Electric	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	109,111,493
Gas	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	7,925,207
Water	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	12,983,669
Wastewater	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	6,440,913
Environmental Services	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	3,842,702
Transit (Atomic City Transit)	0	0	11,701	18,830	0	0	0	0	0	0
Fire	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	10,026,207
Airport	88,639	87,389	90,208	96,492	115,787	130,428	71,711	76,289	76,846	87,897
Operating grants and contributions	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	34,371,303
Capital grants and contributions	2,484,713	1,577,799	777,875	766,530	1,382,160	925,955	428,961	1,099,961	263,647	3,114,611

Total business-type activities program revenues	<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>	<u>187,904,002</u>
Total primary government program revenues	\$ <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>	<u>198,348,336</u>
Net (Expenses)/Revenues										
Governmental activities	\$ (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)	(78,630,920)
Business-type activities	(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)	58,073,362
Total primary government net expense	\$ <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>	<u>(20,557,558)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Gross receipts taxes	\$ 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	65,046,963
Property taxes	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	9,115,079
Franchise taxes	472,261	512,974	566,033	491,995	528,970	524,930	533,848	526,930	669,861	614,787
Grants and contribution not restricted to specific programs	817,545	1,392,069	847,665	889,846	1,222,801	934,392	870,136	12,008,825	959,951	2,418,981
State shared tax revenue not restricted to specific programs	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	37,963,054
Unrestricted investment earnings	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	14,235,288
Gain on exchange of capital assets	337,133	0	0	(12,210,226)	(2,719,594)	(6,038,219)	(476,875)	0	0	0
Transfers	347,887	2,146,495	51,556	1,460,372	1,542,902	870,229	704,206	(3,285,725)	(1,099,716)	(516,645)
Total governmental activities	<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>	<u>128,877,507</u>
Business-type activities:										
Gross receipts taxes	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	5,531,249
Grants and contribution not restricted to specific programs	0	0	0	0	0	0	0	0	0	0
Unrestricted investment earnings	157,053	127,936	886,979	779,323	831,079	737,305	1,991,428	(1,075,381)	1,548,520	2,448,159
Gain on restructuring of San Juan ownership agreement	0 [b]	1,953,600	0	0	0	0	0	0	0	0
Gain (loss) on exchange of capital assets	0	0	0	(998,192)	(609,531)	105,401	158,173	0	0	0
Transfers	(347,887)	(2,146,495)	(51,556)	(1,460,372)	(1,542,902)	(870,229)	(704,206)	3,285,725	1,099,716	516,645
Total business-type activities	<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>	<u>8,496,053</u>
Total primary government	\$ <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>	<u>137,373,560</u>
Change in Net Position										
Governmental activities	\$ (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	50,246,587
Business-type activities	(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)	66,569,415
Total primary government net expense	\$ <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 [c]</u>	<u>116,816,002</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.

[e] The County received local government abatement funds which were attributable to Health and Welfare.



LOS ALAMOS

INCORPORATED COUNTY OF LOS ALAMOS
FUND BALANCE, GOVERNMENTAL FUNDS (modified accrual basis of accounting)
LAST TEN FISCAL YEARS

Table 3

	<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>	<u>FY2024</u>
General Fund										
Nonspendable	\$ 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	2,230,772
Restricted	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	12,971,568
Committed	0	0	0	0	0	0	0	0	0	0
Assigned	2,735,989	2,552,924	1,441,333	5,886,465	2,389,590	3,869,407 [a]	10,428,819	11,802,830	14,112,692 [a]	17,969,824
Unassigned	16,030,633	10,988,354	10,122,214	13,177,552	25,370,753	30,409,028 [b]	27,392,196 [d]	36,606,315 [f]	52,017,651 [h]	67,978,621
Total General Fund	<u><u>25,515,413</u></u>	<u><u>19,810,212</u></u>	<u><u>17,876,264</u></u>	<u><u>25,303,918</u></u>	<u><u>34,234,913</u></u>	<u><u>42,567,111</u></u>	<u><u>47,697,378</u></u>	<u><u>59,500,343</u></u>	<u><u>78,601,717</u></u>	<u><u>101,150,785</u></u>
All Other Governmental Funds										
Nonspendable	25,472,184	24,580,311	24,958,847	25,830,386	15,450	15,450	15,450	15,450 [g]	29,331,758	27,582,548
Restricted	4,153,960	3,426,972	5,617,945	6,094,484	32,850,984	33,756,368	42,672,219 [e]	35,395,653	10,703,772	19,347,648
Committed	787,738	522,781	509,644	475,383	436,126	544,471	568,920	57,700	128,664	166,660
Assigned	31,376,364	36,492,709	28,601,685	26,816,584	26,969,685	25,180,170 [c]	40,876,071	45,460,250	53,976,512 [i]	61,067,893
Unassigned	0	0	0	(796,699)	(510,303)	69,994	69,993	69,993	0	0
Total All Other Governmental Funds	<u><u>\$ 61,790,246</u></u>	<u><u>65,022,773</u></u>	<u><u>59,688,121</u></u>	<u><u>58,420,138</u></u>	<u><u>59,761,942</u></u>	<u><u>59,566,453</u></u>	<u><u>84,202,653</u></u>	<u><u>80,999,046</u></u>	<u><u>94,140,706</u></u>	<u><u>108,164,749</u></u>

Source: Los Alamos County ACFRs

Notes:

- [a] The increase in Assigned fund balance is due to an increase in continuing appropriations carried forward to complete projects in the next fiscal year.
- [b] 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.
- [c] 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.
- [d] The increase in Unassigned fund balance relates to the settlement the County received from New Mexico Tax and Revenue.
- [e] The decrease in Restricted fund balance relates to the loss on investments in the Capital Projects Permanent Fund.
- [f] The increase in Unassigned fund balance relates to the County implementing and reporting GASB 87 for lease receivables in the General Fund
- [g] The increase in Nonspendable fund balance relates to the County reclassifying the balance of the Permanent Fund from restricted to nonspendable per GASB 54
- [h] The increase in Unassigned fund balance is due to a combination of an increase in gross receipts tax received and an increase in investment income due to favorable market conditions.
- [i] The increase in Unassigned fund balance is due to an increase in future capital projects.

INCORPORATED COUNTY OF LOS ALAMOS
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS (modified accrual basis of accounting)
LAST TEN FISCAL YEARS

Table 4

	<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>	<u>FY2024</u>
Revenues:										
Taxes and special assessments	\$ 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	75,266,832
Licenses and permits	252,091	241,250	282,417	292,869	271,167	397,269	560,069	310,007	359,897	340,521
Intergovernmental	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	45,248,871
Fines forfeitures and penalties	154,697	185,658	208,610	190,910	142,993	101,454	112,718	94,880	62,836	66,018
Charges for services	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	1,514,854
Interfund/Interdepartmental charges	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	12,426,680
Investment Income	[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	[a] 14,235,288
Other revenues	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	3,225,760
Total revenues	<u>59,430,636</u>	<u>64,238,907</u>	<u>68,768,536</u>	<u>69,068,571</u>	<u>77,790,592</u>	<u>78,123,496</u>	<u>106,188,945</u>	<u>94,242,532</u>	<u>128,219,266</u>	<u>152,324,824</u>
Expenditures										
General government	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	32,471,422
Public safety	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	24,325,246
Physical and economic environment	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	4,315,628
Transportation	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	6,101,937
Health and welfare	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	7,144,282
Culture and recreation	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	11,721,383
Capital Projects/Outlay	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	25,277,452
Debt service										
Principal	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	3,720,000
Interest	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	830,159
Total expenditures	<u>73,330,725</u>	<u>68,198,838</u>	<u>76,853,971</u>	<u>64,390,321</u>	<u>68,579,534</u>	<u>70,432,043</u>	<u>77,197,147</u>	<u>82,435,692</u>	<u>92,914,689</u>	<u>115,907,509</u>
Excess of revenues over (under) expenditures	(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	36,417,315
Other Financial Sources (Uses)										
Transfers in	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	34,952,284
Transfers out	(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)	(34,796,488)
Loss on disposal of asset held for resale	0	0	0	0	0	(597,402)	0	0	0	0
Total other financial sources (uses)	<u>578,557</u>	<u>1,487,257</u>	<u>816,836</u>	<u>1,481,421</u>	<u>1,061,741</u>	<u>445,256</u>	<u>774,669</u>	<u>(3,207,482)</u>	<u>(686,677)</u>	<u>155,796</u>
Net change in fund balance	<u>\$ (13,321,532)</u>	<u>(2,472,674)</u>	<u>(7,268,599)</u>	<u>6,159,671</u>	<u>10,272,799</u>	<u>8,136,709</u>	<u>[f] 29,766,467</u>	<u>8,599,358</u>	<u>34,617,900</u>	<u>[f] 36,573,111</u>
Debt service as a percentage of non-capital expenditures										
	11.48%	10.87%	10.54%	10.53%	9.79%	7.52%	6.89%	6.45%	5.80%	5.02%

Source: Los Alamos County ACFRs
See following page for note disclosures.

