

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



**Comprehensive Annual Financial Report
Fiscal Year Ended
June 30, 2015**

Prepared by the Finance Office

TABLE OF CONTENTS
June 30, 2015

	Page
INTRODUCTORY SECTION:	
Letter of Transmittal	i-v
Certificate of Achievement for Excellence in Financial Reporting, presented by the Government Finance Officers Association	vi
Organizational Chart	vii
Elected and Appointed Officials	viii
FINANCIAL SECTION:	
Independent Auditors' Report	1-3
Management's Discussion and Analysis	5-25
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	28-29
Statement of Activities	30
Governmental Fund Financial Statements:	
Balance Sheet	32-33
Reconciliation of Balance Sheet to the Statement of Net Position	35
Statement of Revenues, Expenditures, and Changes in Fund Balance	36-39
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	41
Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance - Budget and Actual (Budget Basis)	
General Fund	42-52
Economic Development Fund	54-55
Emergency Declarations Fund	56
Proprietary Fund Financial Statements:	
Statement of Net Position	58-59
Statement of Revenues, Expenses, and Changes in Net Position	60
Reconciliation of Revenues, Expenses and Changes in Net Position to the Statement of Activities	61
Statement of Cash Flows	62-63
Fiduciary Fund Financial Statements:	
Statement of Net Position	65
Statement of Changes in Net Position - Pension Trust Fund	66
Notes to the Financial Statements	67-113
Required Supplementary Information - NM PERA Pension Liability	116-122

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

Other (nonmajor) Governmental Funds:	
Combining Balance Sheet	123
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	124-125
Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance - Budget and Actual (Budget Basis)	
State Shared Revenues Fund	126
Lodgers' Tax Fund	127
State Grants/Other Fund	128
Indigent Health Care Fund	129
Other Special Revenues Fund	130-131
Gross Receipts Tax Revenue Bonds Fund	132
Capital Projects Permanent Fund (Major Governmental Fund)	133
Project-length Schedule of Construction Projects - Capital Improvement Projects Fund	134
Joint Utility System Enterprise Subfunds:	
Combining Schedule of Net Position	136-137
Combining Schedule of Revenues, Expenses, and Changes in Net Position	139
Combining Schedule of Cash Flows	140-141
Schedules of Revenues, Expenses, Encumbrances, and Changes in Net Position - Budget and Actual (Budget Basis):	
Joint Utility System Fund	142-143
Electric Subfund	144-145
Gas Subfund	146-147
Water Subfund	148-149
Wastewater Subfund	150-151
Other Enterprise Funds:	
Schedules of Revenues, Expenses, Encumbrances, and Changes in Net Position - Budget and Actual (Budget Basis):	
Environmental Services	154-155
Transit Fund	156-157
Fire Fund	158-159
Airport Fund	160-161
Internal Service Funds:	
Combining Statement of Net Position	164
Combining Statement of Revenues, Expenses, and Changes in Net Position	165
Combining Statement of Cash Flows	166-167
Schedules of Revenues, Expenses, Encumbrances, and Changes in Net Position - Budget and Actual (Budget Basis):	
Equipment Fund	168-169
Risk Management Fund	170-171
Agency Fund:	
Statement of Changes in Assets and Liabilities	172

TABLE OF CONTENTS

June 30, 2015

STATISTICAL SECTION:	Page
Net Position by Component	173
Changes in Net Position	174-175
Fund Balance, Governmental Funds	177
Changes in Fund Balance, Governmental Funds	178-179
Joint Utility System Customer Base	180
Joint Utility System Operating Revenue and Sales	181
Joint Utility System Operating Revenue by Type of Customer	182
Joint Utility System Rate Structure	183
Taxable Gross Receipts by Business Sector (in \$1,000s)	185
Gross Receipts Tax (GRT) Revenues and Rates	186-187
Property Tax Levies and Collections	188
Assessed and Estimated Actual Value of Taxable Property	189
Property Tax Rates and Levies - All Direct and Overlapping Governments	190
Ten Principal Property Taxpayers	191
Ratios of Outstanding Debt by Type	192
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	193
Computation of Direct and Overlapping Debt	194
Computation of Legal Debt Margin	195
Joint Utility System Revenue Bond Coverage	196
Demographic and Economic Statistics	197
Largest Employers	198
Census Population by Age Bracket, Counts, and Percentages	199
Full-time Equivalent Employees by Function/Program	200
Operating Indicators by Function/Program	201
Capital Asset Statistics by Functions/Program	202
Joint Utility System Profit Transfer and In Lieu Payments	203
OTHER SUPPLEMENTARY INFORMATION:	
Exhibit 1 - Schedule of Reconciliation of Tax Receipts and Disbursements	205
Exhibit 2 - County Treasurer's Property Tax Schedule	206-207
Exhibit 3 - Schedule of Pledged Collateral	208
Exhibit 3a - Detail of Pledged Collateral by Financial Institution	209
Exhibit 4 - Schedule of Depository Accounts	211
Exhibit 5 - Supplemental Schedule of Joint Powers Agreements and Memorandums of Understanding	212-217
Exhibit 6 - Schedule of Vendor Information for Purchases Exceeding \$60,000	218-227
Exhibit 7 - Schedule of Expenditures of State Awards	228-229
Exhibit 8 - Schedule of Expenditures of Federal Awards	230-231
Exhibit 9 - Utility Subfunds Combining Balance Sheet - Industry Format	232-233
Exhibit 10 - Utility Subfunds Combining Schedule of Revenues, Expenses, and Changes in Proprietary Capital - Industry Format	234-235
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	236-237
Independent Auditors' Report on Compliance with Requirements that Could have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	238-240
Schedule of Findings and Questioned Costs	242-243
Exit Conference	244



INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO
1000 Central Avenue Suite 350, Los Alamos, New Mexico 87544

November 25, 2015

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

We are pleased to submit to you the Comprehensive Annual Financial Report of the Incorporated County of Los Alamos (the County) for fiscal year 2015. The Finance Division in the County's Administrative Services Department has prepared this report to present the financial position of the County at June 30, 2015, 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.

This report consists of an Introductory Section, the Financial Section which includes the opinion of the County's independent auditors, CliftonLarsonAllen LLP, 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 plans to take positive actions to carry out the independent auditors' recommendations described in their Schedule of Findings and Questioned Costs, which is included in the Other Financial Information Section of this report.

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 112 square miles. The National Forest Service owns 41.3% of the County's area, the United States Department of Energy (DOE) owns 33.4%, the County and its citizens own 16.3%, and Bandelier National Monument owns 9.0%.

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 municipal ownership.

The County operates under a council-manager form of government. The County Council consists of seven members who are elected at large by qualified County voters. 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, or 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 and social services.

ECONOMIC CONDITION AND OUTLOOK

The fiscal year 2016 budget anticipates revenues of \$4.3 million less than the fiscal year 2015 adopted budget, and expenditures are budgeted at \$1.8 million more than the prior fiscal year. The budget decrease in revenues and other financing sources is a result of two primary factors: \$17.5 million of budgeted debt proceeds in the Joint Utility System Fund in fiscal year 2014 do not recur, and wholesale utility revenues are projected to increase by approximately \$10.4 million in fiscal year 2016. Other variances are very modest in comparison. GRT which has declined the past four years and is projected to stay flat in fiscal year 2016. Given the unusually large concentration of employment and tax revenues in one employer – LANL - the County continues to adopt a conservative fiscal posture to help mitigate the potential negative effects of any significant unforeseen future changes.

LANL is the County's largest employer, with estimates that its expenditures provide, either directly or indirectly, approximately 90-95% of the County's economic activity. For the year ended June 30, 2014, an estimated 75-80% of GRT revenues relate directly to LANL operations.

Given the significant impact of LANL operations, the County will be monitoring closely any federal legislative budget activities associated with the Department of Energy (DOE) and other federal agencies and continuing to consider potential impacts to LANL and to the County's long-range financial projections. The County will also be monitoring any potential changes that might arise due to the changes in the national nuclear posture policy, changes in the New Mexico federal congressional delegation, as well as DOE plans for its long-term overall Complex Transformation and significant construction projects.

As originally adopted, the fiscal year 2016 Budget projects a combined ending fund balance / working capital of \$92.9 million, \$5.9 million lower than the projected fiscal year 2015 ending fund balance / working capital of \$98.8 million. The largest planned change of working capital is in the Special Revenue Funds where economic development spending is expected to draw down the fund balance by \$5.7 million. The General Fund budget anticipates a decrease of \$6.1 million which includes a transfer to the Capital Improvements Projects Fund of \$11.3 million which will help fund the County's future capital program.

MAJOR ACCOMPLISHMENTS AND FUTURE INITIATIVES

In 2015, the County Council updated its Strategic Leadership Plan. The plan includes strategic focus areas and major goals for the next five years. Highlights of significant progress made in FY 2015 include the following:

- Economic Vitality – the major new retail redevelopment construction was completed on the Trinity site. Implementation of the White Rock master plan / economic development strategy continued and the County was actively negotiating a purchase and development agreement with prospective developers for the A-19 parcel; and the County initiated a Comprehensive Plan update process;
- Quality of Life – the County completed construction of the Nature Center, and the new Golf Course Community Building and made substantial progress on the Teen Center, White Rock Library, White Rock Senior Center and White Rock Youth Activity Center projects; and
- Quality Governance – construction of the new replacement for the Golf Course Community Building was nearing completion; the County directly funded the North Central Regional Transit District, the Regional Coalition of LANL communities, and the Regional Economic Development Initiative under its Progress through Partnering program.

The County has identified and is working on the following initiatives:

- Identifying and developing leveraged opportunities associated with establishment of the Manhattan Project National Historical Park;
- Continued pursuit of middle-mile fiber and ski hill water system improvements;
- Completion of the following: the Nature Center, the White Rock Library replacement, the White Rock Senior and Youth Activity Centers upgrades, and the new Teen Center;
- Implementing the County's Economic Vitality Strategic Plan, including developing and implementing projects, where possible, related to the downtown plans; and
- Continue improving the County's long-range financial projections to integrate operating needs with the replacement and maintenance needs of infrastructure assets.

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 predominantly highly educated 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 Office and budget staff plans, organizes, directs, and coordinates the overall management of the County's finances. The responsibilities of the Office 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 Office 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 Agency 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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. The Certificate of Achievement is a national award that recognizes conformance with the highest standards for presentation of state and local government financial reports.

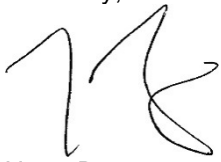
In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to rigid program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal 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 twenty-four consecutive years (fiscal years 1991 through 2014). We believe this current comprehensive annual 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 2015. This was the twenty-third 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.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated service of the staff within the Finance Office. 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,

A handwritten signature in black ink, appearing to read 'HB', with a stylized flourish at the end.

Harry Burgess
County Administrator

A handwritten signature in black ink, appearing to read 'Steven Lynne', with a long horizontal flourish extending to the right.

Steven Lynne
Deputy County Administrator / Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Incorporated County of Los Alamos

New Mexico

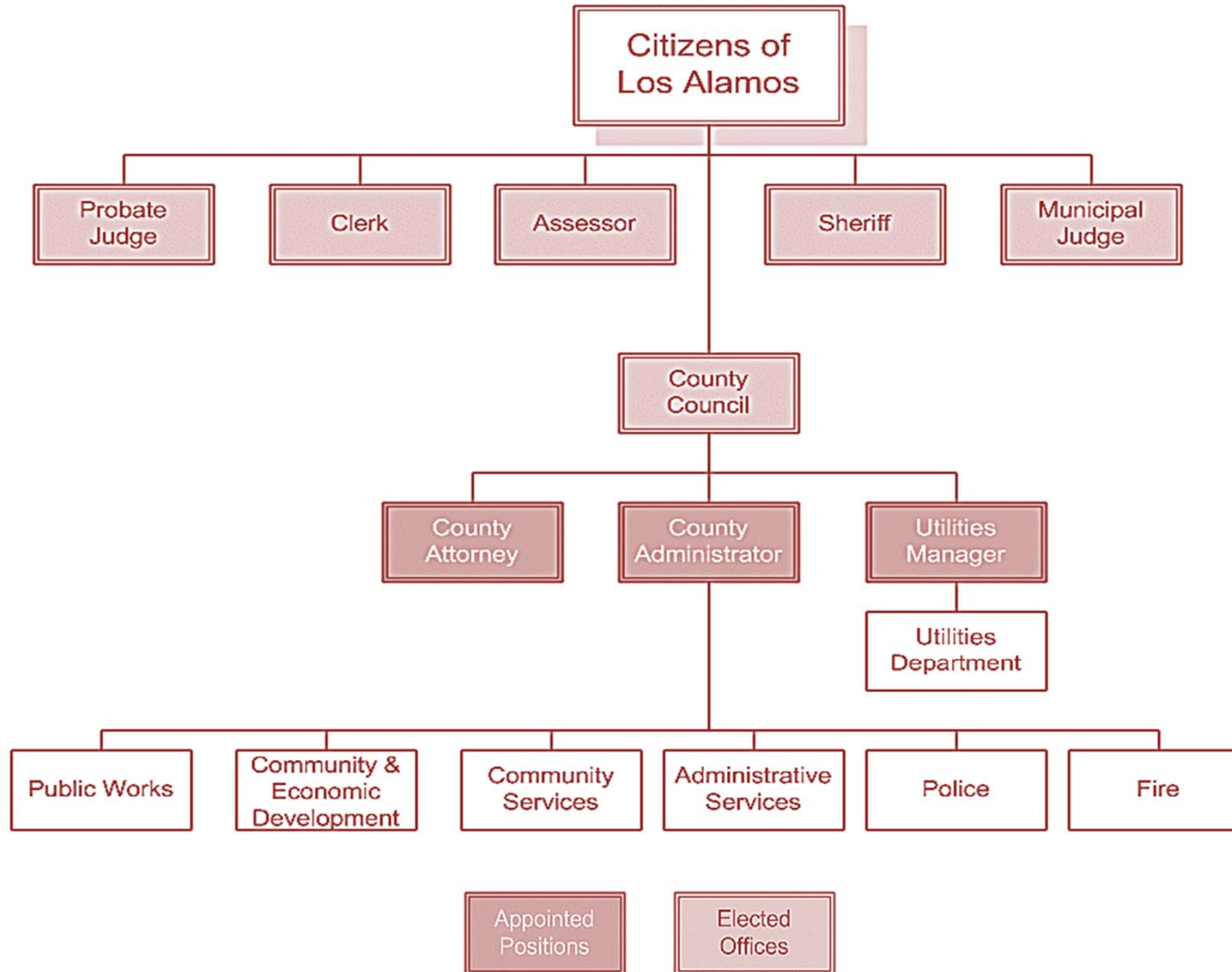
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

A handwritten signature in black ink, which appears to read "Jeffrey R. Emen".

Executive Director/CEO

INCORPORATED COUNTY OF LOS ALAMOS ORGANIZATIONAL CHART



INCORPORATED COUNTY OF LOS ALAMOS

ELECTED AND APPOINTED OFFICIALS

As of June 30, 2015

Elected:

Council	Kristen Henderson, Chair David Izraelevitz, Vice Chair James A Chrobocinski Steven Girens Susan O'Leary Rick Reiss Pete Sheehy
Clerk	Sharon Stover
Assessor	Ken Milder
Sheriff	Marco Lucero
Probate Judge	Christine Chandler
Municipal Judge	Alan Kirk

Appointed:

County Administrator	Harry Burgess
Deputy County Administrator	Brian Bosshardt
Deputy County Administrator	Steven Lynne
County Attorney	Rebecca Ehler
Utilities Manager	Timothy Glasco
Community & Economic Development Director	Anne Laurent
Community Services Director	Charlie Kalogeros-Chattan
Fire Chief	Troy Hughes
Police Chief	Dino Sgambellone
Public Works	Philo Shelton
Deputy County Assessor	Joaquin Valdez
Deputy County Clerk	Adrianna Ortiz



CliftonLarsonAllen LLP
500 Marquette NW, Suite 800
Albuquerque, NM 87102
505-842-8290 | fax 505-842-1568
www.CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Ms. Kristin Henderson, Chair, County Council
Members of the Council, and Harry Burgess, County Administrator
Los Alamos, New Mexico 87544 and
Timothy Keller, State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and 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, New Mexico, (County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the County's nonmajor governmental funds, fiduciary funds, internal service funds, and the budgetary comparisons for the major capital projects fund, and permanent fund and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

Ms. Kristin Henderson, Chair, County Council
Members of the Council, and Harry Burgess, County Administrator
Los Alamos, New Mexico 87544 and
Timothy Keller, State Auditor

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2015, 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. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and fiduciary fund of the County as of June 30, 2015, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project fund, permanent fund, and all non-major funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of a Matter – Regarding Restatement

During fiscal year ended June 30, 2015, the County adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the related GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. As a result of the implementation of these standards, the County reported a restatement for the change in accounting principle (see Note 1c.) Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 to 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the County's financial statements, the combining and individual fund financial statements,

Ms. Kristin Henderson, Chair, County Council
Members of the Council, and Harry Burgess, County Administrator
Los Alamos, New Mexico 87544 and
Timothy Keller, State Auditor

and the budgetary comparisons. The introductory and statistical sections, and schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the other schedules required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

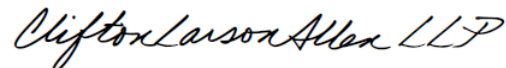
The schedule of expenditures of federal awards and other schedules, noted at Exhibits 1-5, as listed in the table of contents, required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures 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.

The introductory section, vendor schedule required by 2.2.2.10(A)(2)(g) NMAC, and statistical section have not been subjected to the auditing procedures applied in the audit of the basic and combining and individual fund financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2015 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 to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on 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.

CliftonLarsonAllen LLP



Albuquerque, New Mexico
November 25, 2015



Management's Discussion and Analysis

INCORPORATED COUNTY OF LOS ALAMOS

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2015

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, 2015. 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 173.

FINANCIAL HIGHLIGHTS

New Accounting Standards

In fiscal year 2015, the County adopted two new accounting standards issued by the Governmental Accounting Standards Board (GASB) that relate to pension activity:

- GASB Statement No. 68 (GASB 68), "*Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27,*" and
- GASB Statement No. 71 (GASB 71), "*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*"

GASB 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for the County's participation in the Public Employees Retirement Association of New Mexico's (PERA) defined benefit pension plans. This statement replaces the requirements of prior GASB statements impacting accounting and financial disclosure of pensions.

The significant impact to the County of implementing GASB 68 is the reporting of the County's proportionate share of PERA's unfunded pension liability on the County's accrual basis financial statements, the government-wide and proprietary funds financial statements. There are also new note disclosure requirements and supplementary schedules required by the statement.

The measurement date for the PERA pension liabilities is as of June 30, 2014. This date reflects a one year lag and was used so these financial statements could be issued in an expedient manner, using the most recent, audited financial information available. Activity (i.e., contributions made by the County) occurring during fiscal year 2015 are reported as deferred outflows of resources in accordance with GASB 71.

In order to implement GASB 68, a prior period restatement was made to the County's net position. This restatement decreased the County's beginning net position by \$70.7 million from \$577.2 million to \$506.5 million. Please refer to Note 8 in the Notes to Financial Statements, starting on page 90, for more detailed information about the County's pensions.

The adoption of GASB 68 has no impact on the County's governmental funds financial statements, which continue to report expenditures equal to the amount of the County's contractually required contributions to PERA.

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 \$493.9 million at fiscal year-ended June 30, 2015. This is a decrease of \$83.3 million in net position, or approximately 14.4%, as compared to the prior fiscal year-end. The restatement required by the adoption of GASB 68, decreased net position by \$70.7 million. Overall, the County continues to have a strong financial position, operating reserves, and assets available to provide services to citizens.
- Governmental activities decreased the County's net position by \$4.3 million to \$309.2 million for the fiscal year-ended June 30, 2015. Expenses exceeded revenues by \$4.3 million as investment earning and operating grants and contributions were lower than expected. Gross receipts taxes and state shared revenues were virtually flat, only decreasing \$0.2 million combined, after several years of significant declines.
- Business-type activities decreased the County's net position by \$8.3 million to \$184.7 million for the fiscal year-ended June 30, 2015. This compares to a \$12.6 million increase during the previous fiscal year. Total revenue from business-type activities was \$88.2 million for fiscal year 2015, approximately \$17.7 million lower than the previous year. The largest single contributing factor to this decrease was the contribution of \$10.9 million in equipment and utility plant in service from outside sources in the prior year. Charges for services revenues in the business-type activities decreased by \$7.1 million primarily as a result of declines in utility wholesale consumption and changes in the cost of power and gas. Expenses in fiscal year 2015 increased by \$2.9 million primarily as a result of a \$2.5 million increase in closure liabilities recorded in the Joint Utility System activities offset by small variances in other business-type activities.
- For the fiscal year-ended June 30, 2015, the County's Governmental Funds reported combined ending fund balance of approximately \$87.3 million. This is a \$13.3 million decrease from the end of fiscal year 2015. In large part, the decrease in net position is attributable to the spending down of resources set aside in prior years for capital expenditures. Even with transfers in of approximately \$8.1 million to fund new projects, the net position in the Capital Improvements Projects Fund declined \$9.7 million as spending continued on already funded projects.

USING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

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

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

The Basic Financial Statements

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

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

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

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

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

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

Governmental Activities - All of the County's basic services are considered to be governmental functions, including County Council, Municipal Court, County Manager, County Attorney, County Clerk, County Assessor, Administrative Services, Community and Economic 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 Agency Fund. The Agency 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. It is also used to account for the assets and liabilities of the Regional Coalition of LANL communities, of which the County serves as fiscal agent. 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 67-113 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 \$493.9 million at fiscal year-ended June 30, 2015. This is a decrease of \$83.3 million in net position, or 14.4%, 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 2015 compared to fiscal year 2014.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>
Assets:						
Current and other assets	\$ 92.3	108.3	71.8	73.1	164.1	181.4
Capital assets	<u>297.9</u>	<u>290.2</u>	<u>229.1</u>	<u>232.0</u>	<u>527.0</u>	<u>522.2</u>
Total assets	<u>390.2</u>	<u>398.5</u>	<u>300.9</u>	<u>305.1</u>	<u>691.1</u>	<u>703.6</u>
Deferred outflows of resources	<u>10.3</u>	<u>9.0</u>	<u>4.6</u>	<u>0.7</u>	<u>14.9</u>	<u>9.7</u>
Liabilities:						
Current and other liabilities	5.1	4.4	5.8	5.1	10.9	9.5
Long-term liabilities	<u>78.4</u>	<u>63.0</u>	<u>107.2</u>	<u>63.2</u>	<u>185.6</u>	<u>126.2</u>
Total liabilities	<u>83.5</u>	<u>67.4</u>	<u>113.0</u>	<u>68.3</u>	<u>196.5</u>	<u>135.7</u>
Deferred inflows of resources	<u>7.8</u>	<u>0.4</u>	<u>7.8</u>	<u>0.0</u>	<u>15.6</u>	<u>0.4</u>
Net position:						
Net investment in capital assets	250.1	239.2	179.4	181.8	429.5	421.0
Restricted	34.3	35.1	18.3	23.0	52.6	58.1
Unrestricted	<u>24.8</u>	<u>65.4</u>	<u>(13.0)</u>	<u>32.7</u>	<u>11.8</u>	<u>98.1</u>
Total net position	<u>\$ 309.2</u>	<u>339.7</u>	<u>184.7</u>	<u>237.5</u>	<u>493.9</u>	<u>577.2</u>

The largest portion of the County's net position is invested in capital assets (e.g. land, buildings, infrastructure, machinery and equipment), net of any related debts. As of June 30, 2015 this amount was \$429.5 million (87.0% of total net position). This compares to \$421.0 million (72.9% of total) invested in capital assets net of related debt for the previous fiscal year-end, a net increase of \$8.5 million or 5.0%. This increase is primarily the net result of three factors: paying down its capital related debt, using accumulated unrestricted net assets to fund capital projects, and an increase in depreciation due to the capitalization of large assets in the prior year, including the \$10.9 million solar array in Utilities. Capital assets, including construction work in progress, are not available for future spending because the County uses them to provide its services. Although the County's capital assets are reported net of related debt, the resources needed to repay debt must come from other sources since the capital assets themselves cannot be used to settle these debts.

The balance of restricted net position is \$52.6 million (10.6% of total) at fiscal year-end 2015, a decrease of \$5.5 million or 9.5% compared to the prior year. Restricted net position in the general government activities had mostly insignificant variances between fiscal years. The only significant change was in the Capital Projects Permanent Fund where the restricted balance for revenue stabilization decreased \$0.9 million due to lower than expected investment returns. Restricted net position balances in the business-type activities decreased \$4.7 million as cash and investments previously set aside for revenue bond repayment, were used for debt service.

The remaining \$11.8 million of the County's net position is categorized as unrestricted and is available to be used to meet the County's ongoing obligations to citizens and creditors. Unrestricted net position declined in fiscal year 2015 by \$86.3 million. The requirements of GASB Statement 68 required the County to record its proportionate share of the Public Employees Retirement Association of NM unfunded pension liability, deferred inflows, and deferred outflows, which decreased beginning net position for fiscal year 2015 by \$70.6 million. The other significant change in net position resulted from using current assets accumulated in prior years to fund major capital projects. The corresponding increase can be seen in the net position invested in capital assets.