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
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
2024	8,667	7,578	7,080	7,292

Source: Utility Department operating records (average customer accounts per consumption report)

INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM OPERATING REVENUE AND SALES
LAST TEN FISCAL YEARS

Table 6

Fiscal Year	ELECTRIC		GAS		WATER		Wastewater	Joint Utility System
	Revenue	Sales (KWh)	Revenue	Sales (Therms)	Revenue	Sales (MGal) [a]	Revenue	Revenue
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
2024	50,999,380	500,801,496	7,925,207	7,533,515	12,983,669	1,092,326	6,440,913	78,349,169

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>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>	<u>FY2024</u>
Type of Customer:										
Electric Utility										
Residential	\$ 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	8,062,090
Commercial and industrial	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	4,410,353
Public street and highway lighting	67,436	67,941	68,043	88,041	78,252	101,212	95,549	99,093	89,523	103,235
Municipal	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	1,754,446
Educational	469,886	530,129	531,812	499,448	471,040	483,927	449,572	411,687	595,672	592,858
Wholesale	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	35,489,128
Miscellaneous	249,001	244,781	319,398	168,524	33,575	95,441	0	204,475	65,514	587,270
Total electric utility	<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>	<u>50,999,380</u>
Gas Utility										
Residential	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	5,860,232
Commercial and industrial	786,424	704,292	593,836	585,317	1,004,232	847,877	1,059,474	1,287,149	1,916,377	1,396,048
Municipal	228,955	196,661	165,999	174,770	200,144	156,721	219,084	311,391	473,629	276,208
Educational	177,991	161,799	163,585	114,868	127,685	95,318	130,779	173,323	272,051	183,925
Miscellaneous	38,975	22,324	29,546	33,935	73,441	127,362	59,307	181,833	45,815	197,624
Total gas utility	<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>	<u>7,914,037</u>
Water Utility										
Residential	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	5,156,944
Commercial and industrial	459,150	431,565	457,437	504,663	499,347	543,179	538,537	547,763	607,079	660,575
Municipal	259,569	303,355	296,167	469,475	485,779	381,593	727,590	720,287	689,267	832,826
Educational	115,167	123,883	138,134	180,863	165,780	207,412	201,195	220,510	196,073	205,867
Wholesale	734,950	850,800	858,738	999,950	962,792	1,009,607	1,102,041	999,848	1,668,380	2,709,124
Miscellaneous	61,382	77,566	66,765	48,680	64,982	129,960	92,901	127,073	85,979	271,443
Total water utility	<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>	<u>9,836,779</u>
Wastewater Utility										
Wastewater collection	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	5,580,586
Municipal (non-potable water)	0	0	0	0	0	0	0	0	0	840,711
Miscellaneous	11,120	10,760	11,593	10,775	27,055	3,041	9,676	22,878	860	19,615
Total wastewater utility	<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>	<u>6,440,912</u>
Total operating revenues- Joint Utility System	<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>	<u>75,191,108</u>

Source: ACFRs, Budget to Actual Statements

INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM RATE STRUCTURE
LAST TEN FISCAL YEARS

Table 8

	<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>	<u>FY2024</u>
Electric Utility										
Residential										
Rate per kilowatt hour	\$0.1152	\$0.1152	\$0.1152	\$0.1152	\$0.1152	\$0.1152	\$0.1152	\$0.1152	\$0.1152	\$0.1282
Monthly flat service fee	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Commercial										
Rate per kilowatt hour	\$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	\$0.0899-0.1229
Monthly flat service fee	\$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	\$22.00 - 65.00
Demand Rate	\$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	\$11.50 - 12.05
Gas Utility										
Residential										
Rate per therm	\$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	\$0.27- \$4.00
Monthly flat service fee	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$10.26	\$11.08
Commercial										
Rate per therm	\$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	\$0.27- \$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	\$10.26- \$30.78	\$11.08- \$33.24
Water Utility										
Residential										
Rate per 1000 Gallons	\$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	\$6.83- \$8.26
Monthly flat service fee	\$7.93	\$7.93	\$8.72	\$9.42	\$10.01	\$10.51	\$10.96	\$11.40	\$12.54	\$13.79
Commercial										
Rate per 1000 Gallons	\$4.19	\$4.19	\$4.61	\$4.98	\$5.29	\$5.55	\$5.79	\$6.02	\$6.50	\$6.83
Monthly flat service fee	\$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	\$13.79- \$764.16
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	\$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	\$51.61- \$59.37
Commercial										
Rate per 1000 Gallons	\$13.89	\$15.00	\$16.20	\$17.50	\$18.90	\$20.03	\$20.63	\$21.04	\$21.46	\$21.89
Monthly flat service fee	\$8.16	\$8.81	\$9.51	\$10.27	\$11.09	\$11.76	\$12.11	\$12.35	\$12.60	\$12.85

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>	<u>FY2024</u>
Services	\$ 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	2,621,482
Construction	34,176	38,096	45,778	43,856	74,527	72,533	76,680	79,237	164,515	112,662
Retail & Food Service	79,997	74,711	74,780	81,417	78,321	83,997	78,546	137,447	362,126	191,248
Telecommunications	25,406	24,434	26,868	27,805	28,420	27,220	13,787	18,713	49,347	19,294
Manufacturing	5,370	4,935	5,205	6,922	6,704	8,255	6,057	11,915	21,270	14,660
Wholesale	2,121	2,280	2,263	2,853	3,409	3,713	3,492	8,798	24,790	12,344
Financial Services	12,240	12,050	13,571	13,967	15,581	15,441	15,910	20,095	41,866	26,495
Agriculture	47	99	86	110	85	51	26	360	2,112	851
Mining	0	0	1,722	3	0	0	0	274	187	286
Other	18,406	20,307	21,703	16,330	24,383	21,521	7,095	20,212	27,251	19,753
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>	<u>3,019,075</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

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
GRT Revenues										
General Fund - Local - Municipal	\$ 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	45,413,670
General Fund - Local - County	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	15,440,592
General Fund - State Shared	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	37,283,003
General Fund - subtotal	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	98,137,265
Fire Protection Excise Tax	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	3,687,510
Health Care Assistance Fund	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	3,687,477
Environmental Services Fund	730,090	832,877	794,419	861,518	1,028,085	1,021,329	1,146,427	1,183,275	3,276,049	1,843,739
Total GRT Revenues	\$ 39,040,487	44,536,989	42,476,005	46,069,696	54,977,809	54,616,518	61,306,243	63,282,375	87,598,666	107,355,991
Total GRT Revenues - Own source (excludes State Shared)	\$ 24,279,312	27,697,588	26,415,712	28,650,741	34,190,667	33,966,007	38,126,353	39,351,787	54,474,786	70,072,988
GRT Rates by Imposing Authority										
State Imposed Rate	[a] 5.1250%	5.1250%	5.1250%	5.1250%	5.1250%	5.1250%	5.1250%	5.1250%	5.1250%	4.8750%
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%
Subtotal - Local options:	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%
Total GRT Rates	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.0625%
GRT Rates by Recipient										
State Revenue	3.9000%	3.9000%	3.9000%	3.9000%	3.9000%	3.9000%	3.9000%	3.9000%	3.9000%	3.6500%
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%
Total County Revenue	3.2875%	3.2875%	3.2875%	3.2875%	3.2875%	3.2875%	3.2875%	3.2875%	3.2875%	3.2875%
Total GRT Rates	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.3125%	7.0625%

Sources: Los Alamos County ACFRs and Adopted Budgets

Notes:

[a] State Rate Changed July 1, 2023

**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
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%
2023		24,849,845	283,475	25,133,320	24,522,544	98.68%	327,859	24,850,403	98.87%

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 2023 were collected during the fiscal year ended June 30, 2024.

INCORPORATED COUNTY OF LOS ALAMOS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN TAX YEARS

Table 12

TAX YEAR [b]	ASSESSED VALUE [a]				EXEMPTIONS	TOTAL ASSESSED VALUE	ESTIMATED ACTUAL VALUE	TOTAL DIRECT MILL RATE [e]	TOTAL LEVY
	REAL PROPERTY	PERSONAL PROPERTY [c]	CENTRALLY ASSESSED PROPERTY [d]						
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	
2023	995,495,910	10,128,040	4,162,780	(13,522,600)	996,264,130	3,029,360,190	2.494%	24,849,845	

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 2023 were collected during the fiscal year ended June 30, 2024.
- [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
LAST TEN TAX YEARS

Table 13

<u>TAX YEAR</u>		<u>STATE OF NEW MEXICO</u>	<u>CITY AND COUNTY OF LOS ALAMOS</u>	<u>LOS ALAMOS SCHOOL DISTRICT</u>	<u>UNIVERSITY OF NEW MEXICO LOS ALAMOS</u>	<u>TOTAL</u>
Tax Rates per \$1000 of Assessed Valuation						
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
2023	Residential	1.360	8.781	12.067	1.795	24.003
	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, 2024