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.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>
Revenues:						
Program revenues:						
Charges for services	\$ 2.4	2.4	63.1	70.2	65.5	72.6
Operating grants and contributions	1.7	3.2	20.2	20.6	21.9	23.8
Capital grants and contributions	0.9	0.7	2.5	12.0	3.4	12.7
Total program revenues	<u>5.0</u>	<u>6.3</u>	<u>85.8</u>	<u>102.8</u>	<u>90.8</u>	<u>109.1</u>
General revenues:						
Gross receipts taxes	22.3	22.4	2.2	2.2	24.5	24.6
Property taxes	5.3	5.3	0.0	0.0	5.3	5.3
Franchise taxes	0.5	0.5	0.0	0.0	0.5	0.5
Grants and contributions not restricted to specific programs	0.8	1.4	0.0	0.0	0.8	1.4
State shared revenue	14.9	15.0	0.0	0.0	14.9	15.0
Unrestricted interest and investment earnings (loss)	1.4	8.3	0.2	0.9	1.6	9.2
Gain on exchange of capital assets	0.3	0.0	0.0	0.0	0.3	0.0
Total general revenues	<u>45.5</u>	<u>52.9</u>	<u>2.4</u>	<u>3.1</u>	<u>47.9</u>	<u>56.0</u>
Total Revenues	<u>50.5</u>	<u>59.2</u>	<u>88.2</u>	<u>105.9</u>	<u>138.7</u>	<u>165.1</u>
Program expenses:						
General government	15.8	14.9	0.0	0.0	15.8	14.9
Public safety	12.1	13.9	0.0	0.0	12.1	13.9
Physical and economic environment	1.6	1.7	0.0	0.0	1.6	1.7
Transportation	10.6	11.6	0.0	0.0	10.6	11.6
Health and welfare	3.4	2.4	0.0	0.0	3.4	2.4
Culture and recreation	8.5	8.5	0.0	0.0	8.5	8.5
Interest on long-term debt	3.1	3.1	0.0	0.0	3.1	3.1
Electric	0.0	0.0	47.5	44.0	47.5	44.0
Gas	0.0	0.0	4.4	6.1	4.4	6.1
Water	0.0	0.0	7.0	6.7	7.0	6.7
Wastewater	0.0	0.0	4.3	3.9	4.3	3.9
Environmental services	0.0	0.0	4.1	4.2	4.1	4.2
Transit (Atomic City Transit)	0.0	0.0	4.1	4.0	4.1	4.0
Fire	0.0	0.0	23.5	22.9	23.5	22.9
Airport	0.0	0.0	1.3	1.5	1.3	1.5
Total expenses	<u>55.1</u>	<u>56.1</u>	<u>96.2</u>	<u>93.3</u>	<u>151.3</u>	<u>149.4</u>

Change in net position before transfers	(4.6)	3.1	(8.0)	12.6	(12.6)	15.7
Transfers	<u>0.3</u>	<u>(0.8)</u>	<u>(0.3)</u>	<u>0.8</u>	<u>0.0</u>	<u>0.0</u>
Total Change in net position	(4.3)	2.3	(8.3)	13.4	(12.6)	15.7
Beginning net position	339.7	337.9	237.5	224.6	577.2	562.5
Prior period adjustment	<u>(26.2)</u>	<u>(0.5)</u>	<u>(44.5)</u>	<u>(0.5)</u>	<u>(70.7)</u>	<u>(1.0)</u>
Ending net position	\$ <u>309.2</u>	<u>339.7</u>	<u>184.7</u>	<u>237.5</u>	<u>493.9</u>	<u>577.2</u>

Governmental Activities

Governmental activities during the year decreased the County's net position by \$4.3 million for fiscal year 2015 as compared to the prior year. This section compares results of governmental activities for fiscal year 2015 to fiscal year 2014 as summarized in Table 3.

Total revenues were \$50.5 million in fiscal year 2015, approximately \$8.7 million less than the previous year. Key variances include:

- A decrease of \$1.5 million in operating grants and contributions related to Las Conchas Fire recovery and emergency response and recovery from flooding events in September 2013 which were recognized as revenue in the prior year and were non-recurring;
- A decrease of \$0.6 million in grants and contributions not restricted to specific programs primarily due to payments in lieu of taxes of \$0.9 million billed to the National Nuclear Security Administration (NNSA) in the prior year, compared to \$0.2 million billed in the current year;
- A decrease of \$6.9 million in unrestricted interest and investment earnings, which resulted from improved market in the prior fiscal year reflected primarily in balances invested in market based funds with the New Mexico State Investment Council; and
- Although not a significant variance in fiscal year 2015, it is important to note that there was a decrease of only \$0.2 million in GRT revenue (reflected in gross receipts tax and state shared revenue). This is encouraging after seeing GRT revenue decline from \$54.5 in fiscal year 2011 to \$37.4 last year as cut backs in spending and staff reductions at LANL, the largest single employer in the county affected the taxable revenue base.

Total expenses for governmental activities were \$55.1 million in fiscal year 2015, or approximately \$1.0 million less than the previous year. Key variances include:

- An increase of \$0.9 million in General Government expenses due to small variances in specific departmental spending and a \$0.3 million increase in depreciation on new facilities;
- A decrease of \$1.8 million in Public Safety expenses which directly reflects the \$1.8 million decline in expenses year over year for emergency response and recovery to the Las Conchas Fire and subsequent flooding recorded in the Emergency Declarations Fund;
- A decrease of \$1.0 million in Transportation expenses associated with a lower level of road maintenance (resulting from timing of projects); and
- An increase of \$1.0 in Health and Welfare due primarily to new payments to the State insurance programs and other changes in the program services which resulted in higher spending.

Figure 1 compares program revenues to expenses for governmental activities at the fiscal year-end 2015. 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 \$50.1 million in general revenues and accumulated net position from governmental activities. Approximately 9.1% of governmental program expenses were covered by program revenues during fiscal year 2015, which is relatively consistent compared to last year, 11.2%.

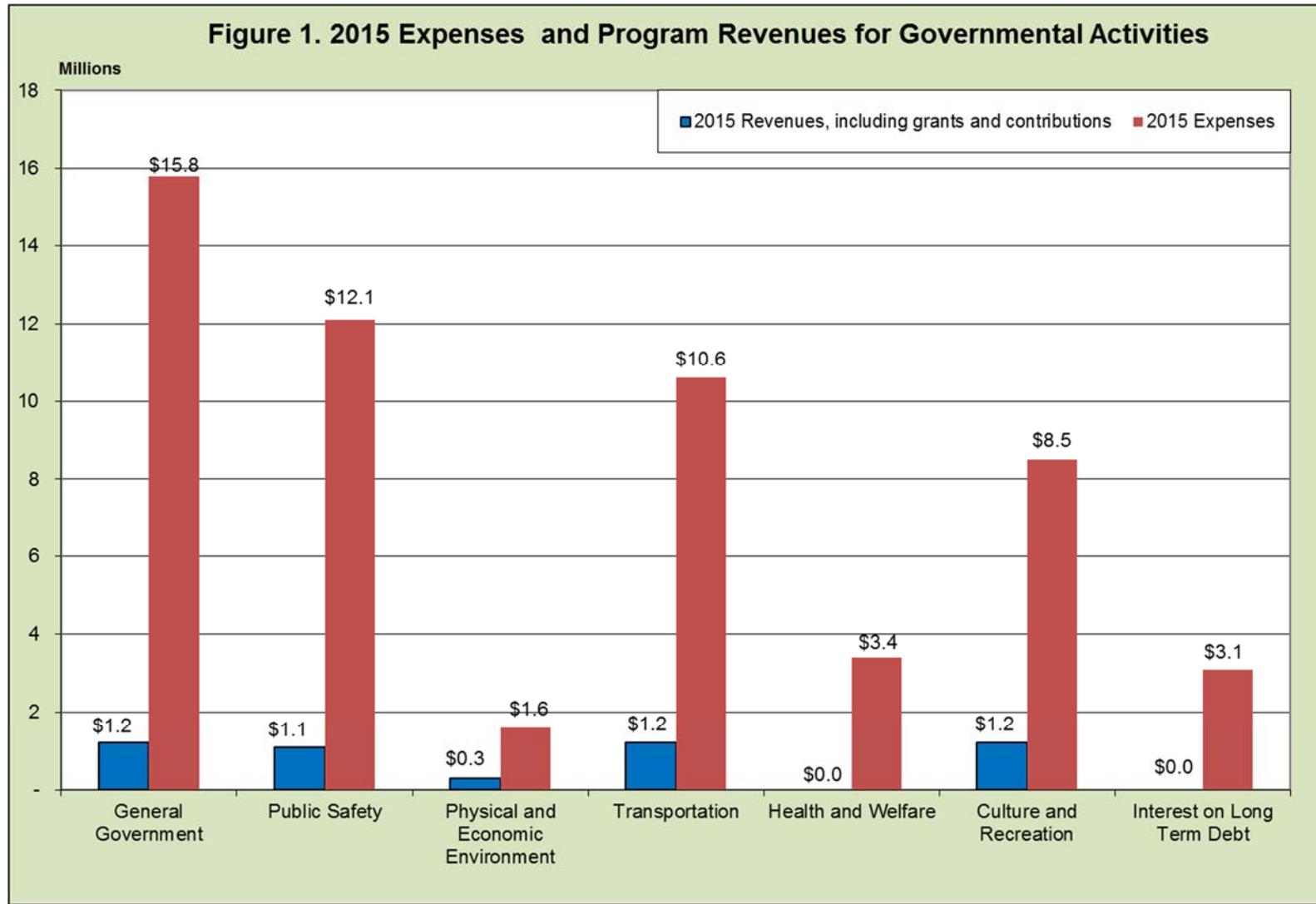
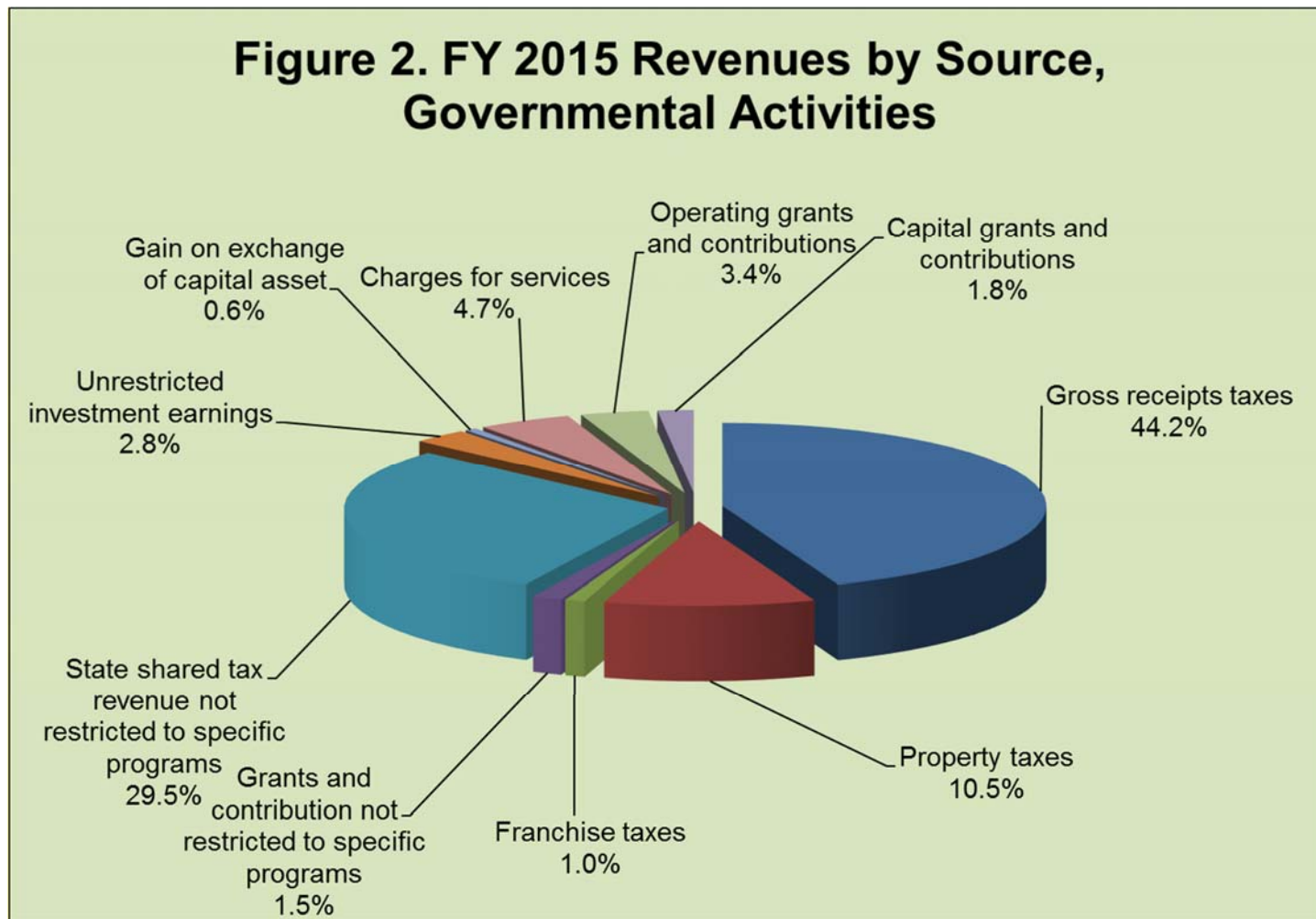


Figure 2 shows the mix of revenues by source for Governmental Activities. This chart demonstrates the relative importance of different types of taxes to the mix of general revenue in 2015. It should be noted that the *State shared tax revenue not restricted to specific programs* is almost entirely State Shared GRT revenue, so combined with locally imposed GRT tax increments, total GRT revenues made up approximately 73.7% of Governmental Activities revenues. In fiscal year 2014, GRT combined with State Shared GRT revenue comprised almost 63.1% of governmental revenues as a result of unrestricted investment earnings being notably higher, increasing the total revenues (denominator in the calculation).



Business-type Activities

Business-type activities decreased the County's net position by \$8.3 million for the fiscal year-ended June 30, 2015. This compares to a \$13.4 million increase during the previous fiscal year. This section compares results of business-type activities for fiscal year 2015 to fiscal year 2014 as summarized in Table 3.

Total revenues and contributions were \$88.2 million in fiscal year 2015; approximately \$17.7 million lower than the previous year. This includes a decrease of \$7.1 million in charges for services primarily as the result of lower utility consumption and a \$10.9 million contribution of utility equipment and plant assets from the New Energy and Technology Development Organization of Japan (NEDO) in fiscal year 2014 which was a non-recurring revenue.

Total expenses were \$96.2 million in fiscal year 2015, a \$2.9 million increase over the previous year. Total joint utility system expenses were approximately \$2.9 million higher due primarily to an increase of approximately \$2.5 million in expenses related to increased closure cost estimates. Fire expenses increased \$0.6 million or 2.6% primarily as the result of payroll and benefit increases.

Figure 3 compares program revenues to expenses for business-type activities for fiscal year 2015. This chart demonstrates to what degree revenues covered expenses for each program by type of activity. Overall, total business-type program expenses exceeded total program revenues by approximately \$10.4 million in fiscal year 2015 as compared to fiscal year 2014 where revenues exceeded program revenues by \$9.5 million. Again, fiscal year 2014 revenues were abnormally high due to the one-time donation of utility equipment and plant from NEDO. Notably, environmental services and fire functions look like they have program losses, but receive gross-receipts tax general revenues to balance their net activity. Total joint utilities program expenses exceeded revenues by approximately \$6.3 million in fiscal year 2015, with \$2.5 million related to the additional closure costs and \$3.8 attributable to normal fluctuations in commodity consumption and operational spending.

Figure 3. 2015 Expenses and Program Revenues for Business Type Activities

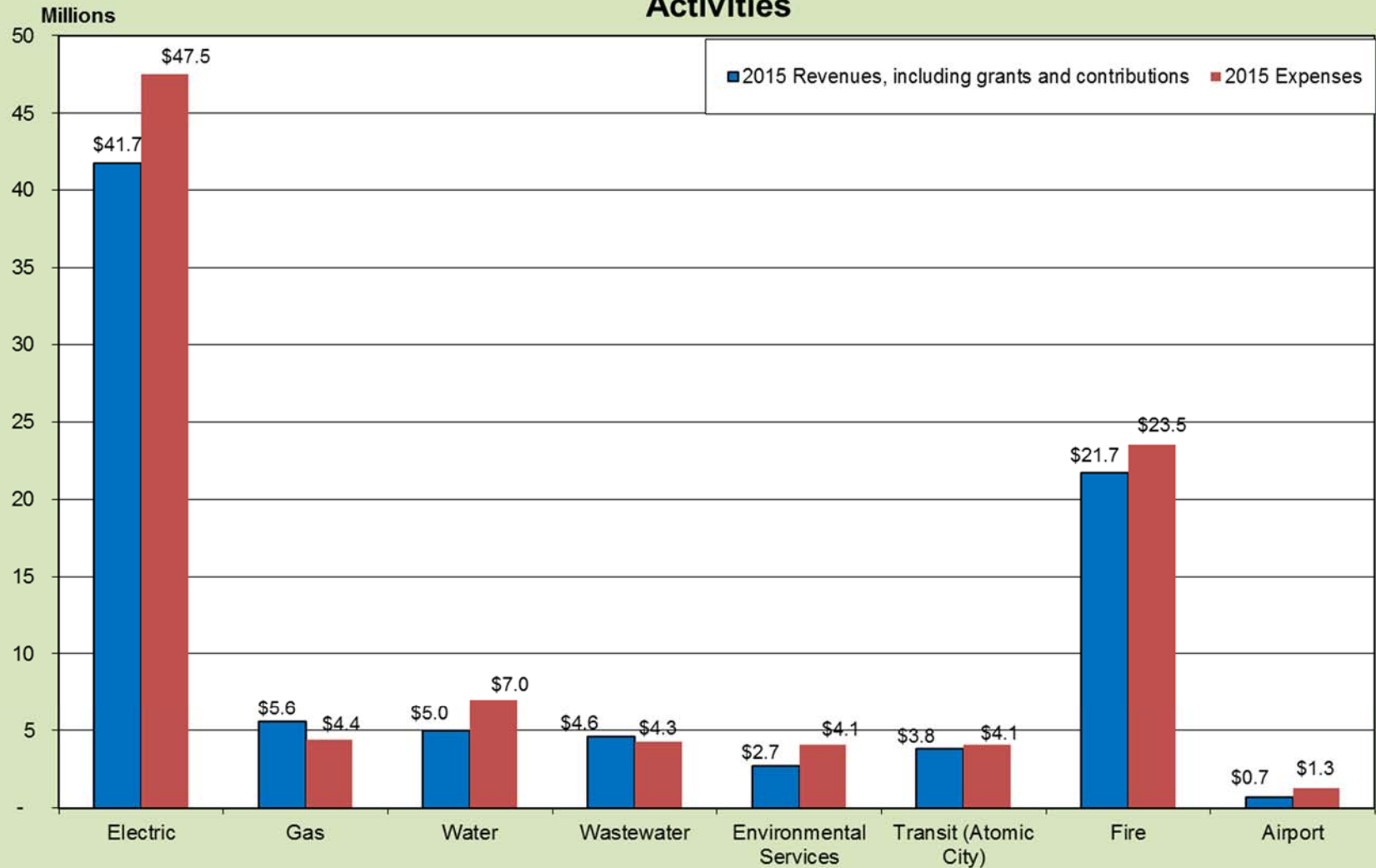
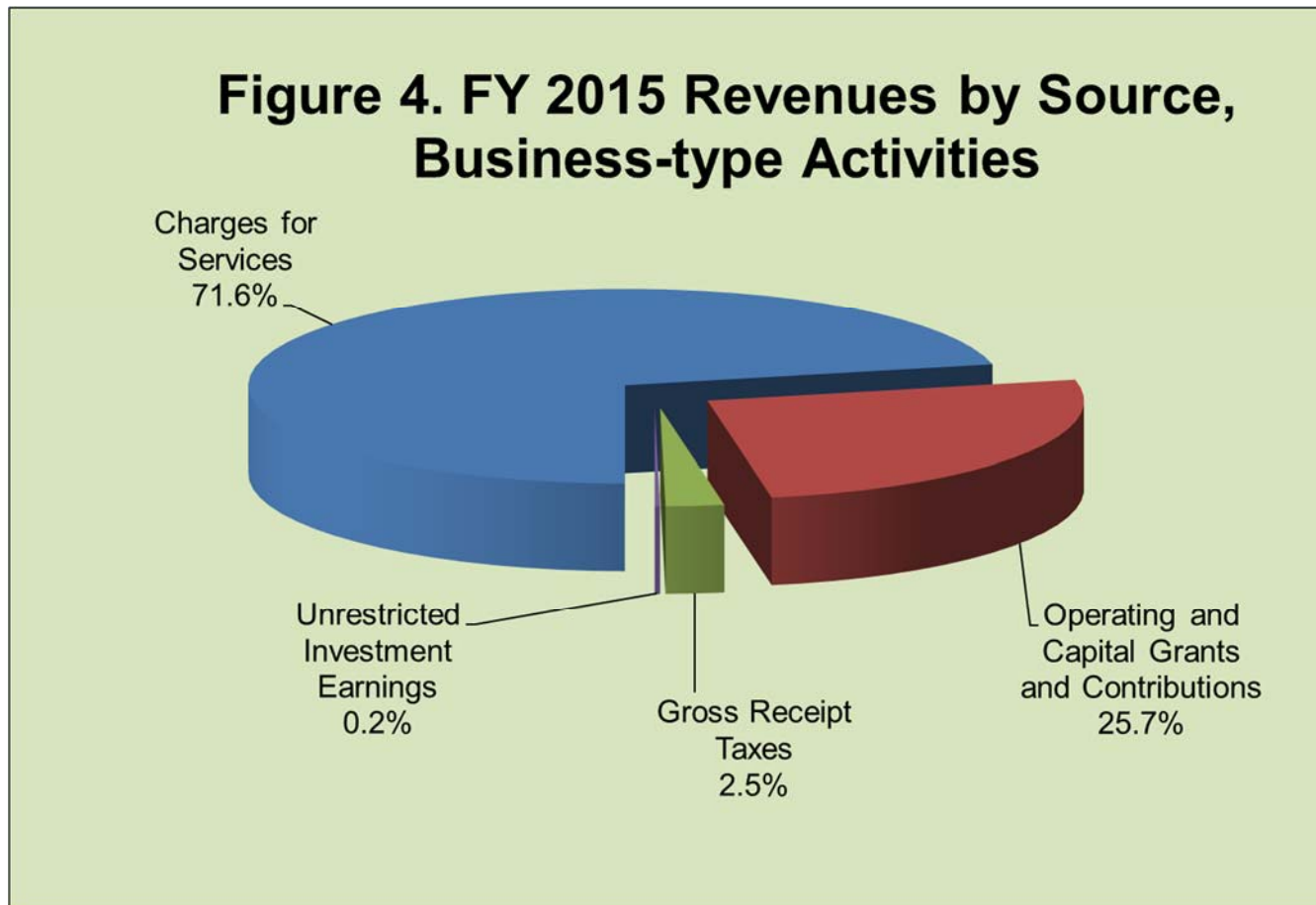


Figure 4 demonstrates that approximately 71.6% of business-type activities revenues were generated from user charges for services in fiscal year 2015. While this a noticeable change from fiscal year 2014 when approximately 66.3% of revenue was generated by charges for services, most of this difference is a result of a \$10.9 million contribution of capital assets to the electric utility from NEDO in fiscal year 2014. In fiscal year 2015, operating and capital grants amounted to \$20.2 million, as compared to \$32.6 million in fiscal year 2014, with most of this difference being the aforementioned contribution from NEDO.



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, 2015, the County's governmental funds reported combined ending fund balance of approximately \$87.3 million. Overall, this was a \$13.3 million decrease from the prior year. Activities that significantly impacted fund balance compared to the prior year were a decrease in investment income of \$6.9 million and an increase in capital spending of \$7.0 million both of which decrease fund balance. Fund balances are comprised of four categories:

- \$27.6 million was *nonspendable* at fiscal year-end 2015, a \$0.1 million increase 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, prepaid items, and assets held for resale. The largest single nonspendable balance is \$24.7 million in the Capital Projects Permanent Fund, which represents the nonspendable principal balance. The nonspendable fund balance in the Capital Projects Permanent Fund, increased \$0.3 million per the annual inflationary calculation required to maintain the real value of the principal. The nonspendable fund balance related to inventories decreased by \$0.3 million as the County warehouse worked to reduce outdated inventory and eliminate slow moving items. Cumulatively, other nonspendable fund balances increased by \$0.1 million.
- \$9.6 million of fund balance in governmental funds was *restricted* at fiscal year-end 2015, a \$0.4 million decrease from the prior year. These 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 County code or State law restricts the expenditure to a specific purpose. The restricted fund balance in the Capital Projects Permanent Fund decreased \$0.9 million in the amount restricted by County code for income stabilization. This decrease resulted from a combination of \$.6 million in market gains on long-term securities (\$.3 million nonspendable) and transfers out of \$1.2 million to fund capital projects. The restricted fund balance in the Capital Improvement Projects Fund increased by \$.8 million as the balance restricted for art in public places was broken out separately. Cumulatively, other restricted fund balances decreased approximately \$0.3 million.
- \$34.1 million of governmental funds' fund balance was *assigned* at fiscal year-end 2015. 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 County undertook a comprehensive evaluation of its committed and assigned fund balances during fiscal year 2015. Policies and County Council action were reviewed and many balances previously reported as committed are reported as assigned in fiscal year 2015. The fund balance *assigned to capital projects* (committed in prior years) in FY2015 decreased \$12.4 million as capital expenditures exceeded transfers in to fund new projects. The balance assigned for *economic development* (committed in prior years) decreased \$2.2 million as funds were transferred out to support economic development projects and operations.
- The remaining \$16.0 million of fund balance was *unassigned* in the General Fund. This is a \$7.8 million increase from the prior year. Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This balance would include the residual fund balance of the General Fund and all other governmental funds. A significant portion of this change is the result of an increase of \$3.0 million in the Emergency Declarations Fund as the County received grant revenues to cover expenditures for fire and flood recovery efforts made in the prior years. The General Fund unassigned balance increased by \$5.1 million as a portion of fund balance previously reflected as committed for revenue stabilization is now reflected in unassigned fund balance.

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, 2015 was approximately \$25.5 million as compared to \$29.1 million at the prior year-end. GRT revenue stabilized in FY2015 after several years of decreases. Overall, revenues exceeded expenditures by \$6.2 million, allowing the General Fund to transfer resources to support projects and other funds' operations. 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 55.7% of expenditures and the spendable/unrestricted component was 41.0% of expenditures. Both liquidity measures decreased as compared to the prior year as a result of the fund balance decrease and slightly higher expenditures in fiscal year 2015. Significant account balances and transactions in the General Fund included:

- \$12.2 million transferred out to other funds. \$4.1 million of this was transferred to the Capital Improvement Projects Fund (for capital projects). Other notable transfers out were \$6.3 million to the Gross Receipts Tax Revenue Bond Debt Service Fund (for debt service), \$1.2 million to the Transit Fund (to support operations), \$0.3 million to the Indigent Health Care Fund (to support community programs), and \$0.3 million to the Airport Fund (to support operations).
- \$8.1 million due from other governments, due primarily from the State of New Mexico for their portion of gross receipts taxes that is shared locally with the County and the GRT that the State collects on behalf of the County for locally imposed GRT increments. This balance is \$2.8 million higher than the prior year as a result of higher GRT revenue in this year's accruals.
- \$4.4 million restricted for cash requirements. The State requires that one-twelfth of General Fund revised-budgeted expenditures be maintained as a cash reserve.
- Unassigned fund balance of the General Fund increased \$5.1 million, as certain amounts which previously met the criteria for *committed* or *assigned* are now reflected as unassigned.
- General Fund expenditures increased approximately \$1.2 million or 2.7% to \$45.8 million. It is important to note that expenditures only increased by 2.7%, even though salary and benefits costs increased over 3%. Most departments had expenditures that were flat year over year, with the largest increases incurred in Administrative Services and the Community and Economic Development Department.
- General Fund revenues decreased by \$2.7 million from the prior year. The two largest variances in revenues were associated with investment earnings and interfund/interdepartmental cost recovery. Investment income decreased approximately \$1.8 million. Improved financial market conditions in fiscal year 2014 lead to unusually high returns on the County's broad, market-based investments with the New Mexico State Investment Council. Fiscal year 2015 investment returns were more modest and reflected the low interest rate environment and relatively stable broader market. Lastly, there was a \$.9 decrease in revenue from interfund/interdepartmental charges for services, as the County had a one-time increase (\$1.2 million) in fiscal year 2014 as actual indirect costs in excess of those charged at the provisional rate under the cooperative agreement with the Department of Energy for fire protective services were recorded to close out the agreement.

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 \$8.4 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 total fund balance at the end of fiscal year 2015 was \$9.1 million, which was \$2.3 million lower than in the prior fiscal year. Expenditures exceeded revenues by \$0.4 million with the rest of the decrease resulting from the transfers in of \$0.4 million offset by transfers out of the fund of \$2.3 million (to the fund capital projects and to subsidize air service).

Emergency Declarations Fund – The Emergency Declarations Fund (special revenue fund) accounts for revenues and expenditures associated with the response to and recovery from the Las Conchas Fire which began July 26, 2011 and flooding events within the community in September 2013. The fund reflects fund balance of \$0.4 million, an increase of \$3.1 million from a deficit of \$2.7 million in the prior year. Grant reimbursements were received and recognized as revenue in fiscal year 2015 to reimburse expenditures made under state and federal grant awards in the prior year. Although earned, reimbursement was not received within the County’s period of availability (60 days) last year and thus, was not accrued as revenue at last year-end.

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 \$23.2 million, which represented the unspent portion of previously approved and funded capital projects. The fund balance decreased by \$9.7 million from the prior fiscal year as the result of continued capital spending on approved projects in excess of transfers in to fund new projects. Significant capital expenditures in fiscal year 2015 include the following: \$4.3 million on the White Rock Civic Center, \$3.0 million on the Nature Center, \$2.9 million on Central Avenue Improvements, \$2.7 million on the Teen Center, \$1.3 million on the Western Area road replacement project, \$0.9 million on the NM502 Knecht to Tewa road construction, and \$0.6 million on the Eastern Area Sound Wall.

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 \$24.7 million, as of June 30, 2015, is identified as nonspendable in fund balance to recognize the County Charter restrictions. When there is investment income in excess of the principal maintenance requirement, it is made available for expenditure in the Capital Improvement Projects Fund. During fiscal year 2015, \$1.2 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 at June 30, 2015 was \$27.2 million, a decrease of \$0.5 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:

- \$181.0 million in capital assets (net of accumulated depreciation of \$136.0 million), including electric production and distribution assets, water production and distribution assets, gas distribution assets and wastewater collection and processing assets. This balance decreased by approximately \$2.9 million in fiscal year 2015 as depreciation and retirements exceeded investment in new capital assets;
- \$45.7 million in debt related to the Utility plant in service, which is \$0.4 million lower than the prior year with the refunding and issue of new debt nearly offsetting regularly scheduled debt service payments;
- \$5.6 million in pension liability, \$0.5 million in deferred pension outflows, and \$2.2 million in deferred pension inflows are all new balances on the Statement of Net Position resulting from the adoption of GASB 68;

- Operating revenues were \$56.0 million in fiscal year 2015, a decrease of \$6.2 million compared to the prior year. The decrease is the net of \$4.9 million lower revenues in electric (due mostly to a decline in wholesale sales to LANL based on its demand), \$1.3 million lower revenues in gas (due to lower demand and rates), \$0.3 million lower in water service, and \$0.3 higher revenues in wastewater service compared to the prior year; and
- Operating expenses were \$3.8 million higher at \$60.9 million in fiscal year 2015, compared to \$57.1 million in fiscal year 2014. The increase is the net result of: an increase of \$3.0 million in Electric subfund closure costs and higher cost of power, a decrease in cost of gas purchased, and slightly higher costs for water production and wastewater disposal.

Environmental Services Fund – The Environmental Services Fund has a long-term liability balance of \$5.3 million. Of this, \$.6 million was for landfill closure and monitoring and \$4.7 million was 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). Balances of \$0.6 million in pension liability, \$0.1 million in deferred pension outflows, and \$0.3 million in deferred pension inflows are all new balances on the Statement of Net Position resulting from the adoption of GASB 68. Operating and nonoperating expenses of \$3.9 million exceeded total revenues of \$3.5 million by only \$0.4 million in fiscal year 2015. Most of this difference is an increase of \$0.3 million in the landfill closure and post-closure cost estimate.

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 state and federal grants (\$2.4 million), payments from the North Central Regional Transit District (\$1.4 million), and transfers in from the general fund (\$1.2 million). Balances of \$1.3 million in pension liability, \$0.1 million in deferred pension outflows, and \$1.1 million in deferred pension inflows are all new balances on the Statement of Net Position resulting from the adoption of GASB 68

Fire Fund – On October 1, 2013 the County entered into a ten year cooperative agreement with the National Nuclear Security Administration (NNSA) to provide enhanced fire protection services to LANL (replacing a similar 5 year cooperative agreement). Under the agreement, the County pays a share of costs for operating the fire department. The County share for fiscal year 2015 was \$3.9 million. The decrease in the balance of due from other governments from \$4.8 million in fiscal year 2014 to \$2.1 million in fiscal year 2015 is due to more timely payments from NNSA and a one-time settlement of indirect costs which were accrued at fiscal year-end 2014 and paid in fiscal year 2015. The intergovernmental revenue of \$17.3 million in the Fire Fund includes all operating grant revenue under the cooperative agreement. Balances of \$32.7 million in pension liability, \$3.2 million in deferred pension outflows, and \$15.0 million in deferred pension inflows are all new balances on the Statement of Net Position resulting from the adoption of GASB 68 and result in a deficit net position of \$19.2 million and a deficit unrestricted net position of \$34.2 million.

Airport Fund – During most of fiscal year, the Airport saw the addition of commuter air service to Albuquerque via a contract. Ultimately, the vendor was unable to provide reliable service and the contract was terminated. While operating, the service was subsidized by the County and a Small Community Air Service Development Program grant from US Department of Transportation's Office of Aviation Analysis. Net position decreased \$0.1 million as expenditures of \$1.2 million approximated revenues of \$0.7 million and transfers in of \$0.6 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues available for spending on budgeted needs were \$6.4 million less than the final revised budget of \$58.4 million. The variance between actual revenue and the revised budget was largely due to the GRT revenue relative to projections. GRT revenue (including the state shared revenue portion) was \$4.5 million less than projected. The County had projected a slight increase in GRT related to spending at Los Alamos National Laboratory, but that increase did not materialize.

Actual General Fund expenditures were approximately \$5.3 million less than the final revised fiscal year 2015 budget. This variance was achieved through careful cost management measures across all departments. The Community and Economic Development Department was \$1.8 million under its expenditure budget for facilities maintenance projects, the Community Services Department was \$.9 million under budget, the County Manager's Office was \$.6 million under, and all other departments came in a combined \$2.0 million under budget.

The revised budget for revenues of \$58.4 million was \$1.0 million higher than the adopted budget primarily as a result of grant revenue carryovers from the prior year. The revised budget for expenditures of \$53.1 million was \$5.6 million higher than the adopted budget. The increase is comprised of the following: approximately \$1.7 million in encumbrance carryovers, \$2.9 million in project and grant carryovers, and many smaller revisions totaling \$1.0 million.

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, 2015 was \$527.0 million, net of \$289.6 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.

Total capital assets for the County increased by approximately \$4.8 million from 2014 to 2015 or 0.9%. Capital assets associated with business-type activities decreased by \$2.9 million. Depreciation and retirements exceeded purchased additions to capital and donated assets. Capital assets associated with governmental activities increased by \$7.7 million. Additions to infrastructure assets exceeded retirements by \$4.3 million. Construction work in progress increased \$1.9 million as new project spending exceeded the assets completed and placed in service. Accumulated depreciation increased \$9.3 million as depreciation of \$10.2 million exceeded retirements of \$.9 million. Additional information about the County's capital assets can be found on pages 88-90.

A year over year comparison of changes in capital assets is shown in Table 4 (next page).

Table 4
Los Alamos County's Capital Assets, Net of Accumulated Depreciation
As of June 30, 2015 and 2014
(in millions of \$)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>
Land	\$ 52.9	53.0	8.5	8.6	61.4	61.6
Right of Way	18.0	18.0	0.0	0.0	18.0	18.0
Utility Plant in Service	0.0	0.0	302.9	296.5	302.9	296.5
Buildings	129.2	120.2	23.9	24.0	153.1	144.2
Improvements other than buildings	18.9	18.0	18.1	17.4	37.0	35.4
Machinery and Equipment, Art and Historic Treasures	18.5	17.5	29.6	26.6	48.1	44.1
Infrastructure	179.2	174.9	0.0	0.0	179.2	174.9
Less Accumulated Depreciation	(129.1)	(119.8)	(160.5)	(147.7)	(289.6)	(267.5)
Construction in Progress	10.3	8.4	6.6	6.6	16.9	15.0
Total	\$ 297.9	290.2	229.1	232.0	527.0	522.2

Administration of Debt - From fiscal year 2014 to 2015, the County's total debt payable for governmental and business-type activities combined increased by \$3.3 million as regularly scheduled debt service payments were offset by new revenue bonds issued in the Joint Utility System Fund. The County has no General Obligation debt outstanding. See additional information in Note 9 in the Notes to Financial Statements, starting on page 99.

ECONOMIC FACTORS AND THE FISCAL YEAR 2016 ADOPTED BUDGET

The County budgets on a modified accrual basis. The fiscal year 2016 budget anticipates revenues of \$4.3 million less than the fiscal year 2015 adopted budget, and expenditures are budgeted at \$1.8 million more than the prior fiscal year. The budget decrease in revenues and other financing sources is a result of two primary factors: \$17.5 million of budgeted debt proceeds in the Joint Utility System Fund in fiscal year 2015 do not recur, and wholesale utility revenues are projected to increase by approximately \$10.4 million in fiscal year 2016. Other variances are very modest in comparison. GRT which has declined the past four years and is projected to stay flat in fiscal year 2016. Given the unusually large concentration of employment and tax revenues in one employer – LANL - the County continues to adopt a conservative fiscal posture to help mitigate the potential negative effects of any significant unforeseen future changes.

LANL is the County's largest employer, with estimates that its expenditures provide, either directly or indirectly, approximately 90-95% of the County's economic activity. It is also estimated that LANL generates directly approximately 75-80% of the County's GRT revenue.

Given the significant impact of LANL operations, the County will be monitoring closely any federal legislative budget activities associated with the Department of Energy (DOE) and other federal agencies and continuing to consider potential impacts to LANL and to the County's long-range financial projections. The County will also be monitoring any potential changes that might arise due to the changes in the national nuclear posture policy, changes in the New Mexico federal congressional delegation, as well as DOE plans for its long-term overall Complex Transformation and significant construction projects.

As originally adopted, the fiscal year 2016 Budget projects a combined ending fund balance / working capital of \$92.9 million, \$5.9 million lower than the projected fiscal year 2015 ending fund balance / working capital of \$98.8 million.

REQUESTS FOR INFORMATION

The Comprehensive Annual 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, Joseph D'Anna, Deputy Chief Financial Officer, Office of Management and Budget, 1000 Central Avenue, Suite 300, Los Alamos, New Mexico 87544.



Government-wide Financial Statements



Omega Bridge, Los Alamos Canyon

INCORPORATED COUNTY OF LOS ALAMOS

Government-wide

Statement of Net Position

June 30, 2015

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Equity in pooled cash and investments	\$ 57,043,679	26,363,377	83,407,056
Investments	25,208,337	3,649,873	28,858,210
Receivables, net of allowance for uncollectibles			
Accounts	67,846	4,862,804	4,930,650
Interest	156,826	0	156,826
Pension forfeitures	9,600	0	9,600
Property taxes	134,263	0	134,263
Unbilled	0	1,230,604	1,230,604
Loans receivable, net of discounts/reserve for loan losses	148,904	0	148,904
Due from other governments	8,623,320	4,264,597	12,887,917
Internal balances	(497,945)	497,945	0
Inventories and prepayments			
Inventories	722,808	1,133,423	1,856,231
Power plant inventories	0	842,827	842,827
Prepayments	24,923	845,047	869,970
Restricted assets			
Cash and cash equivalents			
Debt reserves and debt service	30,385	4,673,355	4,703,740
Operations and maintenance	0	9,241,344	9,241,344
Investments			
Debt reserves and debt service	0	13,211,780	13,211,780
Asset held for resale	597,402	948,236	1,545,638
Capital assets			
Land	52,948,887	8,524,970	61,473,857
Right of way	18,001,114	0	18,001,114
Utility plant in service	0	302,847,457	302,847,457
Buildings	129,180,055	23,936,475	153,116,530
Improvements other than buildings	18,939,265	18,101,169	37,040,434
Machinery, equipment, art and historic treasures	18,450,480	29,643,081	48,093,561
Infrastructure	179,193,869	0	179,193,869
Less accumulated depreciation	(129,161,825)	(160,494,684)	(289,656,509)
Construction in progress	10,338,393	6,555,305	16,893,698
TOTAL ASSETS	390,160,586	300,878,985	691,039,571
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred amounts (debits) from refunding of debt	8,274,701	680,539	8,955,240
Deferred pension	2,011,463	3,947,686	5,959,149
TOTAL DEFERRED OUTFLOWS OF RESOURCES	10,286,164	4,628,225	14,914,389

LIABILITIES

Accounts payable	2,096,090	4,853,249	6,949,339
Accrued salaries and benefits payable	881,878	552,583	1,434,461
Customer deposits payable	72,623	209,744	282,367
Due to other governments	21,355	126,909	148,264
Donations held in trust	48,781	25,074	73,855
Unearned revenue	1,984,807	0	1,984,807
Noncurrent liabilities			
Due within one year			
Accrued compensated absences	1,819,778	2,187,790	4,007,568
Claims and judgments payable	0	2,197,485	2,197,485
Revenue bonds payable	3,970,000	2,680,000	6,650,000
Contracts and intergovernmental debt payable	0	853,603	853,603
Special closure costs	0	330,000	330,000
Interest payable on non-current liabilities	191,593	217,227	408,820
Due in more than one year			
Accrued compensated absences	1,022,439	822,913	1,845,352
Claims and judgments payable	0	1,776,841	1,776,841
Revenue bonds payable	52,086,683	30,457,373	82,544,056
Contracts and intergovernmental debt payable	0	16,430,465	16,430,465
Special closure costs	0	8,218,337	8,218,337
Pension liability	19,293,580	41,024,645	60,318,225
TOTAL LIABILITIES	<u>83,489,607</u>	<u>112,964,238</u>	<u>196,453,845</u>

DEFERRED INFLOWS OF RESOURCES:

Deferred pension	7,771,283	7,840,722	15,612,005
------------------	-----------	-----------	------------

NET POSITION

Net investment in capital assets	250,108,256	179,372,871	429,481,127
Restricted for (Restricted by):			
Capital projects - nonexpendable (County code)	24,725,878	0	24,725,878
Debt service (Bond and loan agreements)	30,385	18,360,915	18,391,300
Perpetual care (County code)	707,564	0	707,564
Lodgers' tax (State law)	149,978	0	149,978
Clerk records and files (State law)	49,258	0	49,258
Indigent health care (State law)	540,646	0	540,646
Property tax valuation (State law)	527,567	0	527,567
Grants (Granting entities)	257,650	0	257,650
Cash requirements (State law)	4,420,996	0	4,420,996
Recreation (County code and contributors)	190,550	0	190,550
Library operations (Contributors)	104,737	0	104,737
Major street maintenance (State law)	85,553	0	85,553
Municipal court (State law and County code)	1,916	0	1,916
Income stabilization (County code)	2,456,871	0	2,456,871
Unrestricted	24,828,055	(13,031,536)	11,796,519
TOTAL NET POSITION	<u>\$ 309,185,860</u>	<u>184,702,250</u>	<u>493,888,110</u>

See accompanying notes to financial statements

INCORPORATED COUNTY OF LOS ALAMOS

Government-wide

Statement of Activities

Year ended June 30, 2015

	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	\$ 15,786,864	1,038,897	206,849	0	(14,541,118)	0	(14,541,118)
Public safety	12,144,576	27,970	792,120	267,652	(11,056,834)	0	(11,056,834)
Physical and economic environment	1,625,567	285,865	0	0	(1,339,702)	0	(1,339,702)
Transportation	10,612,552	0	579,371	628,063	(9,405,118)	0	(9,405,118)
Health and welfare	3,454,239	0	6,250	0	(3,447,989)	0	(3,447,989)
Culture and recreation	8,499,131	1,054,444	101,725	0	(7,342,962)	0	(7,342,962)
Interest on long-term debt	3,089,731	0	0	0	(3,089,731)	0	(3,089,731)
Total governmental activities	55,212,660	2,407,176	1,686,315	895,715	(50,223,454)	0	(50,223,454)
Business-type activities							
Joint Utilities							
Electric	47,510,797	41,641,654	94,485	0	0	(5,774,658)	(5,774,658)
Gas	4,442,941	5,383,259	0	206,980	0	1,147,298	1,147,298
Water	7,037,166	4,614,815	25,564	338,330	0	(2,058,457)	(2,058,457)
Wastewater	4,294,289	4,286,041	0	315,870	0	307,622	307,622
Environmental Services	3,984,802	2,719,249	0	0	0	(1,265,553)	(1,265,553)
Transit (Atomic City Transit)	4,050,193	0	2,712,214	1,043,091	0	(294,888)	(294,888)
Fire	23,455,765	4,399,490	17,288,589	0	0	(1,767,686)	(1,767,686)
Airport	1,251,229	88,639	46,598	580,442	0	(535,550)	(535,550)
Total business-type activities	96,027,182	63,133,147	20,167,450	2,484,713	0	(10,241,872)	(10,241,872)
Total government	\$ 151,239,842	65,540,323	21,853,765	3,380,428	(50,223,454)	(10,241,872)	(60,465,326)
General revenues:							
Gross receipts taxes and excise tax					22,340,980	2,190,204	24,531,184
Property taxes					5,336,098	0	5,336,098
Franchise taxes					472,261	0	472,261
Grants and contributions not restricted to specific programs					817,545	0	817,545
State shared tax revenue not restricted to specific programs					14,911,175	0	14,911,175
Unrestricted investment earnings					1,359,032	157,053	1,516,085
Gain on exchange of capital assets					337,133	0	337,133
Transfers					347,887	(347,887)	0
Total general revenues, and transfers					45,922,111	1,999,370	47,921,481
Change in net position					(4,301,343)	(8,242,502)	(12,543,845)
Net position - beginning					339,659,804	237,454,978	577,114,782
Prior period restatement - GASB Statement 68					(26,172,601)	(44,510,226)	(70,682,827)
Net position - ending					\$ 309,185,860	184,702,250	493,888,110

See accompanying notes to financial statements

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.

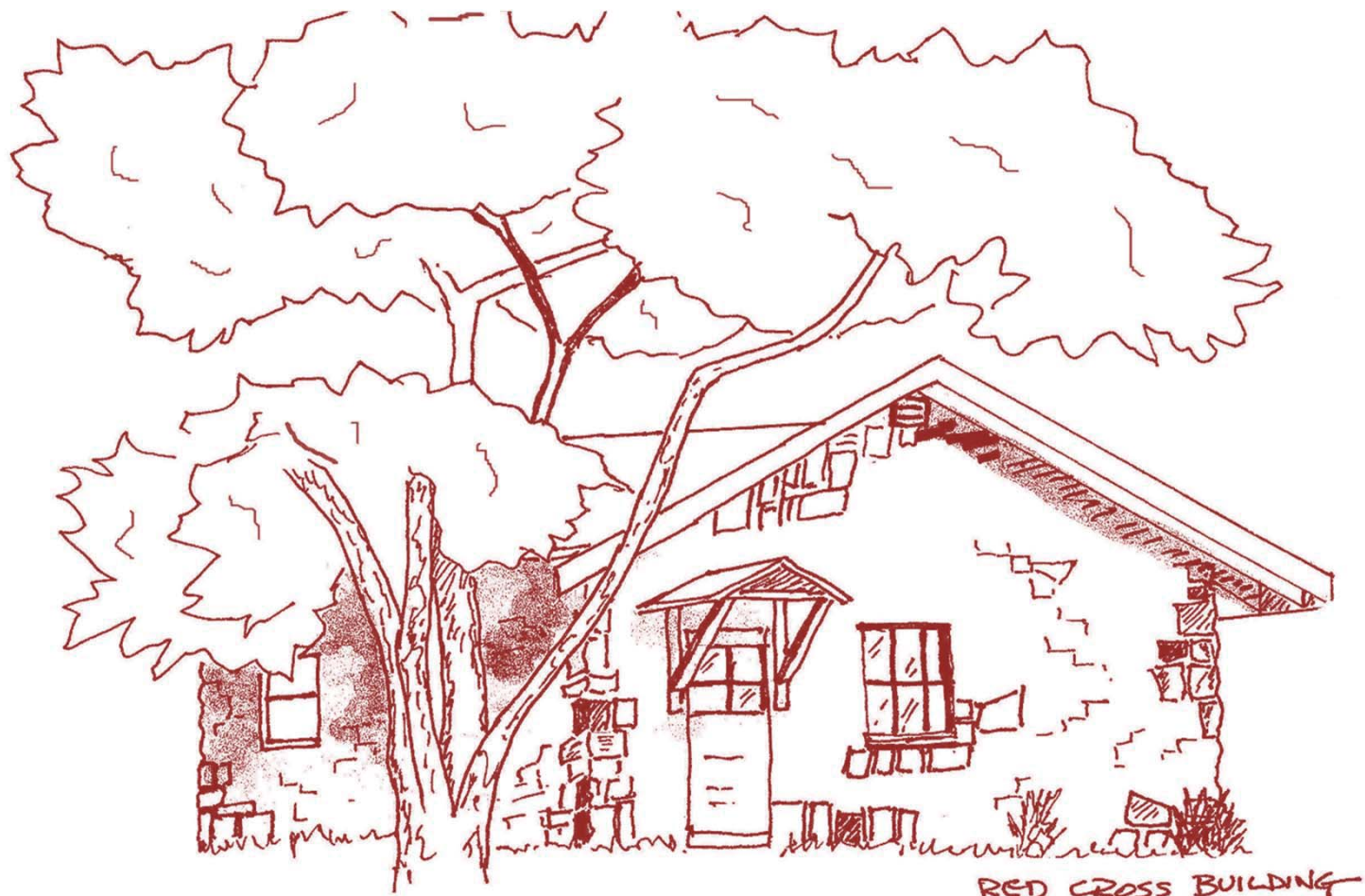
Economic Development Fund 171 - accounts for the receipt, management, investment, and expenditure of the buyout payment received from the U.S. Department of Energy under the Atomic Energy Community Act. This special revenue fund was established by County Council.