TAXPAYER	TYPE OF BUSINESS	FY 2024			FY 2015		
		TAX YEAR 2023 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL ASSESSED VALUATION	TAX YEAR 2014 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL ASSESSED VALUATION
PHC-LOS ALAMOS INC	Medical Services	\$ 12,311,920	1	1.24%	\$ 8,478,300	1	1.27%
Central Park Square LLC	Real Estate	7,872,240	2	0.79%	4,763,120	3	0.71%
Topvalco, Inc.	Food & Drug	7,058,200	3	0.71%			
Oppenheimer Place Condo Assoc Inc	Real Estate	4,883,440	4	0.49%	3,114,180	7	0.47%
Los Alamos Commerce and Development Corp	Real Estate	4,815,530	5	0.48%	3,756,880	4	0.56%
PC Canyon Village LLC	Apartments	4,784,220	6	0.48%			
Enterprise Bank & Trust	Banking	4,243,470	7	0.43%	4,879,870	2	0.73%
Site A-19-A-1 Acquisition Gtoup LLC	Real Estate	3,984,210	8	0.40%			
Los Alamos NM I SGF	Medical Services	3,262,140	9	0.33%			
Pebble Labs Inc	Scientific	2,318,780	10	0.23%			
Qwest Corp.	Telephone Utility				3,274,880	5	0.49%
Canyon Village Housing Solutions	Real Estate				3,256,160	6	0.49%
Smith's Food & Drug Centers, Inc.	Food & Drug				2,195,340	8	0.33%
NMC Holdings LLC	Scientific				2,177,450	9	0.33%
CC&F Los Alamos Invest Co.	Real Estate				2,011,760	10	0.30%
Total assessed valuation of ten principal taxpayers		<u>55,534,150</u>		<u>5.57%</u>	<u>37,907,940</u>		<u>5.68%</u>
Total assessed valuation other taxpayers		<u>940,729,980</u>		<u>94.43%</u>	<u>629,390,090</u>		<u>94.32%</u>
Total assessed valuation		<u>\$ 996,264,130</u>		<u>100.00%</u>	<u>\$ 667,298,030</u>		<u>100.00%</u>

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			
2015	\$ 0	56,056,683	0	33,137,373 [a]	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
2023	0	22,203,375	0	12,671,361	30,138,711	65,013,447	4%	3,388
2024	0	17,684,691	0	11,288,816	40,560,082	69,533,589	4%	3,576

[a] 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>
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
2024	19,444	996,264,130	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 2023 tax year corresponds to FY2024)

**INCORPORATED COUNTY OF LOS ALAMOS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

Table 17

June 30, 2024

<u>NAME OF GOVERNMENTAL UNIT</u>	<u>2023 CALENDAR YEAR ASSESSED VALUATION</u>	<u>DEBT OUTSTANDING</u>	<u>PERCENT APPLICABLE TO GOVERNMENT</u>	<u>COUNTY OF LOS ALAMOS SHARE OF DEBT</u>
Direct County of Los Alamos Debt				
General Obligation Bonds	\$ 996,264,133	\$ 0	100.00%	\$ 0
GRT Revenue Bonds	996,264,133	17,684,691	100.00%	17,684,691
Overlapping Debt [a]				
State of New Mexico	110,900,910,856	541,270	0.90%	4,862
Los Alamos School District	996,264,133	27,653,484	100.00%	27,653,484
University of New Mexico - Los Alamos	996,264,133	0	100.00%	0
Total overlapping debt				<u>27,658,346</u>
Total direct and overlapping debt				<u>\$ 45,343,037</u>

Ratio of estimated direct and overlapping debt to 2023 assessed valuation: 4.55%

Ratio of direct general obligation debt to 2023 assessed valuation: 0.90%

Per capita direct and overlapping debt: \$2,332

Per capita direct G.O. debt: \$0

County population - 2024 estimate: 19,444

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, 2024

Assessed valuation, tax year 2023 (One third of full valuation)	<u>\$ 996,264,130</u>
Legal debt margin:	
Debt limitation - 4 percent of assessed valuation	39,850,565
Less: Debt applicable to limitation (general obligation debt)	<u>0</u>
Legal debt margin	<u><u>\$ 39,850,565</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 YEAR	GROSS REVENUES[a]	EXPENSES[b]	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS [c]			DEBT SERVICE COVERAGE RATIO
				PRINCIPAL	INTEREST	TOTAL	
ELECTRIC UTILITY							
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	48,572,919	42,283,160	6,289,759	1,190,512	639,445	1,829,957	3.44
2023	58,402,908	57,423,125	979,783	975,694	601,324	1,577,018	0.62
2024	110,410,131	51,054,392	59,355,739	922,396	547,274	1,469,670	40.39
WATER UTILITY							
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
2023	9,345,994	5,883,296	3,462,698	444,851	77,113	521,964	6.63
2024	15,040,585	8,512,636	6,527,949	516,248	68,368	584,616	11.17

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
LAST TEN FISCAL YEARS

Table 20

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (In thousands)</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
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%
2024	19,444	1,683,812	86,598	3,724	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, 2024

EMPLOYER	TYPE OF BUSINESS	FY2024			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	17,438	1	78.35%	10,927	1	64.09%
Los Alamos County	Government	773	2	2.92%	627	4	3.68%
Los Alamos Public Schools	Education	725	3	3.26%	750	2	4.40%
N3B Los Alamos	Legacy Waste Cleanup	650	4	3.47%	684	3	4.01%
Other employers		2,671		12.00%	4,062		23.82%
Total workforce [b]		22,257		100.00%	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, 2024.

[b] Work force total based on estimates from New Mexico Department of Workforce Solutions.

[c] Top four employers shown, which collectively represent greater than 88% 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

INCORPORATED COUNTY OF LOS ALAMOS
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Table 23

<u>Function/Program</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>	<u>FY2024</u>
Governmental activities										
General government										
County Council	0.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
County Courts	0.00	4.75	4.75	5.00	5.30	5.80	5.80	5.80	5.80	6.00
County Manager	0.00	21.00	21.00	20.00	18.00 [3]	18.00	19.00	20.00	25.00	28.46
County Assessor	0.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	8.00
County Attorney	0.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
County Clerk	0.00	7.94	8.16	8.16	7.77	8.27	8.27	8.78	8.61	11.79
County Sheriff	0.00	1.94	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Services	0.00	48.01	46.01	46.01	46.01	46.38	48.34	50.34	53.34	54.23
Public Works [2]	0.00	42.46	43.46	45.18	45.18	45.18	51.18	50.18	54.18	56.34
Capital Projects & Facilities	0.00	0.00	0.00	6.00 [2]	1.60 [2]	0.00	0.00	0.00	0.00	0.00
Public Safety										
Police	0.00	75.00	73.00	74.75	74.75	77.75	78.75	79.00	83.00	83.00
Physical and economic environment [1]	0.00	15.00	15.00	16.00	18.00 [3]	18.00	18.00	18.00	19.00	19.00
Transportation	0.00	25.00	25.00	24.00	24.00	24.00	24.00	25.00	25.00	25.00
Health and welfare	0.00	2.50	3.00	3.00	2.50	2.50	3.20	3.20	3.95	5.00
Culture and recreation	0.00	91.99	92.04	91.15	89.23	90.23	93.78	97.78	97.03	100.05
Business-type activities										
Joint Utilities										
Electric	0.00	55.02	51.02	50.56	50.30	52.30	54.65	57.65	55.65	59.65
Gas	0.00	24.05	29.07	30.49	27.91	26.79	24.45	22.45	25.45	22.45
Water	0.00	10.25	9.25	9.25	9.49	9.49	10.75	10.75	11.75	10.3
Wastewater	0.00	9.00	9.00	8.00	9.90 [4]	10.02	9.80	9.80	9.80	9.25
Environmental Services	0.00	17.17	17.24	17.24	18.24	18.24	18.24	18.24	18.24	18.24
Golf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fire [5]	0.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	188.00 [5]
Airport	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Transit	0.00	36.20	36.41	38.13	38.13	38.13	38.13	38.13	38.13	37.97
Equipment-internal service	0.00	11.00	11.00	11.00	11.00	11.00	12.00	12.00	12.00	12.00
Risk-internal service	0.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Totals	<u>0.00</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</u>	<u>772.73</u>

[1] Community Development Department and Public Works reorganized in FY2016.

[2] 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.

[3] The two FTE's for Economic Development are a part of the County Manager's Office, but are in the FY2022 ACFR under the Physical and economic environment function.

[4] Environmental Services added an Equipment Operator in FY2019 for the yard waste pickup program.

[5] The Adopted budget has 737.75 regular, 9.55 limited term and 25.43 temp/casual positions for a total of 772.73 budgeted FTE in all funds. During FY2024, Council approved the addition of an engineering associate in the Utilities Department. Council also increased a current .75 limited term FTE management analyst by .25, which is supported by ARPA funding for additional support in completing the community health strategic plan. The approved budget includes 38 new firefighter positions based upon projected LANL baseline needs.