Emergency Declarations Fund 191 - this special revenue fund accounts for the revenues and expenditures associated with response and recovery to the Las Conchas Fire, which began June 26, 2011 and flooding events in the community in September 2013. 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, 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 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.



RED CROSS BUILDING
J. TAYLOR '06

INCORPORATED COUNTY OF LOS ALAMOS

Governmental Funds

Balance Sheet

June 30, 2015

	GENERAL	ECONOMIC DEVELOPMENT SPECIAL REVENUE	EMERGENCY DECLARATIONS SPECIAL REVENUE	CAPITAL IMPROVEMENT PROJECTS	CAPITAL PROJECTS PERMANENT	OTHER GOVERNMENTAL	TOTAL
ASSETS							
Equity in pooled cash and investments	\$ 17,444,252	8,452,276	2,253,610	24,478,048	2,890,204	1,525,289	57,043,679
Investments	903,492	0	0	0	24,292,545	12,300	25,208,337
Receivables, net of allowance for uncollectibles							
Accounts	43,733	0	0	0	0	24,113	67,846
Interest	156,817	0	0	0	0	9	156,826
Property taxes	134,263	0	0	0	0	0	134,263
Loans receivable, net of discounts/reserve for loan losses	0	148,904	0	0	0	0	148,904
Due from other governments	8,082,917	0	109,086	32,053	0	399,264	8,623,320
Due from other funds	276,980	0	0	0	0	0	276,980
Inventories and prepayments							
Inventories	722,808	0	0	0	0	0	722,808
Prepayments	9,473	0	0	0	0	15,450	24,923
Advances to other funds	646,799	0	0	0	0	0	646,799
Restricted assets							
Cash and cash equivalents							
Debt reserves and debt service	0	0	0	0	0	30,385	30,385
Asset held for resale (LA Apartments Land)	0	597,402	0	0	0	0	597,402
TOTAL ASSETS	\$ 28,421,534	9,198,582	2,362,696	24,510,101	27,182,749	2,006,810	93,682,472
LIABILITIES							
Accounts payable	\$ 696,022	80,538	0	1,282,338	0	37,192	2,096,090
Accrued salaries and benefits payable	787,425	0	0	296	0	6,468	794,189
Customer deposits payable	72,623	0	0	0	0	0	72,623
Due to other governments	0	0	0	0	0	21,355	21,355
Due to other funds	87,689	0	0	0	0	0	87,689
Donations held in trust	48,781	0	0	0	0	0	48,781
Unearned revenue	81,414	0	1,903,393	0	0	0	1,984,807
TOTAL LIABILITIES	1,773,954	80,538	1,903,393	1,282,634	0	65,015	5,105,534
DEFERRED INFLOWS OF RESOURCES:							
Federal and state grants (unavailable)	1,132,167	0	107,059	32,053	0	0	1,271,279
TOTAL DEFERRED INFLOWS OF RESOURCES	1,132,167	0	107,059	32,053	0	0	1,271,279
FUND BALANCE							
Nonspendable							
Principal - Capital projects	0	0	0	0	24,725,878	0	24,725,878
Principal - Perpetual care	707,564	0	0	0	0	0	707,564
Advances	646,799	0	0	0	0	0	646,799
Inventories	722,808	0	0	0	0	0	722,808
Loans receivable	0	148,904	0	0	0	0	148,904
Prepaid items	9,473	0	0	0	0	0	9,473
Asset held for resale	0	597,402	0	0	0	0	597,402
Restricted for							
Clerk records and files (State law)	0	0	0	0	0	49,258	49,258
Debt service (Bond and loan agreements)	0	0	0	0	0	30,385	30,385
Grants (Granting entities)	0	0	0	0	0	257,650	257,650

Library operations (contributors)	90,032	0	0	0	0	14,705	104,737
Lodgers' tax (State law)	0	0	0	0	0	149,978	149,978
Indigent health care claims (State law)	0	0	0	0	0	540,646	540,646
Municipal court (County code)	0	0	0	0	0	1,916	1,916
Property tax valuation (State law)	0	0	0	0	0	527,567	527,567
Recreation (County code and contributors)	151,119	0	0	0	0	39,431	190,550
Income stabilization (County code)	0	0	0	0	2,456,871	0	2,456,871
Major street maintenance (State law)	0	0	0	0	0	85,553	85,553
Cash requirements (State law)	4,420,996	0	0	0	0	0	4,420,996
Art in Public Places	0	0	0	787,738	0	0	787,738
Assigned for							
Debt service	0	0	0	0	0	244,706	244,706
Capital projects	0	0	0	22,407,676	0	0	22,407,676
Fire services	345,936	0	0	0	0	0	345,936
Continuing appropriations	2,390,053	0	0	0	0	0	2,390,053
Economic development	0	8,371,738	0	0	0	0	8,371,738
Emergency Response and Recovery	0	0	352,244	0	0	0	352,244
Unassigned	16,030,633	0	0	0	0	0	16,030,633
TOTAL FUND BALANCE (deficit)	<u>25,515,413</u>	<u>9,118,044</u>	<u>352,244</u>	<u>23,195,414</u>	<u>27,182,749</u>	<u>1,941,795</u>	<u>87,305,659</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 28,421,534</u>	<u>9,198,582</u>	<u>2,362,696</u>	<u>24,510,101</u>	<u>27,182,749</u>	<u>2,006,810</u>	<u>93,682,472</u>

See accompanying notes to financial statements



INCORPORATED COUNTY OF LOS ALAMOS

Governmental Funds

Reconciliation of Balance Sheet to the Statement of Net Position June 30, 2015

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:	\$ 87,305,659
Capital assets (\$427,052,063), net of accumulated depreciation (\$129,161,825), used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	297,890,238
Long-term liabilities, including bonds payable (\$50,775,000), bond premium/discount (\$5,281,683), net pension liability (\$19,293,580), and compensated absences (\$2,842,217) are not due and payable in the current period and, therefore are not reported in the governmental funds.	(78,192,480)
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.	8,274,701
Deferred outflow of resources related to the County's share of New Mexico Public Employee Retirement Association benefits is not recorded in the governmental funds, but is included in the government-wide statement of net position.	2,011,463
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.	(191,593)
Deferred inflow of resources related to the County's share of New Mexico Public Employee Retirement Association benefits is not recorded in the governmental funds, but is included in the government-wide statement of net position.	(7,771,283)
Other long-term receivables are not available to pay for current period expenditures and, therefore are recorded as deferred inflows in the governmental funds.	1,271,279
Internal service funds are used by the County to charge the costs of equipment and risk management functions to individual funds. An internal balance is shown on the government-wide statement of Net Position to reflect the allocation of the internal service fund loss to the governmental funds from the business-type funds, where the internal service funds balances are combined.	(1,412,124)
Net position of governmental activities	\$ <u><u>309,185,860</u></u>

INCORPORATED COUNTY OF LOS ALAMOS
Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Year ended June 30, 2015

	<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>
REVENUES							
Taxes							
Property taxes-current	\$ 5,336,098	0	0	0	0	0	5,336,098
Local units in-lieu taxes	300,347	0	0	0	0	0	300,347
Gross receipts taxes	20,628,994	0	0	0	0	1,460,114	22,089,108
Lodgers' tax	0	0	0	0	0	251,872	251,872
Franchise tax-privately owned	117,899	0	0	0	0	0	117,899
Franchise tax-County owned	354,362	0	0	0	0	0	354,362
Penalties and interest-taxes	44,772	0	0	0	0	0	44,772
	26,782,472	0	0	0	0	1,711,986	28,494,458
Licenses and permits							
Business	52,326	0	0	0	0	0	52,326
Nonbusiness	199,765	0	0	0	0	0	199,765
	252,091	0	0	0	0	0	252,091
Intergovernmental							
Federal indirect	194,908	0	2,371,069	0	0	0	2,565,977
Federal shared revenues	4,665	0	0	0	0	0	4,665
Federal in-lieu taxes	78,643	0	0	0	0	0	78,643
State grants-fire	0	0	0	0	0	544,877	544,877
State grants-library	23,070	0	0	0	0	0	23,070
State grants-major street maintenance	0	0	0	152,736	0	0	152,736
State grants-police	184,089	0	0	0	0	112,182	296,271
State grants-other	213,099	0	398,442	113,274	0	0	724,815
State shared revenues	14,911,175	0	0	0	0	579,371	15,490,546
	15,609,649	0	2,769,511	266,010	0	1,236,430	19,881,600
Fines and forfeitures							
Fines	38,349	0	0	0	0	0	38,349
Correction fees	49,232	0	0	0	0	0	49,232
Special fees	24,148	0	0	0	0	0	24,148
Court ordered reimbursements	39,919	0	0	0	0	2,549	42,468
Noncourt fines and forfeitures	500	0	0	0	0	0	500
	152,148	0	0	0	0	2,549	154,697
Charges for services							
Court fees	941	0	0	0	0	0	941
Clerk fees	47,812	0	0	0	0	19,173	66,985
Planning fees	33,774	0	0	0	0	0	33,774
Finance/treasurer fees	0	0	0	0	0	154,098	154,098
Administrative charges for services	43,994	0	0	0	0	0	43,994
Sales of food or merchandise	104,092	0	0	0	0	0	104,092
Other charges for services	18,949	0	0	0	0	0	18,949
Sheriff fees	4,493	0	0	0	0	0	4,493
Police charges for services	24,897	0	0	0	0	0	24,897
Miscellaneous services	882	0	0	0	0	0	882

Cemetery services	18,072	0	0	0	0	0	18,072
Perpetual care services	42,520	0	0	0	0	0	42,520
Animal shelter fees	3,073	0	0	0	0	0	3,073
Daily fees/passes	189,919	0	0	0	0	0	189,919
Annual passes	171,486	0	0	0	0	0	171,486
Three-month passes	34,708	0	0	0	0	0	34,708
Monthly passes	18,820	0	0	0	0	0	18,820
Punch passes	65,771	0	0	0	0	0	65,771
Recreation fees	187,926	0	0	0	0	0	187,926
Other fees	19,194	0	0	0	0	0	19,194
	1,031,323	0	0	0	0	173,271	1,204,594
Interfund/interdepartmental charges							
Interdepartmental services	6,587,030	0	0	0	0	0	6,587,030
Loan interest	15,000	0	0	0	0	0	15,000
	6,602,030	0	0	0	0	0	6,602,030
Miscellaneous revenue							
Investment income (loss)	603,856	94,201	0	0	643,141	17,834	1,359,032
Interest charges-delinquent accounts	14,065	0	0	0	0	2,495	16,560
Building rental	50,103	0	0	0	0	6,917	57,020
Land rental	447,402	0	0	0	0	31,764	479,166
Concessions	1,978	0	0	0	0	0	1,978
Miscellaneous rentals	139,516	0	0	0	0	0	139,516
Pension forfeitures	147,720	0	0	0	0	0	147,720
Economic development loan interest	0	9,150	0	0	0	0	9,150
Proceeds from sale of assets	0	0	0	450,815	0	0	450,815
Donations	77,055	0	0	0	0	1,600	78,655
Other	91,554	10,000	0	0	0	0	101,554
	1,573,249	113,351	0	450,815	643,141	60,610	2,841,166
TOTAL REVENUES	52,002,962	113,351	2,769,511	716,825	643,141	3,184,846	59,430,636

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, 2015

	<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	343,957	0	0	0	0	0	343,957
Municipal Court	411,231	0	0	0	0	8,984	420,215
County Manager	1,845,163	0	0	0	0	0	1,845,163
County Manager-Comm. and Public Relations	301,715	0	0	0	0	0	301,715
County Manager-Human Resources	1,105,560	0	0	0	0	0	1,105,560
County Assessor	394,186	0	0	0	0	120,847	515,033
County Attorney	706,078	0	0	0	0	0	706,078
County Clerk	411,899	0	0	0	0	21,003	432,902
County Probate Clerk	5,508	0	0	0	0	0	5,508
County Sheriff	80,680	0	0	0	0	0	80,680
Administrative Services-Information Technologies	4,124,215	0	0	0	0	0	4,124,215
Administrative Services-Finance Office	1,261,030	0	0	0	0	0	1,261,030
Administrative Services-Procurement	1,049,449	0	0	0	0	0	1,049,449
Public Works	1,130,333	0	0	0	0	0	1,130,333
Community and Economic Development	6,411,693	0	0	0	0	0	6,411,693
Community Services-Cemetery	61,807	0	0	0	0	0	61,807
	19,644,504	0	0	0	0	150,834	19,795,338
Public safety							
Fire Department-County share	3,910,167	0	0	0	0	0	3,910,167
Emergency response and recovery	0	0	12,682	0	0	0	12,682
Fire Marshal	0	0	0	0	0	401,277	401,277
Fire-E.M.S. grant	0	0	0	0	0	12,153	12,153
Police	7,482,882	0	0	0	0	78,254	7,561,136
	11,393,049	0	12,682	0	0	491,684	11,897,415
Physical and economic environment							
Community and Economic Development	968,610	498,377	0	0	0	194,008	1,660,995
Transportation							
Public Works	3,737,857	0	0	0	0	0	3,737,857
Health and welfare							
Community Services-Social Services	1,516,315	0	0	0	0	1,945,223	3,461,538
Culture and recreation							
Community Services-Administration	667,246	0	0	0	0	0	667,246
Community Services-Library	2,199,732	0	0	0	0	3,083	2,202,815
Community Services-Parks	1,966,035	0	0	0	0	0	1,966,035
Community Services-Recreation	2,966,174	0	0	0	0	3,016	2,969,190
	7,799,187	0	0	0	0	6,099	7,805,286

Capital outlay:							
General government							
Administrative Services	139,945	0	0	697,322	0	0	837,267
Community and Economic Development	69,622	0	0	5,298,778	0	0	5,368,400
County Manager-Comm. and Public Relations	5,310	0	0	0	0	0	5,310
Public safety							
Fire	0	0	0	0	0	185,092	185,092
Police	17,209	0	0	0	0	0	17,209
Transportation							
Public Works	384,995	0	0	5,871,605	0	0	6,256,600
Culture and recreation							
Community and Economic Development	142,949	0	0	5,764,096	0	0	5,907,045
Community Services	0	0	0	124,977	0	0	124,977
	<u>760,030</u>	<u>0</u>	<u>0</u>	<u>17,756,778</u>	<u>0</u>	<u>185,092</u>	<u>18,701,900</u>
Debt service:							
Principal	0	0	0	0	0	3,795,000	3,795,000
Interest	0	0	0	0	0	2,475,396	2,475,396
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,270,396</u>	<u>6,270,396</u>
TOTAL EXPENDITURES	<u>45,819,552</u>	<u>498,377</u>	<u>12,682</u>	<u>17,756,778</u>	<u>0</u>	<u>9,243,336</u>	<u>73,330,725</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	6,183,410	(385,026)	2,756,829	(17,039,953)	643,141	(6,058,490)	(13,900,089)
OTHER FINANCING SOURCES (USES)							
Transfers in	2,372,592	450,815	329,285	8,055,965	0	6,570,396	17,779,053
Transfers out	(12,151,811)	(2,359,000)	0	(688,815)	(1,198,437)	(802,433)	(17,200,496)
	<u>(9,779,219)</u>	<u>(1,908,185)</u>	<u>329,285</u>	<u>7,367,150</u>	<u>(1,198,437)</u>	<u>5,767,963</u>	<u>578,557</u>
NET CHANGE IN FUND BALANCE	(3,595,809)	(2,293,211)	3,086,114	(9,672,803)	(555,296)	(290,527)	(13,321,532)
FUND BALANCE							
Beginning of fiscal year	29,111,222	11,411,255	(2,733,870)	32,868,217	27,738,045	2,232,322	100,627,191
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 25,515,413</u>	<u>9,118,044</u>	<u>352,244</u>	<u>23,195,414</u>	<u>27,182,749</u>	<u>1,941,795</u>	<u>87,305,659</u>

See accompanying notes to financial statements



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, 2015

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:	\$ (13,321,532)
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 (\$18,701,900) exceeds depreciation (\$10,236,916) in the current period.	8,464,984
The donations and exchanges of capital assets are not recorded in governmental funds.	330,000
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.	(876,328)
Transfers of capital assets to/from governmental capital assets from/to proprietary funds are not recorded in governmental funds.	(230,670)
The repayment of debt is reflected as a use of current financial resources in the governmental funds, but has no effect on net position.	3,795,000
The amortization of debt premiums and discounts does not use current financial resources, and therefore is not reported in the governmental funds.	60,533
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.	14,690
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)
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.	29,109
The pension expense related to the County's share of New Mexico Public Employee Retirement Association benefits is not recorded in the governmental funds, but is included in the government-wide statement of net position.	1,119,201
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(2,496,494)
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.	(500,278)
Change in net position of governmental activities	<u>\$ (4,301,343)</u>

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Property taxes-current	\$ 5,478,000	5,478,000	5,336,098	(141,902)
Local units in-lieu taxes	222,000	222,000	300,347	78,347
General gross receipts taxes	23,249,000	23,249,000	20,628,994	(2,620,006)
Franchise tax-privately owned	128,000	128,000	117,899	(10,101)
Franchise tax-County owned	375,000	375,000	354,362	(20,638)
Penalties and interest-taxes	0	0	44,772	44,772
	29,452,000	29,452,000	26,782,472	(2,669,528)
Licenses and permits				
Business	36,822	36,822	52,326	15,504
Nonbusiness	230,354	230,354	199,765	(30,589)
	267,176	267,176	252,091	(15,085)
Intergovernmental				
Federal direct	0	7,375	0	(7,375)
Federal indirect	50,000	525,349	194,908	(330,441)
Federal shared revenues	5,300	5,300	4,665	(635)
Federal in-lieu taxes	161,700	161,700	78,643	(83,057)
State grants-library	0	39,290	23,070	(16,220)
State grants-police	0	206,166	184,089	(22,077)
State grants-other	125,000	243,003	213,099	(29,904)
State shared revenues	16,790,000	16,790,000	14,911,175	(1,878,825)
	17,132,000	17,978,183	15,609,649	(2,368,534)
Fines and forfeitures				
Fines	105,340	105,340	38,349	(66,991)
Correction fees	48,001	48,001	49,232	1,231
Special fees	9,286	9,286	24,148	14,862
Court ordered reimbursements	5,054	27,554	39,919	12,365
Noncourt fines and forfeitures	881	881	500	(381)
	168,562	191,062	152,148	(38,914)

Charges for services

Court fees	906	906	941	35
Clerk fees	41,680	41,680	47,812	6,132
Planning fees	70,068	70,068	33,774	(36,294)
Administrative charges for services	31,326	31,326	43,994	12,668
Sales of food or merchandise	147,300	147,300	104,092	(43,208)
Other charges for services	151,836	151,836	18,949	(132,887)
Sheriff fees	7,118	7,118	4,493	(2,625)
Police charges for services	38,992	38,992	24,897	(14,095)
Miscellaneous services	0	0	882	882
Cemetery services	13,963	13,963	18,072	4,109
Perpetual care services	24,813	24,813	42,520	17,707
Animal shelter fees	2,238	2,238	3,073	835
Daily fees/passes	82,380	82,380	189,919	107,539
Annual passes	67,950	67,950	171,486	103,536
Three-month passes	36,502	36,502	34,708	(1,794)
Monthly passes	0	0	18,820	18,820
Punch passes	61,578	61,578	65,771	4,193
Recreation fees	613,012	613,012	187,926	(425,086)
Other fees	0	7,500	19,194	11,694
	1,391,662	1,399,162	1,031,323	(367,839)

Interfund/interdepartmental charges

Interdepartmental services	3,234,042	3,234,042	3,513,941	279,899
Indirect overhead-fire services	2,497,925	2,497,925	2,465,155	(32,770)
Indirect overhead - dispatch services	607,934	607,934	607,934	0
Loan interest	0	0	15,000	15,000
	6,339,901	6,339,901	6,602,030	262,129

Miscellaneous revenue

Interest income	2,022,000	2,022,000	603,856	(1,418,144)
Interest charges-delinquent accounts	0	0	14,065	14,065
Buildings rental	74,937	74,937	50,103	(24,834)
Land rental	210,008	210,008	447,402	237,394
Concessions rental	722	722	1,978	1,256
Other rental	86,933	86,933	139,516	52,583
Pension forfeitures	110,000	110,000	147,720	37,720
Donations	61,000	117,000	77,055	(39,945)
Other	104,000	104,000	91,554	(12,446)
	2,669,600	2,725,600	1,573,249	(1,152,351)

TOTAL REVENUES

	57,420,901	58,353,084	52,002,962	(6,350,122)
--	-------------------	-------------------	-------------------	--------------------

**INCORPORATED COUNTY OF LOS ALAMOS
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
Year ended June 30, 2015**

	<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	86,161	86,161	87,215	(1,054)
Outside services	279,268	311,340	241,907	69,433
Materials and supplies	14,000	14,000	14,813	(813)
Intrafund/interfund services	1,692	1,692	1,692	0
	381,121	413,193	345,627	67,566
County Courts				
Employee salaries and benefits	331,264	331,264	320,031	11,233
Outside services	70,645	141,626	72,087	69,539
Materials and supplies	12,500	17,010	16,487	523
Intrafund/interfund services	6,744	6,744	6,744	0
Debt and fiscal charges	1,000	1,000	982	18
	422,153	497,644	416,331	81,313
County Manager				
Operations				
Employee salaries and benefits	1,071,439	1,071,439	1,059,653	11,786
Outside services	814,050	865,645	849,819	15,826
Materials and supplies	12,500	12,500	6,309	6,191
Intrafund/interfund services	10,179	10,179	10,219	(40)
	1,908,168	1,959,763	1,926,000	33,763
Communications and Public Relations				
Employee salaries and benefits	204,598	204,598	203,241	1,357
Outside services	82,950	112,950	78,297	34,653
Materials and supplies	4,450	4,450	23,177	(18,727)
Capital outlay	0	0	5,310	(5,310)
	291,998	321,998	310,025	11,973
Human Resources				
Employee salaries and benefits	971,672	971,672	884,259	87,413
Outside services	268,940	647,697	173,122	474,575
Materials and supplies	40,395	44,189	43,083	1,106
Intrafund/interfund services	9,363	9,363	9,363	0
	1,290,370	1,672,921	1,109,827	563,094
Total County Manager	3,490,536	3,954,682	3,345,852	608,830

County Assessor

Employee salaries and benefits	374,784	374,784	375,029	(245)
Outside services	18,500	18,500	15,507	2,993
Materials and supplies	3,200	3,200	1,340	1,860
Intrafund/interfund services	0	0	2,310	(2,310)
	396,484	396,484	394,186	2,298

County Attorney

Employee salaries and benefits	642,170	642,170	633,474	8,696
Outside services	91,123	91,128	54,749	36,379
Materials and supplies	18,544	18,544	12,518	6,026
Intrafund/interfund services	5,337	5,337	5,337	0
	757,174	757,179	706,078	51,101

County Clerk

Employee salaries and benefits	396,256	396,256	346,764	49,492
Outside services	41,835	39,435	39,019	416
Materials and supplies	14,600	20,000	29,672	(9,672)
Intrafund/interfund services	4,179	4,179	4,179	0
Debt and fiscal charges	125	125	367	(242)
	456,995	459,995	420,001	39,994

County Probate Clerk

Employee salaries and benefits	4,535	4,535	4,927	(392)
Outside services	900	900	381	519
Materials and supplies	200	200	200	0
	5,635	5,635	5,508	127

County Sheriff

Employee salaries and benefits	70,564	70,564	68,274	2,290
Outside services	9,491	9,491	10,712	(1,221)
Materials and supplies	6,650	6,650	3,478	3,172
Intrafund/interfund services	433	433	433	0
	87,138	87,138	82,897	4,241