Source: Administrative Services Department

**INCORPORATED COUNTY OF LOS ALAMOS
OPERATING INDICATORS BY FUNCTION/PROGRAM**

Table 24

LAST TEN FISCAL YEARS

	<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>	<u>FY2024</u>
General Government										
Assessor-number of parcels by tax year	9,189	9,165	9,169	9,207	9,224	8280	9416	9314	9275	9280
Clerk-number of elections managed	2	2	4	1	1	2	1	1	1	2
Sheriff-number of processes administered [b]	148	154	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
IT-Number of networked devices supported	1,480	1,770	1,514	1,310	1,450	1,915	1,322	1,534	1,680	1,856
IT-Number of virtual networked devices supported [c]	n/a	n/a	677	912	600	610	435	605	566	566
Public Safety										
Police-Part 1 NIBS Offenses [a]	187	169	124	141	125	92	94	218	273	213
Police-number of service call responses	14,316	18,319	17,151	15,393	13,533	13,439	13,452	13,425	20,726	25,149
Police-number of reported traffic accidents	229	239	224	180	212	205	149	147	162	217
Police-number animal control cases	98	130	130	103	63	56	41	49	42	42
Police-number of processess administered [b]	n/a	n/a	125	156	154	125	99	111	96	127
Physical & Economic Development										
Number of construction permits issued	579	697	801	827	795	940	918	773	791	777
Transportation										
Traffic-miles of lane lines striped	51	141	70	73	49	71	45	10	86	86
Culture and Recreation										
Library-Number of circulations	379,991	391,992	392,213	412,745	367,065	332,770	287,654	329,088	387,612	371,183
Number of park acres maintained	944	944	944	944	944	944	945	684	6,175	6,175
Number of cemetery interments	41	67	57	51	50	43	53	75	72	67
Number of aquatic center visits	193,398	194,946	164,366	172,527	175,444	114,533	41,261	50,775	85,200	70,947
Number of rink visits	30,805	27,228	23,016	24,258	18,962	23,846	3,254	12,577	18,534	56,864
Sr. Center-number of seniors served	3,898	4,047	4,695	1,528	4,633	4,639	9,958	616	5,385	554
Joint Utility System										
EP-Number of megawatt hrs supplied	514,619	566,018	572,260	592,980	558,287	537,002	517,689	479,745	470,597	504,290
ED-Number of electric utility customers	8,647	8,796	8,830	8,774	8,561	8,701	8,745	8,841	8,664	8,667
Gas-Number of therms delivered	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	7,533,515
WP-K gallons water produced	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	1,340,247
WD-K gallons of water sold	706,356	693,335	755,656	781,818	670,815	834,930	834,519	921,265	704,825	791,676
WW-K gallons sewage conveyed	437,938	408,234	426,898	429,129	397,929	450,124	392,000	335,942	375,378	369,475
Golf Course										
Number of golf rounds provided	29,359	29,733	24,455	17,370	20,745	14,437	19,500	616	27,500	19,653
Transit (first year of complete data was FY2009)										
Number of one way passenger rides	548,331	494,444	454,755	448,366	451,793	321,140	42,739	195,208	258,116	279,766
Number of miles of service provided	721,357	704,072	617,566	636,210	621,744	452,962	217,652	493,970	473,661	429,808
Fire Protection Services										
Number of responses	1,766	1,804	2,252	2,367	2,294	2,197	2,113	2,473	2,392	2,550

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

	<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>	<u>FY2024</u>
Public Safety										
Police stations (includes WR substation)	2	2	2	2	2	2	2	2	2	2
Police vehicles	43	45	45	45	45	45	45	47	47	48
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
Transportation										
Streets, miles	106.5	106.5	106.5	106.5	108.3	108.5	110.5	112	112	112
Sidewalk, square yards	246,009	246,009	246,009	247,997	248,531	248,531	248,531	248,856	248,856	248,856
Street lights, county owned	1292	1414	1466	1473	1476	1476	1476	1478	1478	1478
Traffic signals	12	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	39	40	40	40	40	39	39	39	39	39
Culture and Recreation										
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
Joint Utility System										
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	146.0	146.0	146.0
Water production wells	12	12	12	12	12	12	12	12	12	12
Water distribution line miles	149.8	150.7	150.7	150.7	150.7	150.7	150.7	152.7	152.7	152.7
Gas distribution line miles	125.5	125.5	125.5	125.5	125.5	125.5	125.5	127.5	127.5	127.5
Wastewater collection line miles	118.9	118.9	118.9	118.9	118.9	118.9	118.9	120.9	120.9	120.9
Environmental Services										
Collection trucks	10	10	10	10	11	11	12	12	12	13
Golf Course										
Holes	18	18	18	18	18	18	18	18	18	18
Airport										
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 JOINT UTILITY SYSTEM
	ELECTRIC DISTRIBUTION	GAS	ELECTRIC PRODUCTION	ELECTRIC DISTRIBUTION	GAS	ELECTRIC	GAS	
2015	\$ 247,143	107,219	17,208	206,136	77,004	484,485	297,390	1,436,585
2016	279,200	97,940	100,338 [d]	231,536	81,666	524,540	246,867	1,562,087
2017	251,845	107,486	70,055	297,050	97,875	594,681	226,475	1,645,467
2018	241,046	80,107	63,146	248,680	103,080	574,246	207,175	1,517,480
2019	272,331	107,965	59,318	269,828	104,179	567,249	194,513	1,575,383
2020	267,537	91,985	27,082	285,824	101,719	575,620 [e]	254,014 [e]	1,603,781
2021	273,201	112,791	20,037	266,521	96,089	582,224 [e]	217,504 [e]	1,568,366
2022	265,398	138,423	17,245	260,204	276,202	584,290 [e]	264,621 [e]	1,806,383
2023	273,917	210,445	14,179	250,881	91,295	573,617 [e]	324,883 [e]	1,739,218
2024	293,950	177,418	20,346	264,746	113,590	563,200 [e]	490,612 [e]	1,923,860

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.

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



Other Supplementary Information

INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF RECONCILIATION OF TAX RECEIPTS AND DISBURSEMENTS
 Year ended June 30, 2024

PROPERTY TAX RECEIVABLE, JUNE 30, 2023	\$ 402,582
Net taxes charged to treasurer	24,849,845
Collections	(24,806,164)
Adjustments	(58,396)
PROPERTY TAX RECEIVABLE, JUNE 30, 2024	<u>\$ 387,867</u>

PROPERTY TAXES RECEIVABLE AS OF JUNE 30, 2024, LISTED BY YEAR:	<u>TOTAL</u>	<u>INCORPORATED COUNTY OF LOS ALAMOS</u>	<u>STATE OF NEW MEXICO</u>	<u>UNIVERSITY OF NEW MEXICO</u>	<u>LOS ALAMOS PUBLIC SCHOOLS</u>	<u>MIRADOR PID</u>
2014	\$ 796	314	48	31	403	0
2015	1,557	700	98	57	702	0
2016	1,376	601	86	52	637	0
2017	1,670	693	114	119	744	0
2018	8,467	3,529	475	615	3,848	0
2019	11,838	4,853	644	862	5,479	0
2020	12,869	5,248	708	938	5,975	0
2021	16,965	6,741	973	1,238	8,013	0
2022	49,412	19,620	2,726	3,600	23,466	0
2023	282,917	113,319	15,052	20,525	134,021	0
	<u>\$ 387,867</u>	<u>155,618</u>	<u>20,924</u>	<u>28,037</u>	<u>183,288</u>	<u>0</u>

DISTRIBUTION OF COLLECTED PROPERTY TAXES:	
Incorporated County of Los Alamos	\$ 9,239,198
State of New Mexico	1,353,140
University of New Mexico	1,810,895
Los Alamos Schools	12,056,470
Mirador PID	346,461
	<u>\$ 24,806,164</u>

**INCORPORATED COUNTY OF LOS ALAMOS
COUNTY TREASURER'S PROPERTY TAX SCHEDULE**

Year ended June 30, 2024

<u>Agency</u>	Property Taxes Levied	Collected in Current Year	Collected to Date	Distributed in Current Year	Distributed to Date	Undistributed at Year End	Receivable at Year End
Incorporated County of							
Los Alamos:							
2014	\$ 5,477,731	0	5,477,416	0	5,477,416	0	315
2015	7,160,040	0	7,159,340	0	7,159,340	0	699
2016	7,188,375	0	7,187,774	0	7,187,774	0	601
2017	7,366,509	0	7,365,816	0	7,365,816	0	693
2018	7,645,001	0	7,641,472	0	7,641,472	0	3,529
2019	7,939,749	962	7,934,896	952	7,934,885	11	4,853
2020	8,180,500	3,756	8,175,252	3,286	8,174,782	470	5,248
2021	8,335,315	14,902	8,328,575	14,434	8,328,107	468	6,740
2022	8,815,357	85,352	8,795,737	81,367	8,791,752	3,985	19,620
2023	9,359,846	9,134,225	9,246,526	9,025,868	9,138,169	108,357	113,320
	77,468,423	9,239,198	77,312,805	9,125,907	77,199,514	113,291	155,618
State of New Mexico:							
2014	920,279	0	920,231	0	920,231	0	48
2015	940,389	0	940,292	0	940,292	0	98
2016	954,149	0	954,063	0	954,063	0	86
2017	992,887	0	992,774	0	992,774	0	113
2018	1,039,303	0	1,038,828	0	1,038,828	0	474
2019	1,095,220	105	1,094,575	105	1,094,575	0	645
2020	1,149,514	474	1,148,806	(160)	1,148,172	634	708
2021	1,206,130	1,882	1,205,156	1,390	1,204,664	492	974
2022	1,278,772	11,414	1,276,047	10,717	1,275,350	697	2,725
2023	1,371,709	1,339,265	1,356,656	1,325,963	1,343,353	13,303	15,053
	10,948,352	1,353,140	10,927,428	1,338,014	10,912,302	15,126	20,924

University of New Mexico:

2014	\$	676,319	0	676,287	0	676,287	0	32
2015		691,048	0	690,991	0	690,991	0	57
2016		693,972	0	693,920	0	693,920	0	52
2017		1,440,068	0	1,439,948	0	1,439,948	0	119
2018		1,494,880	0	1,494,266	0	1,494,266	0	615
2019		1,552,904	150	1,552,042	149	1,552,042	0	862
2020		1,599,382	671	1,598,444	576	1,598,350	95	938
2021		1,633,024	2,632	1,631,786	2,537	1,631,692	94	1,238
2022		1,727,783	15,722	1,724,183	15,164	1,723,626	557	3,600
2023		1,835,199	1,791,721	1,814,675	1,773,844	1,796,798	17,877	20,525
		13,344,579	1,810,895	13,316,542	1,792,271	13,297,919	18,623	28,037

Los Alamos Public Schools:

2014		8,492,209	0	8,491,804	0	8,491,804	0	405
2015		8,396,982	0	8,396,280	0	8,396,280	0	702
2016		8,572,964	0	8,572,325	0	8,572,325	0	638
2017		8,976,497	0	8,975,753	0	8,975,753	0	744
2018		9,374,378	0	9,370,530	0	9,370,530	0	3,848
2019		9,837,452	958	9,831,974	955	9,831,971	3	5,478
2020		10,272,090	4,274	10,266,115	3,665	10,265,506	609	5,975
2021		10,696,161	16,906	10,688,148	16,284	10,687,526	622	8,013
2022		11,423,594	102,552	11,400,129	98,836	11,396,413	3,716	23,465
2023		12,220,105	11,931,780	12,086,085	11,813,902	11,968,207	117,877	134,020
		98,262,432	12,056,470	98,079,144	11,933,642	97,956,317	122,827	183,288

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	0	343,216	0	343,216	0	0
2023		346,461	346,461	346,461	265,791	265,791	80,670	0
		853,357	346,461	853,357	265,791	772,687	80,670	0

Grand Total	\$	200,877,144	24,806,164	200,489,277	24,455,626	200,138,739	350,538	387,867
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**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF PLEDGED COLLATERAL**

June 30, 2024

	<u>ENTERPRISE BANK & TRUST</u>	<u>SUNFLOWER BANK</u>	<u>WELLS FARGO</u>	<u>TOTAL</u>
TOTAL AMOUNT OF DEPOSITS (bank balances)	\$ 29,089,113	4,000,000	39,084	33,128,197
Less: FDIC coverage	250,000	250,000	250,000	750,000
TOTAL UNINSURED PUBLIC FUNDS	<u>28,839,113</u>	<u>3,750,000</u>	<u>(210,916)</u>	<u>32,589,113</u>
COLLATERAL REQUIRED				
Deposits	14,419,556 [a]	1,875,000 [a]	(105,458)	16,189,098
COLLATERAL				
U.S. Treasury, Agencies, Municipal Bonds, Letters of Credit	42,146,793	4,047,621	0	46,194,414
OVER(UNDER) SECURED	<u>\$ 27,727,237</u>	<u>2,172,621</u>	<u>105,458</u>	<u>30,005,316</u>

Notes:

[a] Collateral requirement is 50% per New Mexico state law. County requirement is 100%.

**INCORPORATED COUNTY OF LOS ALAMOS
DETAIL OF PLEDGED COLLATERAL BY FINANCIAL INSTITUTION**

June 30, 2024

	<u>ACQUISITION DATE</u>	<u>MATURITY DATE</u>	<u>CUSIP NUMBER</u>	<u>TYPE</u>	<u>FACE VALUE</u>	<u>MARKET PER BANK</u>
ENTERPRISE BANK & TRUST						
Agency Notes/Bonds	09/16/19	02/01/29	3128MDYV9	FREDDIE MAC GOLD POOL #G155399	\$ 665,821	\$ 641,137
	01/28/21	01/01/36	3132D56U1	FREDDIE MAC POOL #SB8083 5399	1,842,878	1,590,602
	04/22/24	10/01/31	3140LDUD9	FANNIE MAE POOL #BS3279 5399	4,838,612	4,002,148
	04/21/23	05/01/37	3140XGXC8	FANNIE MAE POOL #FS1574 5399	3,505,578	3,332,407
	04/14/23	06/01/37	31418CLJ1	FANNIE MAE POOL #MA3028 5399	4,334,512	4,092,900
	02/15/22	09/01/42	31418D4G4	FANNIE MAE POOL FN MA4422 5399	7,853,784	6,651,079
	02/14/22	04/01/42	31417BPX9	FANNIE MAE POOL #AB4937 5399	1,561,955	1,442,200
	02/19/21	02/01/49	3136B74E8	FANNIE MAE CMO SERIES 19-85399	736,733	680,044
	05/13/19	04/15/48	3137F5AE9	FREDDIE MAC CMO SERIES 4795399	2,157,219	1,940,048
	02/14/22	03/15/45	3137FCBJ2	FREDDIE MAC CMO SERIES 4745399	422,672	403,920
	02/14/22	03/15/45	3137FCBJ2	FREDDIE MAC CMO SERIES 4745399	704,453	673,200
	02/14/22	04/15/49	3137FLDH4	FREDDIE MAC CMO SERIES 4875399	1,094,174	954,525
	05/11/23	05/01/45	3137H94J5	FREDDIE MAC CMO SERIES 5265399	2,035,227	1,956,001
	02/16/22	10/20/47	38380KUN3	GINNIE MAE CMO SERIES 20175399	510,827	446,768
	05/22/23	09/01/48	38383YMJ8	GINNIE MAE CMO SERIES 22-15399	4,187,585	4,018,484
	11/23/21	04/28/26	3130AN4V9	FEDERAL HOME LOAN BANK 5399	10,000,000	9,321,330
					<u>46,452,030</u>	<u>42,146,793</u>
SUNFLOWER BANK						
	01/31/24	12/31/24	912828YY0	U.S. TREASURY NOTE	110,000	108,058
	01/31/24	09/30/28	91282CCY5	U.S. TREASURY NOTE	3,700,000	3,251,375
	01/31/24	11/15/24	91282CDH1	U.S. TREASURY NOTE	<u>700,000</u>	<u>688,188</u>
					4,510,000	4,047,621
TOTAL PLEDGED COLLATERAL					\$ <u>50,962,030</u>	\$ <u>46,194,414</u>



**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF DEPOSITORY ACCOUNTS**

June 30, 2024

NAME OF DEPOSITORY	ACCOUNT NAME	TYPE OF ACCOUNT	TOTAL DEPOSITORY BALANCES
Enterprise Bank & Trust	Employee Fund	Interest Bearing Checking	\$ 14,947
Enterprise Bank & Trust	Flexible Spending Account	Interest Bearing Checking	27,343
Enterprise Bank & Trust	General County	Interest Bearing Checking	16,327,594
Enterprise Bank & Trust	GRT Bonds Debt Service	Interest Bearing Checking	91,129
Enterprise Bank & Trust	Landfill Closure	Interest Bearing Checking	367,115
Enterprise Bank & Trust	Municipal Court Bond	Interest Bearing Checking	4,387
Enterprise Bank & Trust	Police Operations	Interest Bearing Checking	2,302
Enterprise Bank & Trust	Small Purchase	Interest Bearing Checking	15,544
Enterprise Bank & Trust	Manual Checks	Interest Bearing Checking	20,049
Enterprise Bank & Trust	Crimestoppers	Interest Bearing Checking	2,226
Enterprise Bank & Trust	Utility Resource Pool	Interest Bearing Checking	8,216,476
Enterprise Bank & Trust	Deposit Held for Others	Interest Bearing Checking	1
Wells Fargo Commercial Checking	Los Alamos County - Purchasing-Card	Non-Interest Bearing Checking	39,084
Alliance Benefits Group	L.A.C. Employee Pension Plan	Participant Investment	74,866,183
Bank of Albuquerque	Los Alamos County	FFCB	32,822,400
Bank of Albuquerque	Los Alamos County	FHLB	12,030,150
Bank of Albuquerque	Los Alamos County	FNMA	12,547,385
Bank of Albuquerque	Los Alamos County	T-Note	118,579,562
Sunflower Bank	Incorporated County of Los Alamos	CD	2,000,000
Sunflower Bank	Incorporated County of Los Alamos	CD	2,000,000
NMFA / Bank of Albuquerque	Trustee Loan Account	Cash Equivalent	577,714
Bank of Albuquerque	Trustee Loan Account - Utilities	Cash Equivalent	772,675
Bank of Albuquerque	Trustee Loan Account - Utilities	Cash Equivalent	2,745,022
NMFA / Bank of Albuquerque	Trustee Loan Account - Utilities	Cash Equivalent	951,074
Computershare	Trustee Bond Accounts - Utilities	Cash Equivalent	1,108,360
State Investment Council	Permanent Fund	Pool	41,883,546
State Investment Council	General Fund	Pool	19,610,330
State Investment Council	Cemetery Perpetual Care	Pool	1,510,802
NM Local Government Investment Pool	LGIP	Pool	24,500,000
Local Government Investment Pool	Utilities Investment Pool	Pool	18,253,295
Total Depository Balances			391,886,695
Reconciling items to Bank Reconciliation			(3,786,864)
Petty Cash and Change Funds			4,400
Total Deposits and Investments reported in financial statements			\$ 388,104,231