**INCORPORATED COUNTY OF LOS ALAMOS
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
Administrative Services				
Information Management				
Employee salaries and benefits	2,601,837	2,361,837	2,318,082	43,755
Outside services	1,667,074	1,893,506	1,853,109	40,397
Materials and supplies	317,880	241,574	290,876	(49,302)
Intrafund/interfund services	50,910	50,910	50,983	(73)
Capital outlay	35,000	33,021	17,665	15,356
	<u>4,672,701</u>	<u>4,580,848</u>	<u>4,530,715</u>	<u>50,133</u>
Finance Office				
Employee salaries and benefits	1,115,749	1,115,749	1,082,592	33,157
Outside services	145,990	145,990	128,378	17,612
Materials and supplies	18,000	18,000	9,288	8,712
Intrafund/interfund services	27,290	27,290	27,290	0
Debt and fiscal charges	0	0	11,360	(11,360)
	<u>1,307,029</u>	<u>1,307,029</u>	<u>1,258,908</u>	<u>48,121</u>
Procurement				
Employee salaries and benefits	845,088	845,088	801,831	43,257
Outside services	41,500	65,666	75,802	(10,136)
Materials and supplies	97,500	98,908	80,895	18,013
Intrafund/interfund services	51,460	51,460	54,214	(2,754)
Capital outlay	0	45,000	102,954	(57,954)
	<u>1,035,548</u>	<u>1,106,122</u>	<u>1,115,696</u>	<u>(9,574)</u>
Total Administrative Services	7,015,278	6,993,999	6,905,319	88,680
Fire - County Shared Cost				
Intrafund/interfund services	4,306,985	4,306,985	3,910,167	396,818
Community Services-Administration				
Employee salaries and benefits	423,483	391,683	368,529	23,154
Outside services	336,222	362,532	342,641	19,891
Materials and supplies	1,000	1,000	1,229	(229)
Intrafund/interfund services	4,429	4,429	4,429	0
Debt and fiscal charges	0	0	578	(578)
Total Community Services-Admin.	765,134	759,644	717,406	42,238

Community Services-Library

Library operations				
Employee salaries and benefits	1,749,638	1,781,438	1,753,920	27,518
Outside services	112,230	112,230	94,842	17,388
Materials and supplies	26,435	27,267	44,432	(17,165)
Intrafund/interfund services	28,755	28,755	28,950	(195)
	<u>1,917,058</u>	<u>1,949,690</u>	<u>1,922,144</u>	<u>27,546</u>
Collection development				
Materials and supplies	220,335	236,712	236,712	0
Outside funding sources				
Outside services	0	0	820	(820)
Materials and supplies	0	163,431	72,579	90,852
	<u>0</u>	<u>163,431</u>	<u>73,399</u>	<u>90,032</u>
Total Community Services-Library	2,137,393	2,349,833	2,232,255	117,578

Community Services-Parks

Parks Maintenance				
Employee salaries and benefits	1,244,356	1,244,356	1,133,125	111,231
Outside services	54,800	315,673	136,506	179,167
Materials and supplies	187,141	245,562	196,968	48,594
Intrafund/interfund services	458,069	458,069	376,706	81,363
Capital outlay	0	0	37,509	(37,509)
	<u>1,944,366</u>	<u>2,263,660</u>	<u>1,880,814</u>	<u>382,846</u>
Parks Maintenance Projects				
Outside services	60,930	145,350	25,186	120,164
Materials and supplies	0	0	108,632	(108,632)
	<u>60,930</u>	<u>145,350</u>	<u>133,818</u>	<u>11,532</u>
Cemetery				
Employee salaries and benefits	48,275	48,275	21,819	26,456
Outside services	500	500	0	500
Materials and supplies	4,000	4,000	23,231	(19,231)
Intrafund/interfund services	36,000	36,000	16,077	19,923
Debt and fiscal charges	0	0	700	(700)
	<u>88,775</u>	<u>88,775</u>	<u>61,827</u>	<u>26,948</u>
Total Community Svcs.-Parks	2,094,071	2,497,785	2,076,459	421,326

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
Community Services-Recreation				
Recreation				
Employee salaries and benefits	541,273	541,273	486,797	54,476
Outside services	27,460	27,460	26,336	1,124
Materials and supplies	10,350	10,350	18,867	(8,517)
Intrafund/interfund services	12,689	12,689	12,689	0
Capital outlay	0	0	2,204	(2,204)
	<u>591,772</u>	<u>591,772</u>	<u>546,893</u>	<u>44,879</u>
Recreation - Programs				
Employee salaries and benefits	197,594	197,594	188,437	9,157
Outside services	71,557	72,192	42,157	30,035
Materials and supplies	40,127	43,405	21,879	21,526
Intrafund/interfund services	1,000	1,000	20	980
	<u>310,278</u>	<u>314,191</u>	<u>252,493</u>	<u>61,698</u>
Recreation -Aquatic Center				
Employee salaries and benefits	725,684	725,684	650,973	74,711
Outside services	74,516	105,250	90,045	15,205
Materials and supplies	75,157	78,944	81,932	(2,988)
Intrafund/interfund services	262,065	232,065	203,379	28,686
Debt and fiscal charges	2,428	2,428	2,204	224
	<u>1,139,850</u>	<u>1,144,371</u>	<u>1,028,533</u>	<u>115,838</u>
Recreation - Ice Rink				
Employee salaries and benefits	137,379	137,379	146,282	(8,903)
Outside services	12,902	12,902	8,713	4,189
Materials and supplies	18,542	31,067	22,952	8,115
Intrafund/interfund services	12,892	12,892	12,892	0
Debt and fiscal charges	800	800	1,298	(498)
	<u>182,515</u>	<u>195,040</u>	<u>192,137</u>	<u>2,903</u>

Recreation -Golf Course				
Employee salaries and benefits	574,655	574,655	579,939	(5,284)
Outside services	49,172	57,672	51,223	6,449
Materials and supplies	182,247	222,582	195,205	27,377
Intrafund/interfund services	168,667	168,667	163,764	4,903
Debt and fiscal charges	6,750	6,750	6,247	503
	<u>981,491</u>	<u>1,030,326</u>	<u>996,378</u>	<u>33,948</u>
Total Community Svcs.-Recreation	<u>3,205,906</u>	<u>3,275,700</u>	<u>3,016,434</u>	<u>259,266</u>
Community Services-Social Services				
Employee salaries and benefits	135,800	135,800	118,706	17,094
Outside services	1,198,374	1,473,336	1,383,896	89,440
Materials and supplies	900	4,400	4,240	160
Intrafund/interfund services	41,442	41,442	41,614	(172)
	<u>1,376,516</u>	<u>1,654,978</u>	<u>1,548,456</u>	<u>106,522</u>
Total Community Svcs. Department	<u>9,579,020</u>	<u>10,537,940</u>	<u>9,591,010</u>	<u>946,930</u>
Police				
Operations				
Employee salaries and benefits	6,378,244	6,145,244	5,924,914	220,330
Outside services	299,300	313,160	309,421	3,739
Materials and supplies	276,550	340,805	359,799	(18,994)
Intrafund/interfund services	423,356	423,356	424,295	(939)
Capital outlay	40,000	40,000	7,500	32,500
Debt and fiscal charges	200	200	350	(150)
	<u>7,417,650</u>	<u>7,262,765</u>	<u>7,026,279</u>	<u>236,486</u>
Emergency Management				
Employee salaries and benefits	212,635	212,635	196,365	16,270
Outside services	36,300	200,865	149,811	51,054
Materials and supplies	9,400	11,012	537,387	(526,375)
Intrafund/interfund services	9,525	9,525	9,525	0
Capital outlay	0	518,419	0	518,419
	<u>267,860</u>	<u>952,456</u>	<u>893,088</u>	<u>59,368</u>
Police Grants				
Employee salaries and benefits	10,000	16,960	13,193	3,767
Outside services	0	202,009	162,558	39,451
Materials and supplies	0	7,375	7,520	(145)
Capital outlay	0	0	9,709	(9,709)
	<u>10,000</u>	<u>226,344</u>	<u>192,980</u>	<u>33,364</u>
Total Police	<u>7,695,510</u>	<u>8,441,565</u>	<u>8,112,347</u>	<u>329,218</u>

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
Year ended June 30, 2015**

	ANNUAL BUDGET	REVISED BUDGET	ACTUALS	VARIANCE POSITIVE (NEGATIVE)
Public Works				
Administration				
Employee salaries and benefits	234,515	234,515	197,548	36,967
Outside services	14,040	14,040	14,364	(324)
Materials and supplies	2,593	2,828	930	1,898
Intrafund/interfund services	6,008	6,008	6,008	0
	<u>257,156</u>	<u>257,391</u>	<u>218,850</u>	<u>38,541</u>
Engineering services				
Employee salaries and benefits	1,072,129	1,072,129	859,553	212,576
Outside services	34,593	40,593	26,602	13,991
Materials and supplies	6,000	6,000	3,797	2,203
Intrafund/interfund services	21,530	21,530	21,530	0
Capital outlay	0	0	6,508	(6,508)
	<u>1,134,252</u>	<u>1,140,252</u>	<u>917,990</u>	<u>222,262</u>
Traffic and Streets				
Employee salaries and benefits	1,891,386	1,891,386	1,977,109	(85,723)
Outside services	914,615	1,246,434	1,013,778	232,656
Materials and supplies	531,594	669,962	646,402	23,560
Intrafund/interfund services	752,705	752,705	802,842	(50,137)
Capital outlay	15,800	23,692	49,146	(25,454)
	<u>4,106,100</u>	<u>4,584,179</u>	<u>4,489,277</u>	<u>94,902</u>
Total Public Works	5,497,508	5,981,822	5,626,117	355,705
Community and Economic Development (CEDD)				
CEDD - Administration				
Employee salaries and benefits	429,892	429,892	408,848	21,044
Outside services	50,123	53,046	25,005	28,041
Materials and supplies	18,400	19,124	9,764	9,360
Intrafund/interfund services	16,001	16,001	16,001	0
	<u>514,416</u>	<u>518,063</u>	<u>459,618</u>	<u>58,445</u>

CEDD - Community Development				
Employee salaries and benefits	979,934	979,934	933,869	46,065
Outside services	106,600	106,789	23,378	83,411
Materials and supplies	5,700	6,060	1,844	4,216
Intrafund/interfund services	9,519	9,519	9,519	0
	<u>1,101,753</u>	<u>1,102,302</u>	<u>968,610</u>	<u>133,692</u>
CEDD - Custodial				
Employee salaries and benefits	886,778	886,778	857,547	29,231
Outside services	126,265	130,888	116,377	14,511
Materials and supplies	80,391	80,391	78,119	2,272
Intrafund/interfund services	35,544	35,544	35,564	(20)
	<u>1,128,978</u>	<u>1,133,601</u>	<u>1,087,607</u>	<u>45,994</u>
CEDD - Facilities maintenance				
Employee salaries and benefits	1,118,609	1,118,609	1,090,452	28,157
Outside services	315,669	323,074	300,464	22,610
Materials and supplies	200,494	206,314	148,622	57,692
Intrafund/interfund services	888,246	888,246	850,347	37,899
Debt and fiscal charges	0		803	(803)
	<u>2,523,018</u>	<u>2,536,243</u>	<u>2,390,688</u>	<u>145,555</u>
CEDD - Facilities maintenance projects				
Employee salaries and benefits	0	0	22,483	(22,483)
Outside services	1,800,000	4,551,096	2,659,700	1,891,396
Materials and supplies	0	0	6,692	(6,692)
Intrafund/interfund services	0	0	6,283	(6,283)
	<u>1,800,000</u>	<u>4,551,096</u>	<u>2,695,158</u>	<u>1,855,938</u>
CEDD - Project management				
Employee salaries and benefits	346,902	346,902	341,382	5,520
Outside services	10,008	10,008	3,409	6,599
Materials and supplies	6,950	6,950	1,565	5,385
Intrafund/interfund services	12,521	12,521	12,521	0
	<u>376,381</u>	<u>376,381</u>	<u>358,877</u>	<u>17,504</u>
Total Comm. and Economic Development	<u>7,444,546</u>	<u>10,217,686</u>	<u>7,960,558</u>	<u>2,257,128</u>
TOTAL EXPENDITURES AND ENCUMBRANCES	47,536,083	53,051,947	47,821,998	5,229,949
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	9,884,818	5,301,137	4,180,964	(1,120,173)

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
Capital Improvement Project Fund	238,000	238,000	238,000	0
Joint Utility System Fund-Electric	564,222	564,222	484,485	(79,737)
Joint Utility System Fund-Gas	332,781	332,781	297,390	(35,391)
Fire Fund	1,646,000	1,646,000	1,352,717	(293,283)
	<u>2,781,003</u>	<u>2,781,003</u>	<u>2,372,592</u>	<u>(408,411)</u>
Transfers out to:				
Indigent Health Care Fund	(300,000)	(300,000)	(300,000)	0
Other Special Revenues Fund	(37,000)	0	0	0
Emergency Declarations Fund	0	(40,117)	(40,117)	0
Gross Receipts Tax Revenue Bonds Fund	(6,270,397)	(6,270,397)	(6,270,396)	1
Capital Improvement Projects Fund	(3,454,000)	(4,055,095)	(4,055,095)	0
Transit Fund	(1,200,000)	(1,200,000)	(1,200,000)	0
Airport Fund	(272,000)	(286,203)	(286,203)	0
	<u>(11,533,397)</u>	<u>(12,151,812)</u>	<u>(12,151,811)</u>	<u>1</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(8,752,394)</u>	<u>(9,370,809)</u>	<u>(9,779,219)</u>	<u>(408,410)</u>
NET CHANGE IN FUND BALANCE	\$ <u>1,132,424</u>	<u>(4,069,672)</u>	<u>(5,598,255)</u>	<u>(1,528,583)</u>
ADJUSTMENTS TO GAAP				
Encumbrances			2,051,404	
Bad debt expense			(2,122)	
Adjustments to inventory			(46,836)	
			<u>2,002,446</u>	
GAAP BASIS			<u>(3,595,809)</u>	
FUND BALANCE				
Beginning of fiscal year			<u>29,111,222</u>	
FUND BALANCE - END OF FISCAL YEAR			\$ <u>25,515,413</u>	

See accompanying notes to financial statements



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

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

Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Miscellaneous revenues				
Investment income	\$ 302,000	302,000	94,201	(207,799)
Other	90,529	90,529	0	(90,529)
Economic development loan repayment (principal)	0	0	90,378	90,378
Economic development loan repayment (interest)	0	0	9,150	9,150
	<u>392,529</u>	<u>392,529</u>	<u>193,729</u>	<u>(198,800)</u>
TOTAL REVENUES	392,529	392,529	193,729	(198,800)
EXPENDITURES AND ENCUMBRANCES				
Community and Economic Development				
Employee salaries and benefits	0	0	5,233	(5,233)
Outside services	1,786,000	4,678,710	973,635	3,705,075
Materials and supplies	5,000	6,323	6,054	269
Economic development loans	400,000	2,400,000	0	2,400,000
	<u>2,191,000</u>	<u>7,085,033</u>	<u>984,922</u>	<u>6,100,111</u>
TOTAL EXPENDITURES AND ENCUMBRANCES	2,191,000	7,085,033	984,922	6,100,111
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	(1,798,471)	(6,692,504)	(791,193)	5,901,311
OTHER FINANCING SOURCES (USES)				
Transfer in from:				
Capital Improvement Project Fund	0	450,815	450,815	0
Transfers out to:				
Capital Improvement Project Fund	0	(2,000,000)	(2,000,000)	0
Airport Fund	(359,000)	(359,000)	(359,000)	0
	<u>(359,000)</u>	<u>(359,000)</u>	<u>(359,000)</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	\$ (2,157,471)	(8,600,689)	(2,699,378)	5,901,311

ADJUSTMENTS TO GAAP

Encumbrances	486,545
Principal on economic development loan repayments	(90,378)
Bad debt expense (reserve for loan losses)	10,000

406,167

GAAP BASIS

(2,293,211)

FUND BALANCE

Beginning of fiscal year	11,411,255
--------------------------	------------

FUND BALANCE - END OF FISCAL YEAR

\$ 9,118,044

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

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

Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal indirect	\$ 0	5,085,239	2,371,069	(2,714,170)
State grants-other	0	852,745	398,442	(454,303)
	<u>0</u>	<u>5,937,984</u>	<u>2,769,511</u>	<u>(3,168,473)</u>
EXPENDITURES AND ENCUMBRANCES				
Administrative Services - Finance Office				
Outside services	0	3,463,525	12,682	3,450,843
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	0	2,474,459	2,756,829	282,370
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
General Fund	0	40,117	40,117	0
Environmental Services Fund	0	289,168	289,168	0
	<u>0</u>	<u>329,285</u>	<u>329,285</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	\$ 0	2,803,744	3,086,114	282,370
FUND BALANCE				
Beginning of fiscal year			(2,733,870)	
FUND BALANCE - END OF FISCAL YEAR			<u>\$ 352,244</u>	

Major Proprietary Funds

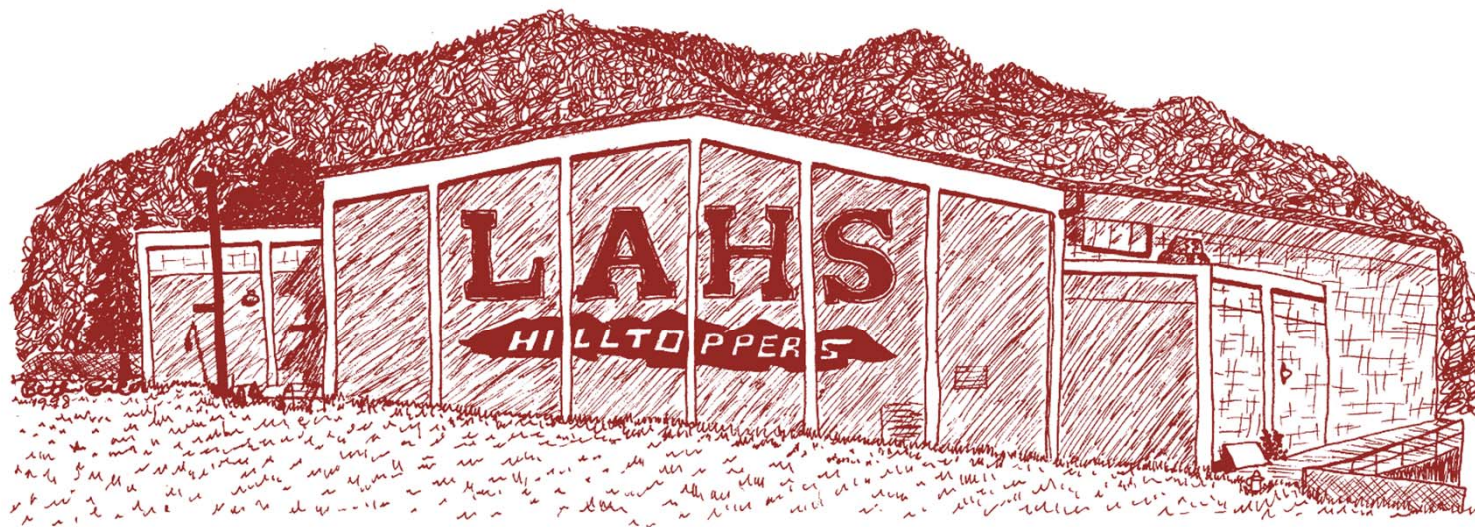
Joint Utility System Fund 500 - accounts for the provision of electric, gas, water, and wastewater utility services to the county. Combining subfund financial statements are provided for each utility service following the notes to financial statements.

Environmental Services Fund 611 - accounts for the provision of refuse collection 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 which is leased from the U.S. Department of Energy.



Los Alamos High School

INCORPORATED COUNTY OF LOS ALAMOS
Proprietary Funds
Statement of Net Position
June 30, 2015

	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	\$ 8,504,067	1,910,340	346,512	0	195,228	10,956,147	15,407,230
Investments	3,649,873	0	0	0	0	3,649,873	0
Receivables, net of allowance for uncollectibles							
Accounts	4,399,667	199,279	0	234,719	0	4,833,665	29,139
Unbilled	1,142,965	87,639	0	0	0	1,230,604	0
Due from other governments	0	141,994	1,514,380	2,124,142	484,081	4,264,597	0
Inventories and prepayments							
Inventories	1,133,423	0	0	0	0	1,133,423	0
Power plant inventories	842,827	0	0	0	0	842,827	0
Prepayments	818,147	0	0	0	0	818,147	26,900
Total Current Assets	20,490,969	2,339,252	1,860,892	2,358,861	679,309	27,729,283	15,463,269
Non-current assets:							
Restricted assets							
Cash and cash equivalents							
Debt reserves and debt service	4,233,610	439,745	0	0	0	4,673,355	0
Operations and maintenance	8,584,697	656,647	0	0	0	9,241,344	0
Investments							
Debt reserves and debt service	13,211,780	0	0	0	0	13,211,780	0
Operations and maintenance	0	0	0	0	0	0	0
Assets held for resale	948,236	0	0	0	0	948,236	0
Capital assets							
Land	2,959,328	0	0	1,178,602	4,387,040	8,524,970	0
Utility plant in service	302,847,457	0	0	0	0	302,847,457	0
Buildings	0	6,112,038	0	16,724,437	1,100,000	23,936,475	0
Improvements other than buildings	0	1,683,448	921,809	143,285	15,352,627	18,101,169	0
Machinery and equipment	4,584,284	74,322	587,333	1,215,122	57,604	6,518,665	23,124,416
Less accumulated depreciation	(135,969,029)	(1,301,653)	(391,540)	(4,258,805)	(5,524,864)	(147,445,891)	(13,048,793)
Construction in progress	6,555,305	0	0	0	0	6,555,305	0
Total Non-current Assets	207,955,668	7,664,547	1,117,602	15,002,641	15,372,407	247,112,865	10,075,623
TOTAL ASSETS	228,446,637	10,003,799	2,978,494	17,361,502	16,051,716	274,842,148	25,538,892
DEFERRED OUTFLOWS OF RESOURCES:							
Deferred amounts (debits) from refunding of debt	680,539	0	0	0	0	680,539	0
Deferred pensions	533,320	61,459	124,741	3,153,946	11,111	3,884,577	63,109
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,213,859	61,459	124,741	3,153,946	11,111	4,565,116	63,109
LIABILITIES							
Current Liabilities:							
Accounts payable	4,210,202	59,822	22,835	136,461	65,736	4,495,056	358,193
Accrued salaries and benefits payable	171,643	21,545	42,604	279,515	3,581	518,888	33,695
Customer deposits payable	174,620	35,124	0	0	0	209,744	0
Due to other governments	118,243	8,666	0	0	0	126,909	0
Donations held in trust	25,074	0	0	0	0	25,074	0

Current portion of long-term liabilities								
Accrued compensated absences	606,267	71,348	106,438	1,302,156	3,581	2,089,790	98,000	
Claims and judgments payable	0	0	0	0	0	0	2,197,485	
Revenue bonds payable	2,680,000	0	0	0	0	2,680,000	0	
Contracts and intergovernmental debt payable	683,582	170,021	0	0	0	853,603	0	
Due to other funds (current portion of advances)	0	0	0	267,380	0	267,380	0	
Special closure costs	0	330,000	0	0	0	330,000	0	
Interest payable on revenue bonds and other debt	185,732	31,495	0	0	0	217,227	0	
Total Current Liabilities	8,855,363	728,021	171,877	1,985,512	72,898	11,813,671	2,687,373	
Noncurrent Liabilities:								
Due in more than one year								
Accrued compensated absences	325,236	42,599	63,619	353,451	232	785,137	37,776	
Claims and judgments payable	0	0	0	0	0	0	1,776,841	
Revenue bonds payable	30,457,373	0	0	0	0	30,457,373	0	
Contracts and intergovernmental debt payable	11,891,448	4,539,017	0	0	0	16,430,465	0	
Advances from other funds	500,000	0	0	0	146,799	646,799	0	
Special closure costs	7,891,690	326,647	0	0	0	8,218,337	0	
Net pension liability	5,561,428	640,886	1,300,791	32,747,583	115,860	40,366,548	658,097	
Total Noncurrent Liabilities	56,627,175	5,549,149	1,364,410	33,101,034	262,891	96,904,659	2,472,714	
TOTAL LIABILITIES	65,482,538	6,277,170	1,536,287	35,086,546	335,789	108,718,330	5,160,087	
DEFERRED INFLOWS OF RESOURCES:								
Deferred pensions	2,179,546	251,166	509,785	4,596,908	45,406	7,582,811	257,911	
TOTAL DEFERRED INFLOWS OF RESOURCES	2,179,546	251,166	509,785	4,596,908	45,406	7,582,811	257,911	
NET POSITION								
Net investment in capital assets	135,945,481	1,859,117	1,117,602	15,002,641	15,372,407	169,297,248	10,075,623	
Restricted, net of related liabilities, for:								
Debt service	17,952,665	408,250	0	0	0	18,360,915	0	
Unrestricted	8,100,266	1,269,555	(60,439)	(34,170,647)	309,225	(24,552,040)	10,108,380	
TOTAL NET POSITION	\$ 161,998,412	3,536,922	1,057,163	(19,168,006)	15,681,632	163,106,123	20,184,003	
Net position of business-type internal service funds						20,184,003		
Net activity of internal service funds						1,412,124		
TOTAL NET POSITION AS SHOWN ON GOVERNMENT WIDE STATEMENT OF NET POSITION						\$ 184,702,250		

See accompanying notes to financial statements

INCORPORATED COUNTY OF LOS ALAMOS
Proprietary Funds

 Statement of Revenues, Expenses, and Changes in Net Position
 Year ended June 30, 2015