**INCORPORATED COUNTY OF LOS ALAMOS
SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS**

June 30, 2024

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, 2024, the County had approximately \$63 million invested with the SIC. The County paid approximately \$89,000 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 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, 2024

FEDERAL GRANTOR /PROGRAM TITLE	FEDERAL ALN NUMBER	ACCRUED REIMBURSEMENT (RESERVED BALANCE) JUNE 30, 2023	CASH RECEIVED	OTHER	FEDERAL PARTICIPATING EXPENDITURES	ACCRUED REIMBURSEMENT (RESERVED BALANCE) JUNE 30, 2024
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	\$ 4,329,146	18,483,464	3,295,290 [1]	18,257,609	808,001
Cooperative Agreement begin January 1, 2024	DE-NA0004163/000	0	8,619,261	3,387,592 [1]	19,061,584	7,054,731
Atomic Energy Act 1954-Payments in Lieu	Public Law Section 168	0	0	0	322,927	322,927
United States Department of the Treasury:						
COVID-19 American Rescue Plan Act	21.027*	(2,130,963)	0	0	1,631,406	(499,557)
American Rescue Plan Act-Federal-Local Assistance Tribal Consistency Fund (LATCF)	21.032	(50,000)	50,000	0	0	(100,000)
Flow through the New Mexico Economic Development Department						
COVID-19 Coronavirus Local Fiscal Recovery Fund, Outdoor Recreation Trail	21.027*	(65,000)	0	0	0	(65,000)
Flow through the New Mexico Department of Finance and Administration						
COVID-19 Coronavirus Local Fiscal Recovery Fund, Brewer Arena, 23-ZH5053-33	21.027*	0	0	0	5,889	5,889
United States Department of Transportation:						
Federal Aviation Administration						
COVID-19 American Rescue Plan Act	20.106	26,143	26,143	0	0	0
Airport Improvement Program-Pavement Maintenance	20.106	61,946	61,946	0	0	0
Federal Transit Administration						
Flow through the New Mexico Department of Transportation						
Nonurbanized Area Formula Grant Program Section 5311						
FFY23 Contract, MO1825	20.509	299,256	687,390	0	388,134	0
FFY24 Contract, MO1903	20.509	0	1,005,118	0	1,353,523	348,405
Federal Transit Cluster						
Nonurbanized Area Formula Grant Program Section 5339						
FFY21 Contract, MO1725	20.526	0	788,994	0	788,994	0
FFY23 Contract, MO1825	20.526	0	116,413	0	233,723	117,310
Total Federal Transit Cluster		0	905,407	0	1,022,717	117,310
Transit Services Programs Cluster						
Nonurbanized Area Formula Grant Program Section 5310						
FFY21 Contract, MO1749	20.513	0	150,574	0	150,574	0
Total Transit Services Programs Cluster		0	150,574	0	150,574	0
Federal Highway Administration						
Flow through the New Mexico Department of Transportation						
Federal Aid Project-Urban Trail Phase 1 Construction, Control Number 5101490	20.205*	0	191	0	924,688	924,497
Federal Aid Project-Urban Trail Phase 2 Construction, Control Number 5101491	20.205*	0	231	0	1,435,260	1,435,029
Federal Aid Project-NM 502/Trinity Drive, Control Number 5101390	20.205*	12,995	12,995	0	21,306	21,306
Transportation Alternatives Program-Pedestrian Master Plan, Control Number 5101830	20.219	0	0	0	11,673	11,673

United States Department of Agriculture:						
Forest Service Schools and Roads Cluster						
United States National Forest Reserve	10.665	\$ 0	4,275	0	4,275	0
Total Forest Service Schools and Roads Cluster		0	4,275	0	4,275	0
United States Environmental Protection Agency:						
New Mexico Finance Authority-DW 5456						
Safe Drinking Water State Revolving Fund	66.468	0	335,885	0	335,885	0
New Mexico Finance Authority-DW 5637						
Safe Drinking Water State Revolving Fund	66.468	599,239	599,239	599,239 [2]	596,124	(3,115)
New Mexico Environment Department-CWSRF 110						
Cap Grants for State Revolving Fund	66.458*	0	4,604,097	0	4,604,097	0
United States Department of Homeland Security:						
Flow through the New Mexico Department of Homeland Security and Emergency Management						
Emergency Management Performance Grant, EMT-2023-EP-00002	97.042	0	118,078	0	118,078	0
Emergency Management Performance Grant, EMT-2022-EP-00005	97.042	20,612	20,612	0	0	0
Emergency Management Performance Grant, ARPA, EMT-2021-EP00014-S01	97.042	0	8,927	0	8,927	0
FEMA, Hazard Mitigation Plan Update, FEMA-PDMC-PL-06-NM-2019-005	97.047	0	1,685	0	1,685	0
State Homeland Security Grant, EOP Planning Radio and Drone, EMW-2021-SS-00061	97.067	73,953	121,164	0	47,211	0
State Homeland Security Grant, Election Security, EMW-2022-SS-00044	97.067	0	122,930	0	122,930	0
FEMA DR 4652, Cerro Pelado, Public Assistance Program	97.036	115,600	115,600	0	0	0
United States Department of Interior, Bureau of Land Management:						
Bureau of Land Management						
Section 1 Payment for Federal-Owned Entitlement Land	Public Law 100-343	0	113,113	0	113,113	0
National Park Service						
Cooperative Agreement-Bandelier National Park (FY24/25 Season)	15.954	0	0	0	88,036	88,036
Cooperative Agreement-Bandelier National Park (FY23/24 Season)	15.954	54,628	198,939	0	144,311	0
United States Department of Justice:						
Flow through New Mexico Crime Victims Reparation Commission						
Violence Against Women Act (VAWA), 2023-WF-913	16.588	922	922	0	0	0
Violence Against Women Act (VAWA), 2024-WF-107	16.588	0	22,505	0	22,505	0
Victims of Crime Assistance (VOCA), 2024-VA-340	16.575	0	11,803	0	11,803	0
Victims of Crime Assistance (VOCA), 2023-VA-242	16.575	733	733	0	0	0
Office of Justice-Bulletproof Vest Partnership	Public Law 106-517	2,546	2,546	0	600	600
TOTAL FEDERAL FINANCIAL ASSISTANCE		\$ 3,351,756	36,405,772	7,282,121	50,806,869	10,470,732
RELATIONSHIP TO BASIC FINANCIAL STATEMENTS:						
Change in dererred revenue and reserved balances					9,256	
Safe Drinking Water State Revolving Fund - Loan Proceeds-DW 5456					(298,079)	
Safe Drinking Water State Revolving Fund - Loan Proceeds-DW 5637					(596,124)	
New Mexico Environment Department-Loan Proceeds-CWSRF 110					(4,604,097)	
Federal Subsidy Build America Bonds					118,249	
Ambulance billing and other receipts DOE Cooperative Agreement for fire services					(648,435)	
County Share of DOE Cooperative Agreement for fire services - DE-NA0002067/000					(6,034,447)	
North Central Regional Transit District revenues					1,876,289	
INTERGOVERNMENTAL REVENUES - FEDERAL					40,629,482	
INTERGOVERNMENTAL REVENUES - STATE					45,252,194	
TOTAL INTERGOVERNMENTAL REVENUES					\$ 85,881,676	
* Denotes Major Federal Financial Assistance						

INTERGOVERNMENTAL REVENUES REPORTED IN BASIC FINANCIAL STATEMENTS:

Governmental funds	\$ 45,248,871
Proprietary funds	
Intergovernmental charges for services	33,783,202
Intergovernmental - non capital revenue	3,734,992
Other sources and uses - intergovernmental capital revenue	<u>3,114,611</u>
TOTAL INTERGOVERNMENTAL REVENUES	\$ <u><u>85,881,676</u></u>

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.