	ENTERPRISE FUNDS						BUSINESS- TYPE ACTIVITIES - INTERNAL SERVICE FUNDS
	JOINT UTILITY SYSTEM	ENVIRONMENTAL SERVICES	TRANSIT	FIRE	AIRPORT	TOTAL	
OPERATING REVENUES							
Utility sales and other services	\$ 55,847,054	2,520,927	0	486,318	54,224	58,908,523	0
Sales of food or merchandise	0	5,592	0	0	0	5,592	0
Interfund charges for services	0	73,676	0	3,910,167	0	3,983,843	3,827,190
Insurance and pension contributions							
County	0	0	0	0	0	0	7,819,425
Employees and retirees	0	0	0	0	0	0	1,537,374
Rentals	22,262	0	0	0	34,335	56,597	0
Intergovernmental	120,049	0	2,712,214	17,288,589	46,598	20,167,450	0
Miscellaneous operating revenue	56,453	119,054	0	3,005	80	178,592	155,056
	<u>56,045,818</u>	<u>2,719,249</u>	<u>2,712,214</u>	<u>21,688,079</u>	<u>135,237</u>	<u>83,300,597</u>	<u>13,339,045</u>
OPERATING EXPENSES							
Employee salaries and benefits	7,857,114	1,051,365	2,210,903	17,180,922	139,597	28,439,901	1,041,647
Contractual services	37,897,229	2,055,884	1,472,591	4,532,080	333,166	46,290,950	10,432,990
Materials and supplies	894,140	73,448	45,185	757,333	8,267	1,778,373	1,470,275
Depreciation and amortization	10,568,317	199,323	92,298	498,377	761,532	12,119,847	1,913,798
Special closure costs	3,424,753	330,000	0	0	0	3,754,753	0
Other	254,013	1,435	0	341,213	416	597,077	0
	<u>60,895,566</u>	<u>3,711,455</u>	<u>3,820,977</u>	<u>23,309,925</u>	<u>1,242,978</u>	<u>92,980,901</u>	<u>14,858,710</u>
OPERATING INCOME (LOSS)	(4,849,748)	(992,206)	(1,108,763)	(1,621,846)	(1,107,741)	(9,680,304)	(1,519,665)
NONOPERATING REVENUES (EXPENSES)							
Gross receipts taxes for solid waste recycling	0	730,090	0	0	0	730,090	0
Fire excise tax	0	0	0	1,460,114	0	1,460,114	0
Gain (loss) on disposition of capital assets	(524,541)	0	0	0	0	(524,541)	107,084
Investment income	105,831	28,704	16,194	0	6,324	157,053	170,124
Interest on long-term debt	(1,577,194)	(196,753)	0	0	0	(1,773,947)	0
Inventory adjustment	(5,614)	0	0	0	0	(5,614)	0
	<u>(2,001,518)</u>	<u>562,041</u>	<u>16,194</u>	<u>1,460,114</u>	<u>6,324</u>	<u>43,155</u>	<u>277,208</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(6,851,266)	(430,165)	(1,092,569)	(161,732)	(1,101,417)	(9,637,149)	(1,242,457)
TRANSFERS AND CONTRIBUTIONS							
Transfers in	0	0	1,200,000	0	645,203	1,845,203	1,295,948
Transfers out	(990,502)	(425,526)	(950,963)	(1,352,717)	0	(3,719,708)	0
Intergovernmental - capital grants	0	0	1,043,091	0	580,442	1,623,533	0
Contributed capital assets - outside source	861,180	0	0	0	0	861,180	0
Contributed capital assets - governmental activities	284,800	0	0	(84,687)	0	200,113	30,557
	<u>155,478</u>	<u>(425,526)</u>	<u>1,292,128</u>	<u>(1,437,404)</u>	<u>1,225,645</u>	<u>810,321</u>	<u>1,326,505</u>
CHANGE IN NET POSITION	(6,695,788)	(855,691)	199,559	(1,599,136)	124,228	(8,826,828)	84,048
NET POSITION							
Beginning of fiscal year	176,203,151	5,257,927	2,613,912	15,765,798	15,713,837	215,554,625	20,988,507
Prior period restatement - GASB Statement 68	(7,508,951)	(865,314)	(1,756,308)	(33,334,668)	(156,433)	(43,621,674)	(888,552)
NET POSITION - END OF FISCAL YEAR	\$ 161,998,412	3,536,922	1,057,163	(19,168,006)	15,681,632	163,106,123	20,184,003

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, 2015

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:	\$	(8,826,828)
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.		84,048
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.		500,278
Change in net position of business-type activities	\$	<u><u>(8,242,502)</u></u>

INCORPORATED COUNTY OF LOS ALAMOS
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year ended June 30, 2015

	JOINT UTILITY SYSTEM	ENVIRONMENTAL SERVICES	TRANSIT	FIRE	AIRPORT	TOTAL	BUSINESS-TYPE ACTIVITIES INTERNAL SERVICE FUNDS
CASH FLOWS - OPERATING ACTIVITIES							
Cash received from customers and users	\$ 55,743,827	2,702,117	0	4,049,925	105,688	62,601,557	3,968,575
Cash received from contributions-employer and employees	0	0	0	0	0	0	9,356,799
Cash paid to suppliers for goods and services	(38,743,308)	(2,189,019)	(1,567,704)	(5,362,059)	(382,716)	(48,244,806)	(11,626,013)
Cash paid to employees	(8,071,180)	(1,090,039)	(2,269,350)	(16,493,286)	(150,264)	(28,074,119)	(1,041,197)
Taxes received from customers and users	1,763,276	102,813	0	0	0	1,866,089	0
Taxes remitted to State (from customers and users)	(1,754,784)	(102,516)	0	0	0	(1,857,300)	0
NET CASH FLOWS - OPERATING ACTIVITIES	8,937,831	(576,644)	(3,837,054)	(17,805,420)	(427,292)	(13,708,579)	658,164
CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES							
Cash received from grants	0	0	2,697,728	20,095,742	46,598	22,840,068	0
Transfers to other funds	(781,875)	(289,168)	0	(1,352,717)	0	(2,423,760)	0
Transfers from other funds	0	0	1,200,000	0	645,203	1,845,203	0
Gross receipts taxes received	0	678,148	0	1,356,229	0	2,034,377	0
Cash paid on short-term interfund loans	0	0	0	(2,293,834)	0	(2,293,834)	0
NET CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES	(781,875)	388,980	3,897,728	17,805,420	691,801	22,002,054	0
CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES							
Cash received from capital grants	0	0	856,054	0	96,361	952,415	0
Proceeds received from loans	0	0	0	0	0	0	0
Principal repaid	(23,577,167)	(163,830)	0	0	0	(23,740,997)	0
Special closure costs paid	0	(30,757)	0	0	0	(30,757)	0
Interest and other debt service paid	(1,368,410)	(197,768)	0	0	0	(1,566,178)	0
Federal debt subsidy received	100,004	0	0	0	0	100,004	0
Cash paid for acquisition of capital assets	(7,391,937)	(136,358)	(1,043,091)	0	(570,649)	(9,142,035)	(1,626,137)
Proceeds from sale of capital assets	0	0	0	0	0	0	162,521
NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES	(9,585,467)	(528,713)	(187,037)	0	(474,288)	(10,775,505)	(1,463,616)
CASH FLOWS - INVESTING ACTIVITIES							
Proceeds from sale of investment securities	16,574,160	0	0	0	0	16,574,160	0
Interest received on investments	248,785	28,704	16,194	0	6,324	300,007	170,124
Purchase of investment securities	(23,206,241)	0	0	0	0	(23,206,241)	0
NET CASH FLOWS - INVESTING ACTIVITIES	(6,383,296)	28,704	16,194	0	6,324	(6,332,074)	170,124
NET INCREASE (DECREASE) IN CASH	(7,812,807)	(687,673)	(110,169)	0	(203,455)	(8,814,104)	(635,328)
EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR	29,135,181	3,694,405	456,681	0	398,683	33,684,950	16,042,558
EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR	\$ 21,322,374	3,006,732	346,512	0	195,228	24,870,846	15,407,230

(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)	\$ (4,849,748)	(992,206)	(1,108,763)	(1,621,846)	(1,107,741)	(9,680,304)	(1,519,665)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES							
Depreciation and amortization expense	10,568,317	199,323	92,298	498,377	761,532	12,119,847	1,913,798
Operating grants included in operating revenues	0	0	(2,712,214)	(17,288,589)	0	(20,000,803)	0
Amortization of special closure costs	3,424,753	330,000	0	0	0	3,754,753	0
Provision for uncollectible accounts receivable	7,501	1,435	0	341,213	0	350,149	0
Intergovernmental revenue	(120,049)	0	0	0	(46,598)	(166,647)	0
Change in assets and liabilities:							
Accounts and other receivables	(201,180)	(30,132)	0	(349,565)	17,049	(563,828)	(13,671)
Inventories	(186,118)	0	0	0	0	(186,118)	0
Prepayments and other	(273,690)	0	0	0	0	(273,690)	0
Accounts and retentions payable	754,381	(59,687)	(49,928)	(72,646)	(40,867)	531,253	(83,821)
Salaries and benefits payable	(214,066)	(38,674)	(58,447)	687,636	(10,667)	365,782	450
Other current liabilities	19,238	13,000	0	0	0	32,238	0
Claims and judgements payable	0	0	0	0	0	0	361,073
Due to other governments	8,492	297	0	0	0	8,789	0
Total adjustments	13,787,579	415,562	(2,728,291)	(16,183,574)	680,449	(4,028,275)	2,177,829
NET CASH FLOWS - OPERATING ACTIVITIES	\$ 8,937,831	(576,644)	(3,837,054)	(17,805,420)	(427,292)	(13,708,579)	658,164

SCHEDULE OF NON CASH CAPITAL AND RELATED FINANCING ACTIVITIES

NON CASH TRANSACTIONS:

Asset transfers - proprietary funds	\$ (208,627)	(136,358)	(950,963)	0	0	(1,295,948)	1,295,948
Contributed capital assets from outside sources	861,180	0	0	0	0	861,180	0
Contributed capital assets - governmental activities	284,800	0	0	(84,687)	0	200,113	30,557
Fair value adjustment for investments	95,265	0	0	0	0	95,265	0
TOTAL NON CASH TRANSACTIONS	\$ 1,032,618	(136,358)	(950,963)	(84,687)	0	(139,390)	1,326,505



Fiduciary Funds

Trust Funds are used to account for assets held by the government in a trustee capacity. Agency 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.

Agency Fund 871 - accounts for the collection and payment to the State and local School District of property taxes billed and collected by the County. Also accounts for the assets and liabilities held for the Regional Coalition of LANL Communities, of which Los Alamos County serves as the fiscal agent.

INCORPORATED COUNTY OF LOS ALAMOS
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
June 30, 2015

	<u>PENSION TRUST</u>	<u>AGENCY</u>
ASSETS		
Equity in pooled cash and investments	\$ 0	322,496
Investments (participant directed mutual funds), at fair value	40,598,874	0
Receivables, net of allowance for uncollectibles		
Property taxes	0	236,274
Employee loans	1,464,736	0
Other	0	313
Due from other funds	87,689	0
TOTAL ASSETS	<u>42,151,300</u>	<u>559,083</u>
LIABILITIES		
LIABILITIES		
Accounts payable	121,108	0
Due to other governments		
Taxes and fees payable to state	0	7,759
Property taxes payable	0	277,797
Other	0	256,542
Due to other funds	9,600	0
Donations held for others	0	16,985
TOTAL LIABILITIES	<u>130,708</u>	<u>559,083</u>
NET POSITION		
Held in trust for pension benefits and other purposes	42,020,591	
TOTAL NET POSITION	<u>\$ 42,020,591</u>	

See accompanying notes to financial statements

INCORPORATED COUNTY OF LOS ALAMOS
PENSION TRUST FUND
STATEMENT OF CHANGES IN NET POSITION
Year ended June 30, 2015

ADDITIONS TO NET POSITION

Investment income (loss), net of investment expense	\$	755,565
Contributions		
Employer, net of forfeitures		3,082,216
Employee (plan member)		360,007
		<u>4,197,788</u>

DEDUCTIONS FROM NET POSITION

Benefits and refunds paid to plan members and beneficiaries		<u>4,415,779</u>
---	--	------------------

NET INCREASE (DECREASE) IN NET POSITION (217,991)

NET POSITION

Beginning of fiscal year		<u>42,238,582</u>
--------------------------	--	-------------------

NET POSITION - END OF YEAR \$ 42,020,591

Index for Notes to Financial Statements

	Page Number
(1) Summary of Significant Accounting Policies	67-78
(2) Stewardship, Compliance and Accountability	78
(3) Pooled Cash and Investments	79-82
(4) Accounts Receivable and Operating Leases	83
(5) Loans Receivable	84-85
(6) Interfund Transfers, Assets, and Liabilities	86-87
(7) Capital Assets	88-90
(8) Retirement and Deferred Compensation Plans	90-99
(9) Long-term Obligations	99-105
(10) Power Supply	106
(11) Resource Pool	106-107
(12) Special Closure Costs	107-108
(13) Risk Management	108-111
(14) Financial Assistance	111
(15) Conduit Debt Obligations	111
(16) Commitments and Contingencies	111-113
(17) Economic Dependency	113
(18) Subsequent Event	113

INCORPORATED COUNTY OF LOS ALAMOS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

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

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

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

B. Financial Reporting Entity

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

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

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

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

C. Implementation of New Accounting Standards

New Accounting Standards

In fiscal year 2015, the County adopted two new accounting standards issued by the Governmental Accounting Standards Board (GASB) that relate to pension activity:

- GASB Statement No. 68 (GASB 68), *“Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27,”* and
- GASB Statement No. 71 (GASB 71), *“Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68”*

GASB 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for the County’s participation in the Public Employees Retirement Association of New Mexico’s (PERA) defined benefit pension plans. This statement replaces the requirements of prior GASB statements impacting accounting and financial disclosure of pensions.

The significant impact to the County of implementing GASB 68 is the reporting of the County’s proportionate share of PERA’s unfunded pension liability on the County’s accrual basis financial statements, the government-wide and proprietary funds financial statements. There are also new note disclosure requirements and supplementary schedules required by the statement.

The measurement date for the PERA pension liabilities is as of June 30, 2014. This date reflects a one year lag and was used so these financial statements could be issued in an expedient manner, using the most recent, audited financial information available. Activity (i.e., contributions made by the County) occurring during fiscal year 2015 are reported as deferred outflows of resources in accordance with GASB 71.

A prior period restatement is shown on the face of the financial statements the cumulative effect on net position. This restatement decreased the County’s beginning net position by \$70.7 million from \$577.2 million to \$506.5 million.

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations* (“GASB 69”), establishes accounting and financial reporting standards for mergers, acquisitions, and transfers of operations. This statement was effective for the County fiscal year 2015, but did not have an impact on these financial statements.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* (“GASB 70”), establishes accounting and financial reporting standards for situations where a state or local government, as a guarantor, agrees to indemnify a third-party obligation holder under specified conditions. This statement was effective for the County fiscal year 2015.

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 (60% 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 at most) to be used to pay liabilities of the current period. Revenues, which are recognized when they become both measurable and available, include intergovernmental revenues and interest earnings. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: principal and interest on general long-term debt, which are recorded when fund liabilities are due; and accrued vacation and sick leave which are recorded when payable from current available financial resources.

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

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

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

Fiduciary Fund Types (Pension and Agency Funds) use the accrual basis of accounting. The Pension Trust Fund is 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 flooding events within the community in September 2013. 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, Indigent Health Care, 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 an Agency Fund. The Pension Trust Fund is used to account for the Los Alamos County Employees Pension Plan, which is administered by the County. The Agency Fund primarily is used to account for property taxes and other fees and assessments collected for and distributed to other government entities along with the assets and liabilities of the Regional Coalition of LANL Communities of which the County serves as the fiscal agent.

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 and for the Agency 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 October 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 and meets with departmental staff to discuss the guidelines and the County’s goals for the upcoming year. From these guidelines, the departments develop their preliminary budgets. The County Council holds public hearings in April and adopts the annual operating budget and capital improvement program in May. Finally, the budget is submitted to the State of New Mexico Department of Finance and Administration (DFA) for its review and approval.

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

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

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

G. Encumbrances

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

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

Most cash belonging to all funds (excluding certain segregated and restricted cash and investment balances) is pooled into one common account in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash account has equity therein, and interest earned on the investment of these monies is allocated to substantially all of the County’s funds based upon relative equity at month-end. An individual fund’s equity in pooled cash and investments is available upon demand and is considered to be “cash equivalents” when preparing these financial statements. In addition, any marketable securities that are owned by a specific fund and that are purchased with an average maturity of ninety days or less also are considered to

be “cash equivalents.” Significant negative balances incurred in pooled cash at year-end are treated as interfund receivables of the General Fund and interfund payables of the deficit fund, except where the deficit fund has liquid investments to offset the deficit in pooled cash. In such cases, the investments are shown net of the pooled cash deficit.

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

All of the County’s investments are stated at fair value, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. In the proprietary funds, there were not investments that required a fair value adjustment at June 30, 2015. The County does not have investments that are reported at amortized cost.

I. Accounts and Loans Receivable – Allowance for Doubtful Accounts

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

J. Property Taxes Receivable

Unpaid property taxes attach as an enforceable lien on property as of January 1, annually. Taxes are levied on November 1 and are payable in two installments no later than December 10 and May 10. Property taxes receivable 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. 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.

L. 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”.

M. 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.

N. 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.

O. 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 \$5,000 or more. All capital assets are recorded at cost or, if contributed property, at their estimated fair market value at the time of contribution. Repairs and maintenance that do not add to the value of the asset or materially extend the life are recorded as expenses; improvements are capitalized. The County does not capitalize or depreciate the cost of library books. Additionally, the County is not internally developing computer software, which would require capitalization or depreciation.

Construction work-in-progress consists of labor costs, including related taxes, and material costs. In addition, in proprietary funds, debt interest costs are capitalized, net of interest earned on investment of unexpended proceeds of the debt, as incurred for construction of specific assets during the period required to bring the constructed assets to their intended use.

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 rental rate charged to the individual budget activities consists of two amounts based on usage; a routine maintenance and operation charge, and an equipment replacement charge. Both of these charges are recorded in the Equipment Fund as revenue. The equipment replacement charge is calculated using cost and estimated useful lives of the equipment. Rental charges are established at an hourly rate or flat fee.

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 an increase in depreciation expense of \$1,560,000 in the year ended June 30, 2015, and a cumulative increase in accumulated depreciation of \$12,470,000 as of June 30, 2015.

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

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

Asset Category	Estimated Useful Life in Years
Buildings	30 - 40
Improvements other than buildings	10 - 20
Infrastructure	15 - 50
Equipment	5 - 25
Automotive equipment	3 - 20
Utility plant in service:	
Electric	15 - 40
Gas	30 - 40
Water	35 - 60
Wastewater	15 - 80

P. Deferred Outflows of Resources and Deferred Inflows of Resources

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

Q. 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.

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 \$238 per year of service for active Fire Department employees at June 30, 2015, and approximately \$317 for other active County employees.

R. 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.

S. 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.

T. Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets net of related debt, 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.

U. 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.

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 County Code.

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 and residual fund balance deficits, if any, of other governmental funds.

V. 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.

W. 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.

X. 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. Actual results could differ from those estimates.

(2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

During fiscal year 2015, the County Council and the New Mexico Department of Finance and Administration approved a total of approximately \$66.4 million of budget revisions (transfers and supplemental appropriations) for the General Fund, Capital Improvement Projects (CIP) Fund, Emergency Declarations Fund, Joint Utility System Fund, and other funds. The approximately \$66.4 million of budget revisions include the following re-appropriations and carryovers: \$22.0 million for CIP project carryovers, \$17.6 million in encumbrance carryovers, \$3.3 million in other project and grant re-appropriations, and \$6.7 million for economic development projects in the Economic Development Fund. Other major revisions include: \$2.3 million for the landfill emergency repair, \$2.4 million for A-19 and Sherwood Improvements project, \$2.8 million in Utility capital project carryovers, \$3.5 million related to grants and approximately \$5.8 million for other items and projects. For the fiscal year ended June 30, 2015 expenditures did not exceed appropriations at the legal level of budgetary control for any County department, project, or fund.

Individual Deficit Net Position

At fiscal year end June 30, 2015, the Fire Fund, a major proprietary fund, reported a deficit net position of \$19,168,006. The deficit arose from recording the pension liability, deferred pension inflows, and deferred pension outflows with the implementation of GASB Statement No. 68.

(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	\$	5,510
Carrying amount of deposits		25,144,007
Cash equivalents		21,349,792
Fair value of investments		<u>133,844,191</u>
Total reported in notes to financial statements	\$	<u>180,343,500</u>
Government-wide Statement of Net Position:		
Equity in pooled cash and investments	\$	83,407,056
Investments		28,858,210
Restricted assets-Cash & Cash Equivalents		13,945,084
Restricted assets-Investments		13,211,780
Fiduciary Funds:		
Equity in pooled cash and investments		322,496
Investments (mutual funds), at fair value		<u>40,598,874</u>
Total reported in financial statements	\$	<u>180,343,500</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. At June 30, 2015 the County had deposits with bank balances of \$27,231,985 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, 2015 are presented below using the Standard and Poor's rating scale:

<u>Investment Type</u>	Fair Value	Quality Ratings		
		AAA	AA+	A
U.S. Government Agencies	\$ 55,255,206	0	55,255,206	0
<u>Unrated investments:</u>				
New Mexico State Investment Council	37,990,111			
<u>Exempt from credit risk disclosure:</u>				
LAC Pension	40,598,874			
Total Investments	\$ 133,844,191			

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	\$ 55,255,206	10,194,000	45,061,206	0	0
<u>Other Investments</u>					
New Mexico State Investment Council	37,990,111				
LAC Pension Plan	40,598,874				
Total Investments	<u>\$ 133,844,191</u>				

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

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of a failure of the counter-party, the County will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The County does not have any investments at June 30, 2015 that are exposed to custodial credit risk.

Concentration of Credit Risk - Investments

Investments in securities of any individual issuers, other than U.S. Treasury securities, mutual funds, and NMSIC that represent 5% or more of the total government-wide investments at June 30, 2015 (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>
Governmental Activities:	FHLMC	Federal agency securities	\$ 15,205,800	16.3%
	FFCB	Federal agency securities	14,969,200	16.1%
	FHLB	Federal agency securities	12,057,740	12.9%
	T-NOTE	Federal agency securities	10,512,691	11.3%

Investments in the securities of any individual issuers that represent 5% or more of the total investments by individual funds at June 30, 2015 are as follows:

<u>Funds</u>	<u>Issuer</u>	<u>Investment Type</u>	<u>Amount</u>
Major Governmental Funds:			
General (pooled)	FHLMC	Federal agency securities	\$ 15,205,800
General (pooled)	FFCB	Federal agency securities	14,969,200
General (pooled)	FHLB	Federal agency securities	12,057,740
General (pooled)	T-NOTE	Federal agency securities	10,512,691

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.

(4) ACCOUNTS RECEIVABLE AND OPERATING LEASES

Accounts receivable balances at June 30, 2015, net of applicable allowances for uncollectible accounts, are as follows:

	Accounts Receivable	Allowance for Doubtful Accounts	Net
Governmental activities:			
General	\$ 54,286	(10,553)	43,733
Capital Improvement Projects	147,329	(147,329)	0
Other Governmental	24,113	0	24,113
Total governmental activities	<u>225,728</u>	<u>(157,882)</u>	<u>67,846</u>
Business-type activities:			
Joint Utility System	4,438,446	(38,779)	4,399,667
Environmental Services	210,128	(10,849)	199,279
Fire	2,109,332	(1,874,613)	234,719
Internal Service	34,341	(5,202)	29,139
Total business-type activities	<u>6,792,247</u>	<u>(1,929,443)</u>	<u>4,862,804</u>
Totals	<u>\$ 7,017,975</u>	<u>(2,087,325)</u>	<u>4,930,650</u>

On the Government-wide Statement of Net Position an additional \$9,600 due from the Pension Trust Fund is classified as pension forfeitures receivable.

The County leases land under non-cancelable operating leases with terms ranging from 5 to 99 years to Sombrillo Nursing and Rehabilitation Center, Aspen Ridge Lodge Retirement and Assisted Living Center, Los Alamos School of Gymnastics, Los Alamos Dog Obedience Club, Nectar Properties, and Los Alamos Trinity LP(Smith's). The following is a schedule of future minimum rentals under these leases at June 30, 2015:

Fiscal Year Ending	Amount
June 30,	
2016	\$ 260,238
2017	251,718
2018	241,498
2019	232,549
2020	222,634
Thereafter	14,047,664
	<u>\$ 15,256,301</u>

(5) LOANS RECEIVABLE

Economic Development Loans Receivable

On occasion, the County will provide public support, in the form of loans, for economic development projects pursuant to the County's Economic Development Plan. As of June 30, 2015 the County had three outstanding loans receivable recorded in the Economic Development Special Revenue Fund.

On March 29, 2000 the County entered into a loan agreement with Los Alamos Commerce and Development Corporation (LACDC) in the amount of \$800,000 as support for the Los Alamos Research Park. The loan bears no interest, unless an installment is in default, in which event the amount of the delinquent installment shall bear interest at the rate of 18% per annum from the date said installment is due until paid. The loan was paid off early, and in full, during FY 2015. There was no outstanding loan balance at June 30, 2015.

On May 30, 2002 the County entered into a loan agreement with Veriscape Inc. in the amount of \$527,000. Ultimately, the County distributed \$525,716 of the loan amount to Veriscape. As of February 28, 2006, the loan agreement was amended to defer the first repayment to July 1, 2007. The loan bears interest at 5% per annum beginning June 1, 2007. The loan is secured by any and all assets that Veriscape purchases in whole, or in part, with the loan proceeds. Prior to the loan being amended in FY 2006, Veriscape made three "good faith" principal payments totaling \$9,600. Additionally, Veriscape was given credit of \$3,261 for furniture purchased with the loan and given to the County. The loan was further amended in FY 2008 to provide for graduated monthly payments beginning September 1, 2007 through August 1, 2014. The final loan payment was made as scheduled in FY 2015. There was no outstanding loan balance at June 30, 2015.

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 FY 2010, Elemetric made \$14,303 of payments including interest. No payments have been made since FY 2011. Elemetric is in default, and the County is pursuing legal measures to collect the loan balance due of \$51,170.

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. The County is pursuing legal measures to collect the loan balance due of \$227,944.

On September 21, 2006 the County entered into a loan agreement with Caldera Pharmaceuticals Inc. (Caldera) in the amount of \$2,000,000. As of June 30, 2010 the County had distributed \$302,009 of the loan amount to Caldera and an additional \$32,395 of accrued interest was added to principal. The loan bears interest at 5% per annum beginning September 21, 2010. Caldera will pledge as collateral a security interest in the building it constructs and in equipment purchased in whole or in part with the loan distributions. The original loan requires Caldera to make one hundred twenty monthly payments of \$24,793 beginning October 21, 2009 through September 21, 2019 based on the \$2,000,000 commitment. However, the loan amortization schedule was amended in FY 2010 to reflect the repayment of the actual amount drawn. The amended loan amortization schedule calls for Caldera to make one

hundred twenty monthly payments of \$3,547 beginning September 21, 2009 through August 21, 2019. As of June 30, 2015 the loan was current and there was no delinquent balance.

Payments due are as follows on the Caldera loan:

<u>Total of monthly payments for fiscal year ending</u>	<u>Principal Installment</u>
June 30, 2016	\$ 35,376
June 30, 2017	37,186
June 30, 2018	39,089
June 30, 2019	41,089
June 30, 2020	7,050
Caldera Loan Receivable as of June 30, 2015	<u><u>\$ 159,790</u></u>

As of June 30, 2015 the total reserve for loan losses balance was \$290,000. The reserve was established since these loans are to start-up companies and may not prove to be fully collectible.

The detail of the loan receivable balances at June 30, 2015, is as follows:

Principal, economic development loans:	
Elemetric Instruments Inc (formerly Advanced Realtime Technologies, LLC)	\$ 51,170
Avanza Technologies, Inc.	227,944
Caldera Pharmaceuticals Inc.	159,790
Subtotal economic development loans	<u>438,904</u>
Less: Reserve for loan losses	<u>(290,000)</u>
Total loans receivable, net of reserve for loan losses (as reflected in Economic Development Fund)	<u><u>\$ 148,904</u></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, 2015 are presented below:

Transfers in (from other funds)	Transfers out (to other funds)									
	General	Economic Development	Capital Improvement Projects	Capital Projects Permanent	Joint Utility System	Environmental Services	Transit	Fire	Other Governmental	Total
General	\$ 0	0	238,000	0	781,875	0	0	1,352,717	0	2,372,592
Economic Development	0	0	450,815	0	0	0	0	0	0	450,815
Emergency Declarations	40,117	0	0	0	0	289,168	0	0	0	329,285
Capital Improvement Projects	4,055,095	2,000,000	0	1,198,437	0	0	0	0	802,433	8,055,965
Transit	1,200,000	0	0	0	0	0	0	0	0	1,200,000
Airport	286,203	359,000	0	0	0	0	0	0	0	645,203
Internal Service	0	0	0	0	208,627	136,358	950,963	0	0	1,295,948
Other Governmental	6,570,396	0	0	0	0	0	0	0	0	6,570,396
	<u>\$ 12,151,811</u>	<u>2,359,000</u>	<u>688,815</u>	<u>1,198,437</u>	<u>990,502</u>	<u>425,526</u>	<u>950,963</u>	<u>1,352,717</u>	<u>802,433</u>	<u>20,920,204</u>
Capital assets were transferred into (out of) the following funds from (to) governmental activities:										
Joint Utility System	\$ 284,800									
Fire	(84,687)									
Internal Service	30,557									
Total	<u>\$ 230,670</u>									

Interfund assets and liabilities:

An advance from the General Fund to the Airport Fund for construction projects was recorded in FY 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. An advance of \$500,000 was made from the General Fund to the Joint Utility in FY 2013, upon completion of the Smart House Project. Interest in the amount of \$15,000 per year is due on this advance. The advance will be repaid when the Smart House is sold.

Advance From/to balances at June 30, 2015 are presented below:

<u>Advances from other funds</u>	<u>Advances to other funds</u>
	<u>General</u>
Airport	\$ 146,799
Joint Utility System	500,000
	<u>\$ 646,799</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 Fire Fund.

Due to/due from balances at June 30, 2015 are presented below:

<u>Due to other funds</u>	<u>Due from other funds</u>		
	<u>General</u>	<u>Pension Trust</u>	<u>Total</u>
General	\$ 0	87,689	87,689
Fire	267,380	0	267,380
Pension Trust	9,600	0	9,600
	<u>\$ 276,980</u>	<u>87,689</u>	<u>364,669</u>

(7) CAPITAL ASSETS

The County capitalized approximately \$26.5 million capital assets including amounts capitalized from construction work in progress (CWIP). Of those capital assets, \$16.2 were additions to governmental activities and \$10.3 million were additions to business-typed activities. In addition, during FY 2015, the County added approximately \$26.2 million in new construction in progress, \$18.4 in governmental activities and \$7.8 million in business-type activities.

Machinery and equipment in the amount of \$30,557 was transferred from governmental activities to business-type activities. This represents vehicles purchased by the General Fund and transferred to the Equipment internal service fund. Construction work in progress of \$284,800 was transferred from governmental activities to the business-type activities (Joint Utility System Fund) for utility assets being constructed as part of the Nature Center and Golf Course Clubhouse projects. The parcel of land where the old Fire Station 3 in White Rock used to site was transferred from the Fire Fund to the general government assets, \$84,687 historical cost, and combined with another parcel for sale to Del Norte Credit Union.

Additionally, as part of the development of the new Smith's Marketplace, \$861,180 is infrastructure and utility operating assets with donated to the County. The developer of the property constructed and then donated to the County utility plant assets with an estimated value of \$861,180 and the new traffic signal at the entrance to the Smith's parking lot with an estimated value of \$330,000.

Capital asset activity for the year ended June 30, 2015 was as follows:

	June 30, 2014 Balance	Additions	Disposals	Donations, Transfers and Adjustments	June 30, 2015 Balance
Governmental activities capital assets:					
Capital assets, not being depreciated:					
Land	\$ 52,977,882	0	(113,682)	84,687	52,948,887
Right of way land	18,001,114	0	0	0	18,001,114
Art and historic treasures	967,802	126,275	0	0	1,094,077
Construction in progress	8,383,243	18,392,896	(16,152,946)	(284,800)	10,338,393
Total capital assets, not being depreciated	<u>80,330,041</u>	<u>18,519,171</u>	<u>(16,266,628)</u>	<u>(200,113)</u>	<u>82,382,471</u>
Capital assets, being depreciated					
Buildings	120,196,433	8,998,501	(14,879)	0	129,180,055
Improvements other than buildings	18,012,795	926,470	0	0	18,939,265
Machinery and equipment	16,525,897	929,471	(68,408)	(30,557)	17,356,403
Infrastructure	174,890,558	5,176,720	(1,203,409)	330,000	179,193,869
Capital assets, being depreciated	<u>329,625,683</u>	<u>16,031,162</u>	<u>(1,286,696)</u>	<u>299,443</u>	<u>344,669,592</u>
Less accumulated depreciation for:					
Buildings	(18,277,334)	(2,421,081)	12,169	0	(20,686,246)
Improvements other than buildings	(6,658,504)	(537,657)	0	0	(7,196,161)
Machinery and equipment	(9,614,038)	(823,823)	64,889	0	(10,372,972)
Infrastructure	(85,203,596)	(6,454,355)	751,505	0	(90,906,446)
Total accumulated depreciation	<u>(119,753,472)</u>	<u>(10,236,916)</u>	<u>828,563</u>	<u>0</u>	<u>(129,161,825)</u>
Total capital assets, being depreciated, net	<u>209,872,211</u>	<u>5,794,246</u>	<u>(458,133)</u>	<u>299,443</u>	<u>215,507,767</u>
Total governmental activities capital assets	\$ <u>290,202,252</u>	<u>24,313,417</u>	<u>(16,724,761)</u>	<u>99,330</u>	<u>297,890,238</u>

Business-type activities capital assets:

Capital assets, not being depreciated:

Land	\$ 8,609,657	0	0	(84,687)	8,524,970
Construction in progress	6,576,410	7,757,415	(7,778,520)	0	6,555,305
Total capital assets, not being depreciated	<u>15,186,067</u>	<u>7,757,415</u>	<u>(7,778,520)</u>	<u>(84,687)</u>	<u>15,080,275</u>

Capital assets, being depreciated

Buildings	23,936,475	0	0	0	23,936,475
Improvements other than buildings	17,381,450	719,719	0	0	18,101,169
Utility plant in service	296,494,534	6,140,278	(933,335)	1,145,980	302,847,457
Machinery and equipment	26,622,155	3,459,487	(469,118)	30,557	29,643,081
Capital assets, being depreciated	<u>364,434,614</u>	<u>10,319,484</u>	<u>(1,402,453)</u>	<u>1,176,537</u>	<u>374,528,182</u>

Less accumulated depreciation for:

Buildings	(4,300,172)	(583,094)	0	0	(4,883,266)
Improvements other than buildings	(4,956,874)	(831,554)	0	0	(5,788,428)
Utility plant in service	(126,206,602)	(10,568,317)	805,890	0	(135,969,029)
Machinery and equipment	(12,194,502)	(2,050,680)	391,221	0	(13,853,961)
Total accumulated depreciation	<u>(147,658,150)</u>	<u>(14,033,645)</u>	<u>1,197,111</u>	<u>0</u>	<u>(160,494,684)</u>

Total capital assets, being depreciated, net

	<u>216,776,464</u>	<u>(3,714,161)</u>	<u>(205,342)</u>	<u>1,176,537</u>	<u>214,033,498</u>
--	--------------------	--------------------	------------------	------------------	--------------------

Total business-type activities capital assets \$ 231,962,531 4,043,254 (7,983,862) 1,091,850 229,113,773

Depreciation expense for the year ended June 30, 2015 was as follows:

Depreciation expense was charged to governmental activities as follows:	
General government	\$ 2,265,802
Public safety	591,091
Physical and economic environment	1,305
Transportation	6,492,603
Culture and recreation	886,115
Total depreciation expense - governmental activities	<u>\$ 10,236,916</u>
Depreciation expense was charged to business-type activities as follows:	
Joint Utility Fund	
Electric	\$ 7,353,284
Gas	381,968
Water	2,024,249
Wastewater	808,816
Environmental Services	199,323
Transit	92,298
Fire	498,377
Airport	761,532
Equipment - Internal Service	1,913,798
Total depreciation expense - business-type activities	<u>\$ 14,033,645</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 a comprehensive annual financial report that can be obtained at <http://saonm.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, 2014 available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366 Public Employees Retirement Association 2014.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf).

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 FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit report at [http://saonm.org/media/audits/366 Public Employees Retirement Association 2014.pdf](http://saonm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf). The PERA coverage options that apply to the County are: the Municipal Plan 3, Municipal Police Plan 5, Municipal Detention Officer Plan 1, and the Municipal Fire Plan 5. The active plan rates for plans the County participates in are summarized below:

Coverage Plan	Employee Contribution Percentage		Employer Contribution Percentage
	Annual salary \$20,000 or less	Annual salary greater than \$20,000	
Municipal Plan 3	13.15%	14.65%	9.55%
Municipal Police Plan 5	16.30%	17.80%	18.90%
Municipal Detention Officer Plan 1	16.65%	18.15%	17.05%
Municipal Fire Plan 5	16.20%	17.70%	21.65%

Statutorily required contributions to the pension plan from the County were \$4,795,385 and employer paid member benefits that were “picked up” by the County were \$35,321 for the year ended June 30, 2015. The County’s total contributions to PERA for the years ended June 30, 2015, 2014, and 2013 were \$4,830,706, \$4,612,333, and \$4,587,284, 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, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014.

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, 2014. Only employer contributions for the pay period end dates that fell within the period of July 1, 2013 to June 30, 2014

were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2014 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 PERA Municipal General Division, at June 30, 2015, the County reported a liability of \$24,378,354 for its proportionate share of the net pension liability. At June 30, 2014, the County's proportion was 3.1250 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the County recognized PERA Municipal General Division net pension expense of (\$1,320,732). At June 30, 2015, the County reported PERA Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

PERA Municipal General Plan	Deferred Outflow s of Resources	Deferred Inflow s of Resources
Differences between expected and actual experience	\$ 0	\$ 0
Changes of assumptions	0	(16,522)
Net difference between projected and actual earnings on pension plan investments	0	(9,537,455)
Changes in proportion and differences between County contributions and proportionate share of contributions	0	0
County contributions subsequent to measurement date	2,337,795	0
Totals	<u>\$ 2,337,795</u>	<u>\$ (9,553,977)</u>

\$2,337,795 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2016	\$ (2,388,474)
2017	(2,388,474)
2018	(2,388,474)
2019	(2,388,474)
2020	(81)
Thereafter	\$ 0

For PERA Municipal Police Division, at June 30, 2015, the County reported a liability of \$3,433,643 for its proportionate share of the net pension liability. At June 30, 2014, the County's proportion was 1.0533 percent, which was an increase of zero from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the County recognized PERA Municipal Police Division net pension expense of (\$259,966). At June 30, 2015, the County reported PERA Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

PERA Municipal Police Plan	Deferred Outflow s of Resources	Deferred Inflow s of Resources
Differences between expected and actual experience	\$ 0	\$ 0
Changes of assumptions	0	(278,929)
Net difference between projected and actual earnings on pension plan investments	0	(1,276,780)
Changes in proportion and differences between County contributions and proportionate share of contributions	0	0
County contributions subsequent to measurement date	490,553	0
Totals	\$ 490,553	\$ (1,555,709)

\$490,553 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30		
2016	\$	(388,580)
2017		(388,580)
2018		(388,580)
2019		(388,580)
2020		(1,389)
Thereafter	\$	0

For PERA Municipal Fire Division, at June 30, 2015, the County reported a liability of \$32,506,228 for its proportionate share of the net pension liability. At June 30, 2014, the County's proportion was 7.7878 percent, which was an increase of zero from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the County recognized PERA Municipal Fire Division net pension expense of \$868,952. At June 30, 2015, 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 Outflow s of Resources</u>	<u>Deferred Inflow s of Resources</u>
Differences between expected and actual experience	\$ 0	\$ 0
Changes of assumptions	1,128,443	0
Net difference between projected and actual earnings on pension plan investments	0	(4,502,319)
Changes in proportion and differences between County contributions and proportionate share of contributions	0	0
County contributions subsequent to measurement date	2,002,358	0
Totals	<u>\$ 3,130,801</u>	<u>\$ (4,502,319)</u>

\$2,002,358 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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>		
2016	\$	(844,873)
2017		(844,873)
2018		(844,873)
2019		(844,873)
2020		5,616
Thereafter	\$	0

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, 2013 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, 2014 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, 2014. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2014 actuarial valuation.

Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return	7.75% annual rate, net of investment expense
Payroll growth	3.5% annual rate
Projected salary increases	3.5% to 14.25% annual rate
Includes inflation at	3.0% annual rate

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>
U.S. equity	21.1%	5.00%
International equity	24.8%	5.20%
Private equity	7.0%	8.20%
Core and global fixed income	26.1%	1.85%
Fixed income plus sectors	5.0%	4.80%
Real estate	5.0%	5.30%
Real assets	7.0%	5.70%
Absolute return	4.0%	4.15%
Total	<u>100.0%</u>	

Discount rate: The discount rate used to measure the total pension liability was 7.75 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

GASBS 67. Therefore, the 7.75% 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 (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
PERA Municipal General Division:			
County's proportionate share of the net pension liability	\$ 45,958,679	\$ 24,378,354	\$ 7,706,520
PERA Municipal Police Division:			
County's proportionate share of the net pension liability	6,547,963	3,433,643	1,108,223
PERA Municipal Fire Division:			
County's proportionate share of the net pension liability	45,928,863	32,506,228	22,606,515

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued FY14 Restated PERA financial report. The report is available at <http://www.pera.state.nm.us/publications.html>.

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, 2015 were \$3,442,223 (\$360,007 participant; and \$3,082,216 County, net of forfeitures of \$157,846). 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.

Beginning in July 1998, the Plan authorized participants to borrow from the Plan. These loans are secured with participant balances. Participants are allowed to have one outstanding loan at any given time. Loans cannot exceed \$50,000 or 50% of the borrower's vested benefit. Interest is fixed to one percent plus the prime rate listed in the Wall Street Journal at loan origination. Loans used to acquire a home are limited to a term of up to fifteen years. Other loans are limited to a term of up to five years. A one-time \$125 loan origination fee is charged to the participant at the inception of the loan.

Financial statements for the Plan are prepared using the accrual basis of accounting. Employer and participant contributions are recognized in the period that the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the Plan. Administrative expenses of the plan for the year ended June 30, 2015 were \$70,395, which included allocated audit fees of \$5,857, trustee fees of \$56,028, and legal fees of \$8,510.

The following are the plan investments at June 30, 2015, stated at fair value, based on the funds' share price:

Mutual funds at fair value:	
Alliance Bernstein Growth and Income Fund	\$ 7,474,049
American Balanced Fund	2,793,493
Gabelli Small Cap Growth Fund	4,698,640
Invesco International Growth Fund	2,396,224
Loomis Sayles Strategic Income Fund	1,734,321
Mutual Global Discovery Fund	4,733,141
Putnam Equity Spectrum Fund	3,946,425
T. Rowe Price Blue Chip Growth Fund	8,820,940
Templeton Global Bond Fund	1,405,775
Pimco Stable Income Fund	2,595,776
	<hr/>
Total investments	<u><u>\$ 40,598,784</u></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 \$31,417 for the fiscal year ended June 30, 2015.

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

Plan Description: The County contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The County began participation in the RHCA plan in January, 2006. The County's contributions to the RHCA for the fiscal years ended June 30, 2015, 2014, and 2013 were \$781,031, \$769,204, and \$775,021, respectively, which equal the required contributions for each year.

(9) LONG-TERM OBLIGATIONS

A. Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2015, was as follows:

	<u>Beginning Balance</u>	<u>Reclassification GASB 68</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:						
Accrued compensated absences	\$ 2,871,326	0	1,681,225	1,710,334	2,842,217	1,819,778
Revenue bonds payable	59,912,216	0	0	3,855,533	56,056,683	3,970,000
Net pension liability	0	26,172,601	11,176,344	18,055,365	19,293,580	0
Total governmental activities	<u>\$ 62,783,542</u>	<u>26,172,601</u>	<u>12,857,569</u>	<u>23,621,232</u>	<u>78,192,480</u>	<u>5,789,778</u>
Business-type activities:						
Accrued compensated absences	\$ 3,143,320	0	1,942,858	2,075,475	3,010,703	2,187,790
Claims and judgments	3,613,253	0	3,974,326	3,613,253	3,974,326	2,197,485
Revenue bonds payable	32,822,680	0	22,757,958	22,443,265	33,137,373	2,680,000
Contracts and intergovernmental debt	18,113,022	0	0	828,954	17,284,068	853,603
Special closure costs	4,824,341	0	3,754,753	30,757	8,548,337	330,000
Net pension liability	0	(23,051,767)	23,764,668	(40,311,744)	41,024,645	0
	<u>\$ 62,516,616</u>	<u>(23,051,767)</u>	<u>32,429,895</u>	<u>28,991,704</u>	<u>65,954,807</u>	<u>8,248,878</u>

In prior years, resources of 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 \$135,776 and claims and judgments in the amount of \$3,974,326 from internal service funds are included as part of the business-type activities. The County implemented GASB Statement No. 68 which resulted in the restatement of beginning balances of Net Position for the net pension liability for both governmental and business-type activities.

B. Gross Receipts Tax Improvement Revenue Bonds

GRT Revenue Bonds – 2008/2013 Series

On October 21, 2008, the County closed on the sale of The Incorporated County of Los Alamos, New Mexico Gross Receipts Tax (GRT) Improvement Revenue Bonds, Series 2008. The original bonds were issued in the amount of \$75,000,000 with a final maturity date of June 1, 2028. On June 26, 2013, the County issued \$38,235,000 Gross Receipts Tax Refunding Revenue Bonds, Series 2013 which advance refunded a portion of the 2008 Series. The net proceeds of \$49,926,817 (including \$5,178,930 in premiums net of discount [\$115,496], \$6,700,000 additional funding from the County less \$187,113 in underwriting, insurance and issuance costs) were deposited into escrow and used to pay a portion of the interest on the 2008 Series when due beginning December 1, 2013 through June 1, 2028 and redeem the outstanding 2008 Series maturing on June 1, 2029 and after, when callable on June 1, 2018. The un-refunded Series 2008 Revenue Bonds have principal outstanding of \$12,540,000 at June 30, 2015, with a final maturity date of June 1, 2018. Interest on the bonds is payable semi-annually at rates ranging from 3.45% to 5.00%, with an average coupon rate of 4.22%.

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

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

Revenues pledged to cover debt service include (1) the County's State-Shared Gross Receipts Tax Revenues, at the rate authorized (currently 1.225%), (2) the Municipal Gross Receipts Tax Revenues, which equal one and one quarter percent (1.25%), (3) the Municipal Infrastructure Gross Receipts Tax Revenues, in an amount of one-eighth of one percent (0.125%), and (4) the third one-eighth of one percent (0.125%) increment of County Gross Receipts Tax Revenues. The schedules of current year activity and annual maturity requirements of the 2008 GRT Bonds and 2013 GRT Advance Refunding Bonds are as follows:

Year ending June 30	2008 Series		2013 Series	
	Principal	Interest	Principal	Interest
2016	\$ 3,970,000	653,550	0	1,645,559
2017	4,175,000	444,088	0	1,645,559
2018	4,395,000	228,038	0	1,645,559
2019	0	0	4,620,000	1,645,559
2020	0	0	3,090,000	1,460,759
2021-2025	0	0	17,765,000	4,995,294
2026-2028	0	0	12,760,000	885,445
	<u>\$ 12,540,000</u>	<u>1,325,675</u>	<u>38,235,000</u>	<u>13,923,733</u>
2008 Series Principal	\$ 12,540,000			
2013 Series Principal	38,235,000			
Unamortized balances:				
Discounts and premiums	<u>5,281,683</u>			
	<u>\$ 56,056,683</u>			

C. Utility System Revenue Bonds

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

Utility Revenue Bonds – 2014 A and B Series

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

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

were also used to advance refund remaining portions of the 2006A/B series bonds payable. As a result, the 2004 A and B and 2006 A and B Series Utility Revenue Bonds have been removed from the government wide statement of net position.

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

The scheduled annual maturity requirements of the 2014 Series A and B Utility Revenue Bonds as of June 30, 2015 are as presented below.

Year ending June 30	2014A Series		2014B Series	
	Principal	Interest	Principal	Interest
2016	\$ 540,000	430,140	1,515,000	193,268
2017	565,000	402,600	1,530,000	180,587
2018	585,000	373,785	1,550,000	159,091
2019	620,000	343,950	1,575,000	128,540
2020	635,000	330,930	1,615,000	91,669
2021-2025	2,585,000	1,209,165	1,655,000	48,194
2026-2030	2,475,000	715,590	0	0
2031-2034	2,310,000	226,573	0	0
	<u>\$ 10,315,000</u>	<u>4,032,733</u>	<u>9,440,000</u>	<u>801,349</u>
2014A Series Principal	\$ 10,315,000			
2014B Series Principal	9,440,000			
Unamortized balances:				
Discounts and premiums	972,685			
Total payable	<u>\$ 20,727,685</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, 2015 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	
2016	\$ 455,000	125,000	0	84,364	0	222,167	170,000	194,210	1,250,741
2017	460,000	113,625	0	84,363	0	222,167	175,000	187,894	1,243,049
2018	480,000	98,950	0	84,364	0	222,167	185,000	180,868	1,251,349
2019	495,000	83,250	0	84,363	0	222,168	190,000	172,828	1,247,609
2020	510,000	63,900	0	84,364	0	222,167	200,000	164,191	1,244,622
2021-2025	1,095,000	66,200	1,535,000	324,539	270,000	1,110,836	1,160,000	659,607	6,221,182
2026-2030	0	0	0	0	3,410,000	634,752	1,525,000	289,104	5,858,856
	<u>\$ 3,495,000</u>	<u>550,925</u>	<u>1,535,000</u>	<u>746,357</u>	<u>3,680,000</u>	<u>2,856,424</u>	<u>3,605,000</u>	<u>1,848,702</u>	<u>18,317,408</u>
2010A Series Principal	\$ 3,495,000								
2010B Series Principal	1,535,000								
2010C Series Principal	3,680,000								
2010D Series Principal	3,605,000								
Unamortized balances:									
Discounts and premiums	94,688								
Total payable	<u>\$ 12,409,688</u>								

D. Intergovernmental Notes Payable**Business-type Activities**

Beginning in December 2005 through January 2013, the County entered into various agreements to borrow \$21,533,598 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.