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, 2024

STATE GRANTOR /PROGRAM TITLE	ACCRUED REIMBURSEMENT (RESERVED BALANCE) JUNE 30, 2023	CASH RECEIVED	OTHER (SEE NOTES)	STATE PARTICIPATING EXPENDITURES	ACCRUED REIMBURSEMENT (RESERVED BALANCE) JUNE 30, 2024
STATE OF NEW MEXICO:					
Fire Marshal's Office:					
Fire Protection Fund Distribution	\$ (2,148,366)	997,570	112,665 [1,4]	180,982	(3,077,619)
Total Fire Marshal's Office	<u>(2,148,366)</u>	<u>997,570</u>	<u>112,665</u>	<u>180,982</u>	<u>(3,077,619)</u>
Children, Youth and Families Department					
Juvenile Justice Continuum - FY23	22,134	22,134	0	0	0
Juvenile Justice Continuum - FY24	0	153,939	0	176,151	22,212
Total Children, Youth and Families Department	<u>22,134</u>	<u>176,073</u>	<u>0</u>	<u>176,151</u>	<u>22,212</u>
Department of Finance and Administration:					
LDWI-Local Distribution - FY24	0	85,298	(45,690) [2]	39,608	0
DWI Grant - FY23	5,339	5,339	0	0	0
DWI Grant - FY24	0	12,608	0	26,362	13,754
Enhanced E911 - FY23	6,580	6,580	0	0	0
Enhanced E911 - FY24	0	0	180,552 [3]	189,775	9,223
Law Enforcement Protection Fund Distribution - FY24	(80,378)	152,000	(2,650) [4]	131,706	(98,022)
Law Enforcement Retention Fund Distribution - FY24	0	39,950	0	39,950	0
Capital Grant-Community Recreation Space in Los Alamos	39,276	39,276	0	0	0
Capital Grant-Community Recreation Space in White Rock	0	0	0	578,134	578,134
Capital Grant-Affordable Housing Infrastructure	0	0	0	3,911	3,911
Total Department of Finance and Administration	<u>(29,183)</u>	<u>341,051</u>	<u>132,212</u>	<u>1,009,446</u>	<u>507,000</u>
Department of Health - Public Health Office					
Primary Care and EMS Distribution - FY24	(369)	10,219	0	6,200	(4,388)
Los Alamos Community Health Council - FY24	0	10,333	0	15,333	5,000
Center for Health Innovation - FY23	8,333	8,333	0	0	0
Center for Health Innovation - FY24	0	45,454	0	50,000	4,546
Mobile Homeless Outreach - FY24	0	128,331	0	165,000	36,669
New Mexico House Bill 2 Junior Bill	20,000	20,000	0	0	0
Total Department of Health	<u>27,964</u>	<u>222,670</u>	<u>0</u>	<u>236,533</u>	<u>41,827</u>
Transportation Department					
Cooperative Project Agreement/Federal Aid Project-NM 502/Trinity Drive	1,444	1,444	0	2,367	2,367
Airport New Fuel Farm - Construction Phase	2,175	14,669	0	1,349,475	1,336,981
Airfield Pavement Maintenance	16,187	20,000	0	3,813	0
Construct New Hangar	0	115,804	0	130,280	14,476
Transit Section 5311; MO1725; State Match-Capital Purchase	0	197,248	0	197,248	0
Total Transportation Department	<u>19,806</u>	<u>349,165</u>	<u>0</u>	<u>1,683,183</u>	<u>1,353,824</u>

New Mexico Aging and Long Term Services Department					
Capital Outlay Grant - Betty Ehart Senior Center-Meals Equipment	\$ 90,958	90,958	0	0	0
Total Aging and Long Term Services Department	<u>90,958</u>	<u>90,958</u>	<u>0</u>	<u>0</u>	<u>0</u>
New Mexico Administrative Office of the Courts					
Municipal Automation Fund	0	9,267	0	9,267	0
Total New Mexico Administrative Office of the Courts	<u>0</u>	<u>9,267</u>	<u>0</u>	<u>9,267</u>	<u>0</u>
New Mexico Public Education Department					
Summer Internship Program - FY23/24	11,126	44,286	0	45,962	12,802
Total New Mexico Public Education Department	<u>11,126</u>	<u>44,286</u>	<u>0</u>	<u>45,962</u>	<u>12,802</u>
New Mexico Tourism Department					
Clean and Beautiful Grant - FY23	16,302	16,302	0	0	0
Total Secretary of State Office	<u>16,302</u>	<u>16,302</u>	<u>0</u>	<u>0</u>	<u>0</u>
New Mexico Secretary of State Office					
2022 Primary Election	25,987	25,987	0	0	0
2023 Regular Local Election	0	66,355	0	66,355	0
2024 Primary Election	0	60,000	0	60,000	0
Election Security	0	50,000	0	0	(50,000)
Total Secretary of State Office	<u>25,987</u>	<u>202,342</u>	<u>0</u>	<u>126,355</u>	<u>(50,000)</u>
New Mexico Finance Authority					
Water Project Fund - Project Number 5426	0	1,200,000	0	1,200,000	0
Water Project Fund - Project Number 5673	0	1,112,230	0	1,183,474	71,244
Total New Mexico Finance Authority	<u>0</u>	<u>2,312,230</u>	<u>0</u>	<u>2,383,474</u>	<u>71,244</u>
New Mexico Environment Department					
2021 River Stewardship Program-LA Canyon Watershed	15,719	39,287	0	223,474	199,906
New Mexico Highway 4 Pipeline Project	0	0	0	20,575	20,575
Jemez Mountains Fire Protection Project	0	0	0	164,249	164,249
RAID Grant-Dolly and Grappler Equipment	57,823	57,823	0	0	0
RAID Grant-Solar Powered Recycle Bins	5,536	5,536	0	0	0
Volkswagon Mitigation Trust-Electric Vehicle Charging Station	135,600	0	0	0	135,600
Total New Mexico Environment Department	<u>214,678</u>	<u>102,646</u>	<u>0</u>	<u>408,298</u>	<u>520,330</u>
New Mexico Crime Victims Reparation Commission					
Victim Services Program	40,989	40,989	0	0	0
Total New Mexico Crime Victims Reparation Commission	<u>40,989</u>	<u>40,989</u>	<u>0</u>	<u>0</u>	<u>0</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	15,528	0	15,528	0
Total Office of Cultural Affairs	<u>0</u>	<u>29,838</u>	<u>0</u>	<u>29,838</u>	<u>0</u>
TOTAL STATE OF NEW MEXICO FINANCIAL ASSISTANCE	\$ <u>(1,707,605)</u>	<u>4,935,387</u>	<u>244,877</u>	<u>6,289,489</u>	<u>(598,380)</u>

RELATIONSHIP TO BASIC FINANCIAL STATEMENTS:

State-shared Revenues	\$	38,044,448
State-Emergency Mutual Aid Deployment Revenues		26,954
Change in reserved balances		840,901
Change in Deferred Revenue		<u>50,402</u>

TOTAL INTERGOVERNMENTAL REVENUES - STATE**\$ 45,252,194****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



LOS ALAMOS

**INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM SUBFUNDS
SUPPLEMENTARY COMBINING BALANCE SHEET - INDUSTRY FORMAT**

EXHIBIT 8

Year ended June 30, 2024

	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
ASSETS AND OTHER DEBITS					
UTILITY PLANT					
Utility plant in service	\$ 136,269,353	20,176,830	112,542,160	55,363,669	324,352,012
Construction work in progress	2,357,142	32,345	347,286	25,555,043	28,291,816
Less accumulated depreciation	(92,191,904)	(7,515,403)	(39,080,110)	(17,696,656)	(156,484,073)
NET PLANT IN SERVICE	<u>46,434,591</u>	<u>12,693,772</u>	<u>73,809,336</u>	<u>63,222,056</u>	<u>196,159,755</u>
OTHER PROPERTY AND INVESTMENTS					
Investments and special funds	12,682,485	-	154,561	717,755	13,554,801
	<u>12,682,485</u>	<u>-</u>	<u>154,561</u>	<u>717,755</u>	<u>13,554,801</u>
CURRENT AND ACCRUED ASSETS					
Cash and short-term investments	54,592,597	1,512,995	11,782,119	4,459,959	72,347,670
Customer accounts receivable	6,278,443	213,068	1,868,961	433,871	8,794,343
Less provision for uncollectible accounts	(19,702)	(4,779)	(29,225)	(9,762)	(63,468)
Due from other governments	-	-	-	-	-
Due from associated subfunds (not included in total column)	-	-	-	-	-
Fuel stock	-	-	-	-	-
Materials and supplies	2,299,550	137,278	341,743	10,789	2,789,360
Prepayments	110,470	-	-	-	110,470
Accrued utility revenues	1,215,630	85,417	516,213	285,448	2,102,708
Miscellaneous current and accrued assets	-	-	-	-	-
	<u>64,476,988</u>	<u>1,943,979</u>	<u>14,479,811</u>	<u>5,180,305</u>	<u>86,081,083</u>
OTHER NONCURRENT ASSETS AND DEFERRALS					
Advances to associated subfunds (not included in total column)	-	-	-	-	-
Deferred pension & OPEB	5,042,707	668,404	381,503	335,617	6,428,231
Deferred San Juan Decommissioning Costs	-	-	-	-	-
Unamortized deferral on refunding of debt	180,340	-	-	-	180,340
Leases	-	-	191,112	-	191,112
	<u>5,223,047</u>	<u>668,404</u>	<u>572,615</u>	<u>335,617</u>	<u>6,799,683</u>
TOTAL ASSETS AND OTHER DEBITS	\$ <u>128,817,111</u>	<u>15,306,155</u>	<u>89,016,323</u>	<u>69,455,733</u>	<u>302,595,322</u>

LIABILITIES AND OTHER CREDITS

EQUITY					
Retained earnings	\$ 89,334,120	11,106,848	78,034,089	35,306,744	213,781,801
LONG-TERM DEBT					
Bonds	9,337,739	-	382,261	-	9,720,000
Plus unamortized premium on long-term debt	243,916	-	(100)	-	243,816
Contracts and intergovernmental debt payable	-	-	7,277,507	29,454,907	36,732,414
	<u>9,581,655</u>	<u>-</u>	<u>7,659,668</u>	<u>29,454,907</u>	<u>46,696,230</u>
OTHER NONCURRENT LIABILITIES AND DEFERRALS					
Accumulated provision for benefits	248,075	79,291	66,423	19,416	413,205
Advances from associated subfunds (not included in total column)	-	-	-	-	-
Asset retirement obligations	10,777,612	-	-	-	10,777,612
Pension & OPEB liability	10,945,686	3,187,443	1,491,723	1,278,281	16,903,133
Deferred pension & OPEB	1,594,666	387,553	277,193	214,828	2,474,240
Leases	-	-	183,233	-	183,233
	<u>23,566,039</u>	<u>3,654,287</u>	<u>2,018,572</u>	<u>1,512,525</u>	<u>30,751,423</u>
CURRENT AND ACCRUED LIABILITIES					
Accounts payable	2,496,028	222,042	393,490	2,292,691	5,404,251
Customer deposits	250,587	202,134	209,027	-	661,748
Tax collections payable	63,040	12,864	35,129	23,062	134,095
Current portion of revenue bonds payable	1,100,704	-	224,297	-	1,325,001
Current portion of contracts and other debt	-	-	300,985	725,164	1,026,149
Interest accrued	41,852	-	4,417	11,575	57,844
Due to associated subfunds (not included in total column)	-	-	-	-	-
Leases	1,625,411	-	-	24,526	1,649,937
Miscellaneous current and accrued liabilities	757,675	107,980	136,649	104,539	1,106,843
	<u>6,335,297</u>	<u>545,020</u>	<u>1,303,994</u>	<u>3,181,557</u>	<u>11,365,868</u>
TOTAL LIABILITIES AND OTHER CREDITS	\$ <u>128,817,111</u>	<u>15,306,155</u>	<u>89,016,323</u>	<u>69,455,733</u>	<u>302,595,322</u>

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

EXHIBIT 9

SUPPLEMENTARY COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN PROPRIETARY CAPITAL - INDUSTRY FORMAT

Year ended June 30, 2024

	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
UTILITY OPERATING REVENUES					
Sales for resale	\$ 35,489,128	-	-	-	35,489,128
Residential	7,897,646	5,860,232	5,156,944	5,580,586	24,495,408
Commercial and industrial	4,408,527	1,396,048	660,575	840,711	7,305,861
Sale to public authorities	2,349,114	460,133	3,747,817	-	6,557,064
Street lighting	103,235	-	-	-	103,235
Other operating revenues	58,895,336	197,623	4,621,090	10,475,510	74,189,559
TOTAL OPERATING REVENUES	109,142,986	7,914,036	14,186,426	16,896,807	148,140,255
OPERATING EXPENSES					
Purchased power or natural gas	(30,293,536)	(2,549,884)	-	-	(32,843,420)
Distribution	(617,128)	(1,671,313)	(3,212,364)	(828,655)	(6,329,460)
Administrative and general	(3,612,226)	(1,130,428)	(2,469,460)	(2,184,613)	(9,396,727)
Customer accounts	-	11,171	(28,005)	(8,596)	(25,430)
Steam power generation	(7,472,178)	-	-	-	(7,472,178)
Transmission	(4,182,819)	-	-	-	(4,182,819)
Other production expenses	(1,616,593)	-	-	-	(1,616,593)
Hydraulic power generation	(220,615)	-	-	-	(220,615)
	(48,015,095)	(5,340,454)	(5,709,829)	(3,021,864)	(62,087,242)
MAINTENANCE EXPENSES					
Distribution	(1,286,934)	(550,894)	(1,312,293)	(1,854,710)	(5,004,831)
Steam power generation	(990,914)	-	-	-	(990,914)
Hydraulic power generation	(433,566)	-	-	-	(433,566)
Carbon free generation	(140,705)	-	-	-	(140,705)
Transmission	(335,050)	-	-	-	(335,050)
	(3,187,169)	(550,894)	(1,312,293)	(1,854,710)	(6,905,066)
DEPRECIATION AND AMORTIZATION EXPENSE	(1,677,430)	(482,160)	(2,299,616)	(879,463)	(5,338,669)
TAXES	(558,695)	-	-	-	(558,695)
TOTAL UTILITY OPERATING EXPENSES	(53,438,389)	(6,373,508)	(9,321,738)	(5,756,037)	(74,889,672)

UTILITY OPERATING INCOME	55,704,597	1,540,528	4,864,688	11,140,770	73,250,583
Other income (investment loss)	1,344,820	3,281	569,198	174,469	2,091,768
Other deductions	(169,509)	93,961	4,140	(10,194,242)	(10,265,650)
UTILITY INCOME	56,879,908	1,637,770	5,438,026	1,120,997	65,076,701
Interest on long-term debt	(494,290)	-	(68,369)	(54,835)	(617,494)
INCOME BEFORE EXTRAORDINARY ITEMS	56,385,618	1,637,770	5,369,657	1,066,162	64,459,207
Proprietary Capital, June 30, 2023, as previously presented	31,619,762	8,490,446	71,071,586	34,117,689	145,299,483
Error correction, see Note 25	1,328,740	978,632	1,592,846	122,893	4,023,111
Proprietary Capital, June 30, 2023, as adjusted or restated	32,948,502	9,469,078	72,664,432	34,240,582	149,322,594
PROPRIETARY CAPITAL, END OF FISCAL YEAR	\$ 89,334,120	11,106,848	78,034,089	35,306,744	213,781,801



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**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 Anne Laurent, County Manager
Los Alamos, New Mexico, and
Joseph M. Maestas, PE, CFE, 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, 2024, 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 19, 2024.

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.

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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.

The image shows a handwritten signature in black ink that reads "Hinkle & Landers, P.C." in a cursive, script font.

Hinkle + Landers, P.C.
Albuquerque, NM
November 19, 2024



Certified Public Accountants + Business Consultants

**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 Anne Laurent, County Manager
Los Alamos, New Mexico, and
Joseph M. Maestas, PE, CFE, 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, 2024. 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, 2024.

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.

Hinkle & Landers, P.C.

Hinkle + Landers, P.C.
Albuquerque, NM
November 19, 2024

**STATE OF NEW MEXICO
INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

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:

<u>Assistance</u>	<u>Listing #</u>	<u>Name of Federal Programs or Cluster</u>	<u>Federal Funding Source</u>
	20.205	Highway Planning and Construction	U.S. Department of Transportation
	21.027	COVID-19 - American Rescue Plan	U.S. Department of the Treasury
	66.458	Clean Water State Revolving Fund	U.S. Environmental Protection Agency
	81.140	Cooperative Agreement - Fire protection, emergency medical and rescue services	U.S. Department of Energy

Dollar threshold used to distinguish between type A and type B programs: \$1,524,206

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, 2024**

SECTION II, III, & IV: FINANCIAL STATEMENT, FEDERAL AWARDS, AND SECTION 12-6-5 NMSA 1978 FINDINGS

		Findings		
<u>Reference #</u>	<u>Description</u>	<u>Current or Prior Year Finding</u>	<u>Status of Findings</u>	<u>Type of Finding*</u>
None				

*Legend for Type of Findings

Section II - Financial Statement 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. Instance of Non-compliance Material to the Financial Statements

Section III - Major Federal Programs Findings

- E. Material Weakness in Internal Control Over Compliance of Federal Awards
- F. Significant Deficiency in Internal Control Over Compliance of Federal Awards
- G. Instance of Non-compliance related to Federal Awards

Section IV - 12-6-5 NMSA 1978 Findings

- H. Other Non-compliance Required to be Reported per Section 12-6-5 NMSA 1978

PRIOR AND CURRENT YEAR FINDINGS

None

INCORPORATED COUNTY OF LOS ALAMOS
EXIT CONFERENCE
June 30, 2024

An exit conference was held on Tuesday, November 19, 2024. 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
Denise Derkacs, County Councilor
Robert Gibson, Department of Public Utilities Board Member
Anne Laurent, County Manager
Karen Kendall, Deputy Utilities Manager - Finance and Administration
Helen Perraglio, Administrative Services Director

County Staff:

Melissa Dadzie, Chief Financial Officer
Beatrice Odezulu, Deputy Chief Financial Officer
Mauricia Chavarria-Quam, Accounting Operations Manager
David Griego, Accounting Operations Manager
Erika Thomas, Budget and Performance Manager
Annalisa Miranda, Chief Procurement Officer
Joann Gentry, Business Operations Manager

Hinkle + Landers, PC:

Farley Vener, President and Managing Shareholder
Katelyn Constantin, Senior Audit Manager



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