WTB 63: To construct a water line to transfer treated effluent water to County parks and ball fields. The loan is to be repaid from existing Utility system revenues. The agreement included a grant in the amount of \$585,720.

PP 1898: To construct a solid waste transfer station. The loan is to be repaid from Municipal Environmental Services Gross Receipts Tax revenues.

WTB 89: To finance the costs of Phase II of the water conservation, treatment and reuse infrastructure project. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$319,648.

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

WTB 156: To finance the costs of Phase II of the water conservation, treatment, and reuse infrastructure project. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$590,000.

WTB 157: To finance the costs of environmental studies for a proposed collector well for water from the San Juan/Chama Diversion Project. The loan is to be repaid from existing Utility water system revenues. The agreement included a grant in the amount of \$200,000.

WTB 220: 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.

WTB 221: 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.

Loan terms and repayment schedules are shown below:

	New Mexico Environment Department	New Mexico Water Trust Board and Finance Authority	New Mexico Finance Authority	New Mexico Water Trust Board and Finance Authority	New Mexico Environment Department Construction Programs Bureau	New Mexico Water Trust Board and Finance Authority	New Mexico Water Trust Board and Finance Authority	New Mexico Water Trust Board and Finance Authority	New Mexico Water Trust Board and Finance Authority	Totals
Loan Number	CWSRF 1438143	WTB 63	PP 1898	WTB 89	ARRA CWSRF 09	WTB 156	WTB 157	WTB 220	WTB 221	
Date of agreement	Dec 2005	Apr 2007	May 2007	Nov 2008	Dec 2009	Jul 2010 (a)	Jul 2010 (b)	Nov 2011	Jan 2013	
Beginning principal	14,355,105	65,080	5,861,189	79,912	234,812	147,500	50,000	600,000	140,000	
Term of agreement, in years	20	20	27	20	20	20	20	20	20	
Interest rate	3%	-	4.06%	-	2.56%	-	-	-	-	
Administrative fee	-	0.25%	-	0.25%	0.44%	0.25%	0.25%	0.25%	0.25%	
Payable in year ending 6/30/2016:										
Principal	619,325	3,243	170,021	4,056	9,835	7,292	2,472	30,472	6,887	853,603
Interest and/or admin fee	345,563	99	191,592	134	5,948	278	94	1,241	299	545,248
Total	964,888	3,342	361,613	4,190	15,783	7,570	2,566	31,713	7,186	1,398,851
Payable in year ending 6/30/2017:										
Principal	637,905	3,251	176,515	4,066	10,131	7,310	2,478	30,546	6,904	879,106
Interest and/or admin fee	326,983	90	185,114	124	5,653	260	88	1,165	281	519,759
Total	964,888	3,341	361,629	4,190	15,784	7,570	2,566	31,711	7,185	1,398,865
Payable in year ending 6/30/2018:										
Principal	657,042	3,259	183,346	4,076	10,434	7,328	2,484	30,620	6,921	905,510
Interest and/or admin fee	307,846	82	178,300	113	5,349	241	82	1,089	264	493,366
Total	964,888	3,341	361,646	4,189	15,783	7,569	2,566	31,709	7,185	1,398,876
Payable in year ending 6/30/2019:										
Principal	676,753	3,267	190,533	4,087	10,747	7,347	2,490	30,694	6,938	932,856
Interest and/or admin fee	288,135	74	171,132	103	5,036	223	76	1,012	247	466,038
Total	964,888	3,341	361,665	4,190	15,783	7,570	2,566	31,706	7,185	1,398,894
Payable in year ending 6/30/2020:										
Principal	697,056	3,276	198,078	4,097	11,070	7,365	2,497	30,769	6,956	961,164
Interest and/or admin fee	267,832	66	163,606	93	4,713	205	70	936	230	437,750
Total	964,888	3,342	361,684	4,190	15,783	7,570	2,567	31,705	7,186	1,398,914
Payable in five years ending 6/30/2025:										
Principal	3,811,786	16,502	1,116,562	20,638	60,534	37,102	12,577	154,967	35,041	5,265,709
Interest and/or admin fee	1,012,656	207	692,168	313	18,381	749	253	3,520	886	1,729,133
Total	4,824,442	16,709	1,808,730	20,951	78,915	37,851	12,830	158,487	35,927	6,994,842
Payable in five years ending 6/30/2030:										
Principal	4,418,908	6,658	1,364,583	12,509	70,178	37,569	12,735	156,859	35,481	6,115,480
Interest and/or admin fee	405,537	25	444,771	62	8,738	283	96	1,573	446	861,531
Total	4,824,445	6,683	1,809,354	12,571	78,916	37,852	12,831	158,432	35,927	6,977,011
Payable in five years ending 6/30/2035:										
Principal	-	-	1,309,401	-	15,323	-	-	31,600	14,316	1,370,640
Interest and/or admin fee	-	-	138,624	-	460	-	-	79	54	139,217
Total	-	-	1,448,025	-	15,783	-	-	31,679	14,370	1,509,857
Total payable										
Principal	11,518,775	39,456	4,709,039	53,529	198,252	111,313	37,733	496,527	119,444	17,284,068
Interest and/or admin fee	2,954,552	643	2,165,307	942	54,278	2,239	759	10,615	2,706	5,192,041
Total	14,473,327	40,099	6,874,346	54,471	252,530	113,552	38,492	507,142	122,150	22,476,109

Notes to Financial Statements

(10) POWER SUPPLY

On March 1, 2012, the Public Service Company of New Mexico (PNM) and active interveners reached agreement on a Transmission Rate Case before the Federal Energy Regulatory Commission (FERC) adjusting the annual transmission revenue requirements to \$79.6 million and the loss factor to 3.47%. Although PNM's transmission rate increase was lower than they requested, their actions resulted in an estimated total of \$56,000 additional cost to Los Alamos County retail customers. PNM filed a Formula Rate Case immediately following conclusion of that Transmission Rate Case. Under this methodology, the rate is adjusted each year using the FERC Form 1 worksheet which reflects PNM's actual financials for the previous year. Since this Formula Rate was filed immediately following approval of the previous rate case, it is not anticipated that the Formula Rate will have a significant impact on Los Alamos County in the immediate future.

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 \$1,322,000, adjusted for certain items in accordance with the contract through August 2016. 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, 2015, the County paid \$3,810,235 under this agreement, which is included in purchased power expense. The energy from LRS is delivered to New Mexico over the WAPA transmission path described below.

The County also has a firm transmission services agreement with the Western Area Power Administration (WAPA) that requires monthly payments at a rate of approximately \$12,000 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 County's contract with NORA has an annual minimum payment of \$32,700 plus gross receipts taxes. The County and Jemez are currently operating under a rate schedule which expired June 30, 2006. The payment to Jemez for FY 2015 was \$65,335.

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 \$150,000 to pay to FERC for headwater benefits associated with the San Juan-Chama Diversion Project. FERC also collects approximately \$94,000 annually in administrative and falling water fees.

The New Mexico State Environmental Improvement Board (EIB) unanimously approved a State Implementation Plan (SIP) for Best Available Retrofit Technology (BART) at San Juan Generating Station (SJGS) and forwarded to the EPA for their approval. Under the agreement, units 2 and 3 of SJGS would be retired by 12/31/17 and Selective Non Catalytic Reduction (SNCR) technology would be installed on the remaining units 1 and 4. Final EPA approval of the SIP was granted in October 2014 (subsequent to fiscal year end). The County's share of the capital cost for this upgrade is estimated to be \$6.2 million, including costs associated with converting the plant to a Balanced Draft Configuration.

(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 NITSA, and various transmission service agreements. The County received \$22,654,898 for fiscal year 2015 from DOE, which is included in utility sales and services, as a result of this contract.

The ECA was renewed in FY 2014 with a five year base term and five one year options. If all options are exercised the agreement would run through the end of the County's FY 2024.

(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 year 2015, the liability was increased to take care of drainage and methane accumulation issues. The new total cost estimate is \$4,637,168, and expenditures to date are \$3,980,521.

As of June 30, 2015, the landfill closure liability is estimated to be \$656,647 (\$330,000 to complete the landfill closure, \$276,269 for 30-year post-closure costs, and \$50,378 for transfer station decommissioning). The liability is funded at 100% and there are restricted assets in the Environmental Services Fund equal to the closure liability amount.

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. Generating Station (Electric Utility Fund)

The County owns a 7.2% 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. Unit 4, built in 1982, will exceed its planned useful life by the year 2022, however PNM has engaged a consultant to evaluate extension of the life of Unit 4 until the year 2052. Unit 2 and 3 are scheduled for closure by December 31, 2017 under the SIP (discussed in Note 10), but Unit 4 remains operational.

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 1992 dollars. 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 in 2011 dollars, with deductions for potential sales of scrap materials, or \$5,478,503 without. 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% inflation factor. During fiscal year 2005, in conjunction with the refinancing of the 1994 bond issue, \$403,507 of the decommissioning reserves was applied to reduce the face amount of the 2004A refunding bonds. In fiscal year 2015, \$177,600 was set aside for this purpose. As of June 30, 2015 \$4,282,448 was invested for this purpose.

Using the 2012 updated study and the inflation factor of 4%, the County would incur an actual decommissioning cost of \$5.2 million in 2022 or \$7.1 million in 2030 (with scrap deductions), and should have accumulated \$4 million as of June 30, 2015. Actual inflation has not been over 4% since 1991, and has averaged approximately 2.5% in that time, so the County believes the accumulated reserve is adequate as of June 30, 2015, but will periodically review the assumptions to determine whether more or less should be set aside each year.

C. Coalmine Reclamation (Electric Utility Fund)

The County is required under the San Juan Generation Project Participation Agreement (PPA) to fund its share or reclamation costs for the San Juan surface coalmine. 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 is assumed. Under the terms of the mine reclamation agreement, the current estimate of costs is \$133.1 million, of which \$2,928,200 is Los Alamos County's share. In FY 2013, the County began funding a trust account as required for its share of the cost. As of June 30, 2015 the balance in this trust is \$2,984,762. The trust is funded based on the original cost estimate, but future contributions will be adjusted as cost estimates are updated. Plant restructuring is anticipated and has the potential to significantly change the funding requirement and timing of mine reclamation. The owners are currently evaluating projected closure dates and funding requirements. The County will adjust funding to the trust as estimates are updated.

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 trust account as required for its share of the cost. As of June 30, 2015 the balance in this trust is \$624,480. 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 \$3,974,326 reported in the Risk Management Fund at June 30, 2015 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.

FY 2015 Insurance coverage summary:

<u>Insurance Coverage</u>	<u>Deductible</u>	<u>Insurance Liability Limits</u>
General and Automotive Liability, and Medical Malpractice	\$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 \$200,000 per Kegakky Described Real Property for Physical Damage or Distruction (PD) \$750,000 per occurrence for physical property damage or destruction to multiple real properties and related bodily injury to multiple individuals arising out of a single occurrence \$4,000,000 annual aggregate per policy
Law Enforcement Liability	\$25,000	\$1,000,000 per occurrence, \$2,000,000 per year in aggregate
Emergency Medical Malpractice	\$25,000	Subject to tort claims limits
Public Officials Errors and Omissions	\$25,000	\$1,000,000 per occurrence, \$2,000,000 per year in aggregate
Buildings and Property	\$25,000	Limited by individual property's insured value
Earthquake and Flood	\$100,000	Limited by individual property's insured value
Inland Marine (Large Equipment)	\$5,000	Limited by individual property's insured value
Boiler Machinery	\$2,500	Limited by individual property's insured value
Crime and Fraud	\$10,000	\$500,000 Employee dishonesty blanket coverage \$50,000 Depositors' forgery \$50,000 Theft of money/securities

Changes in the Risk Management Fund's claims liability amount in fiscal year 2014 and 2015 are summarized below.

	Group Insurance (Dental)	Medical Insurance	Unemployment Compensation	Workers Compensation	General Liability	Total
Claims liability, June 30, 2013	\$ 0	694,797	0	1,892,911	81,878	2,669,586
Current year claims, insurance, and changes in estimates	439,527	5,450,145	48,138	950,581	1,956,336	8,844,727
Claims and insurance payments	(425,258)	(5,456,969)	(48,138)	(704,252)	(1,266,443)	(7,901,060)
Claims liability, June 30, 2014	\$ 14,269	687,973	0	2,139,240	771,771	3,613,253
Current year claims, insurance, and changes in estimates	583,411	5,735,378	8,104	1,829,058	785,525	8,941,476
Claims and insurance payments	(583,690)	(5,820,577)	(8,104)	(714,618)	(1,453,414)	(8,580,403)
Claims liability, June 30, 2015	\$ 13,990	602,774	0	3,253,680	103,882	3,974,326

Employee Group Insurance

The County offers all regular and limited-term employees, the choice of two medical insurance options, which are HMO and Preferred Provider, both 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 contribution percentages 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 reinsurance should claims for an individual participant exceed \$100,000 in a claim year. As of June 30, 2015 the estimated claims liability was \$602,774. 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.

Retiree Health Care (Post-employment benefit)

The County retains no self-insurance, nor any risk in connection with its participation in the New Mexico Retiree Health Care plan. Therefore, the County has no claims liability for post-employment benefits as of June 30, 2015. Please see Note (8) for a discussion of the New Mexico Retiree Health Care plan.

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/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 and worker's compensation 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 FY 2015, the County recognized intergovernmental revenue of approximately \$17.3 million under the terms of this cooperative agreement.

Intergovernmental revenues of approximately \$2.4 million were recorded in the Transit Fund for Federal Transit Administration grant funds and \$0.6 million in the Airport Fund for Federal Aviation Administration grant funds. 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 7 and 8 in the Other Information section of this report.

(15) CONDUIT DEBT OBLIGATIONS

From time to time, the County has issued Health Facility Revenue Bonds and Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of health and industrial facilities deemed to be in the public interest. These bonds are secured by resources provided by leases or loans with third parties, on whose behalf the revenue bonds were issued. The bonds do not constitute a debt or pledge of the faith and credit of the County, and accordingly have not been reported in the accompanying financial statements. During the fiscal year, the outstanding balance (approximately \$7.3 million) of Health Facility Revenue Bonds previously disclosed as conduit debt were refinanced by the facility owner with no involvement from the County. Therefore, conduit debt outstanding at June 30, 2015 is \$0.

(16) 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% of its historical requirements. Under this arrangement the County will purchase gas at the index price less a discount. The discount is derived from a prepaid gas arrangement between NMMEAA and the Royal Bank of Canada (RBC). The County's only obligation is to purchase gas from NMMEAA. The County has no obligation to purchase gas that is not needed, no exposure to any bond risk associated with the transaction between NMMEAA and RBC, and no exposure to paying greater than index price for gas.

Under the agreement with RBC, changes in bank regulatory requirements can result in restructuring of the agreement. In October 2013 RBC notified NMMEA 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, with an option to continue, renegotiate, or terminate at the end of the initial five year period. The discount for the initial term is fixed at \$0.2894 per MCF (thousand cubic feet) of gas purchased.

B. Fire Cooperative Agreement with NNSA

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

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

C. Encumbrances

The County uses an encumbrance system as an extension of normal budgetary accounting for all funds as the County's budgetary basis includes encumbrances. Under this system, purchase orders, contracts and commitments for expenditures are recorded to reserve that portion of applicable appropriations. In governmental funds, encumbrances outstanding at fiscal year-end are recorded as restricted, committed, or assigned fund balance depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at fiscal year-end are re-appropriated for the following year. Encumbrances outstanding by fund at June 30, 2015 are as follows:

Major Governmental Funds:	
General Fund	\$ 2,051,404
Economic Development	486,545
Capital Improvement Projects	3,551,369
Other Governmental	37,490
Total Governmental Funds	<u>6,126,808</u>
Major Proprietary Funds:	
Joint Utility System	8,585,451
Environmental Services	11,966
Transit	681,884
Fire	346,431
Airport	89,199
Total Proprietary Funds	<u>9,714,931</u>
Internal Service Funds:	
Equipment	<u>506,157</u>
Outstanding Encumbrances at June 30, 2015	<u>\$ 16,347,896</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. Operating Leases

The County leases certain equipment and premises under numerous operating 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, 2015 was \$761,466.

The future minimum lease payments under operating leases as of June 30, 2015, are approximately as follows:

<u>Year ending June 30*</u>	<u>Amount</u>
2016	\$ 398,662
2017	360,137
2018	343,681
2019	102,152
2020	92,702
2021-2023	123,603
	<u>\$ 1,420,937</u>

(17) ECONOMIC DEPENDENCY

The County has significant economic dependence upon LANL. It is the County's largest employer, and it is estimated that LANL's expenditures provide, either directly or indirectly, over 90% of the County's economy. For the year ended June 30, 2015, an estimated 75-80% of GRT revenues relate directly to LANL operations.

(18) SUBSEQUENT EVENT

Subsequent to the fiscal year end, the County entered into an equipment lease and managed print services agreement for a period of seven (7) years in the approximate amount of \$2.5 million. In parallel, the County terminated the existing lease agreement with the previous vendor, which had future minimum lease payments of approximately \$0.1 million at June 30, 2015. Thus, future minimum lease payments under operating leases as disclosed in Note 16e, increased by approximately \$2.4 million in September 2015.



Required Supplementary Information



**INCORPORATED COUNTY OF LOS ALAMOS
NEW MEXICO PERA MUNICIPAL GENERAL DIVISION**

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS [a]**

	<u>FY2015</u>
County proportion of the net pension liability	3.125%
County proportionate share of the net pension liability	\$ 24,378,354
County covered-employee payroll	25,367,639
County proportionate share of the net pension liability as a percentage of its covered-employee payroll	96.1%
Plan fiduciary net position as a percentage of the total pension liability	81.5%

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

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

**INCORPORATED COUNTY OF LOS ALAMOS
NEW MEXICO PERA MUNICIPAL GENERAL DIVISION**

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
LAST TEN FISCAL YEARS [a]**

	<u>FY2015</u>
Actuarial determined contribution	\$ 2,337,795
Contributions in relation to contractually required contributions	2,337,795
Contribution deficiency	<u>\$ 0</u>
County covered-employee payroll	\$ 24,479,529
Contributions as a percentage of covered-employee payroll	9.55%

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

**INCORPORATED COUNTY OF LOS ALAMOS
NEW MEXICO PERA MUNICIPAL POLICE DIVISION**

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS [a]**

	<u>FY2015</u>
County proportion of the net pension liability	1.0533%
County proportionate share of the net pension liability	\$ 3,433,643
County covered-employee payroll	2,028,503
County proportionate share of the net pension liability as a percentage of its covered-employee payroll	169.3%
Plan fiduciary net position as a percentage of the total pension liability	78.3%

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

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

**INCORPORATED COUNTY OF LOS ALAMOS
NEW MEXICO PERA MUNICIPAL POLICE DIVISION**

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
LAST TEN FISCAL YEARS [a]**

	<u>FY2015</u>
Actuarial determined contribution	\$ 490,553
Contributions in relation to contractually required contributions	490,553
Contribution deficiency	<u>\$ 0</u>
County covered-employee payroll	\$ 2,595,519
Contributions as a percentage of covered-employee payroll	18.9%

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

**INCORPORATED COUNTY OF LOS ALAMOS
NEW MEXICO PERA MUNICIPAL FIRE DIVISION**

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS [a]**

	<u>FY2015</u>
County proportion of the net pension liability	7.788%
County proportionate share of the net pension liability	\$ 32,506,228
County covered-employee payroll	8,674,292
County proportionate share of the net pension liability as a percentage of its covered-employee payroll	374.7%
Plan fiduciary net position as a percentage of the total pension liability	81.5%

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

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

**INCORPORATED COUNTY OF LOS ALAMOS
NEW MEXICO PERA MUNICIPAL FIRE DIVISION**

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
LAST TEN FISCAL YEARS [a]**

	<u>FY2015</u>
Actuarial determined contribution	\$ 2,002,358
Contributions in relation to contractually required contributions	2,002,358
Contribution deficiency	<u>\$ 0</u>
County covered-employee payroll	\$ 9,248,767
Contributions as a percentage of covered-employee payroll	21.65%

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

**INCORPORATED COUNTY OF LOS ALAMOS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES**Year ended June 30, 2015

Changes of benefit terms

The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY14 audit available at http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf.

Changes of assumptions

The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2014 report is available at http://www.pera.state.nm.us/pdf/Investments/RetirementFundValuationReports/6-30-2014%20PERA%20Valuation%20Report_FINAL.pdf. The summary of Key Findings for the PERA Fund (on page 2 of the report) states "based on a recent experience study for the five-year period ending June 30, 2013, the economic and demographic assumptions were updated for this valuation. The changes in assumptions resulted in a decrease of \$30.8 million to Fund liabilities and an increase of 0.13% to the funded ratio. For details about changes in the actuarial assumptions, see Appendix B on page 60 of the report.

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, and Drug Enforcement Agency asset forfeiture funds. (29-13-6 NMSA 1978, 59A-53-5 NMSA 978, Civil Asset Forfeiture Reform Act of 2000)

Indigent Health Care 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; Bench Warrant funds; Community Service funds; and Alternative Sentencing funds. This special revenue fund was established by County Council.

Gross Receipts Tax Revenue Bond Debt Service 231 - 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, 2015

	SPECIAL REVENUE FUNDS					DEBT SERVICE FUND	TOTAL
	STATE SHARED REVENUES	LODGERS' TAX	STATE GRANTS / OTHER	INDIGENT HEALTH CARE	OTHER SPECIAL REVENUES	GROSS RECEIPTS TAX REVENUE BOND	
ASSETS							
Equity in pooled cash and investments	\$ 0	143,484	260,480	247,226	629,393	244,706	1,525,289
Investments	0	0	0	0	12,300	0	12,300
Receivables, net of allowance for uncollectibles							
Accounts	0	24,113	0	0	0	0	24,113
Interest	0	0	0	0	9	0	9
Due from other governments	85,553	0	29,734	283,977	0	0	399,264
Prepayments	0	0	0	15,450	0	0	15,450
Restricted assets							
Cash and cash equivalents							
Debt reserves and debt service	0	0	0	0	0	30,385	30,385
TOTAL ASSETS	\$ 85,553	167,597	290,214	546,653	641,702	275,091	2,006,810
LIABILITIES							
Accounts payable	\$ 0	17,619	8,864	4,404	6,305	0	37,192
Accrued salaries and benefits payable	0	0	2,345	1,603	2,520	0	6,468
Due to other governments	0	0	21,355	0	0	0	21,355
TOTAL LIABILITIES	0	17,619	32,564	6,007	8,825	0	65,015
FUND BALANCE							
Restricted for							
Clerk records and files (State law)	0	0	0	0	49,258	0	49,258
Debt service (Bond and loan agreements)	0	0	0	0	0	30,385	30,385
Grants (Granting entities)	0	0	257,650	0	0	0	257,650
Library operations (contributors)	0	0	0	0	14,705	0	14,705
Lodgers' tax (State law)	0	149,978	0	0	0	0	149,978
Indigent health care claims (State law)	0	0	0	540,646	0	0	540,646
Municipal court (State law and County code)	0	0	0	0	1,916	0	1,916
Property tax valuation (State law)	0	0	0	0	527,567	0	527,567
Recreation (County code and contributors)	0	0	0	0	39,431	0	39,431
Major street maintenance (State law)	85,553	0	0	0	0	0	85,553
Assigned for							
Debt service	0	0	0	0	0	244,706	244,706
TOTAL FUND BALANCE	85,553	149,978	257,650	540,646	632,877	275,091	1,941,795
TOTAL LIABILITIES AND FUND BALANCE	\$ 85,553	167,597	290,214	546,653	641,702	275,091	2,006,810

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, 2015

	SPECIAL REVENUE FUNDS					DEBT SERVICE FUND	TOTAL
	STATE SHARED REVENUES	LODGERS' TAX	STATE GRANTS / OTHER	INDIGENT HEALTH CARE	OTHER SPECIAL REVENUES	GROSS RECEIPTS TAX REVENUE BOND	
REVENUES							
Taxes							
Gross receipts taxes	\$ 0	0	0	1,460,114	0	0	1,460,114
Lodgers' tax	0	251,872	0	0	0	0	251,872
	<u>0</u>	<u>251,872</u>	<u>0</u>	<u>1,460,114</u>	<u>0</u>	<u>0</u>	<u>1,711,986</u>
Intergovernmental							
State grants-fire	0	0	544,877	0	0	0	544,877
State grants-police	0	0	112,182	0	0	0	112,182
State shared revenues	579,371	0	0	0	0	0	579,371
	<u>579,371</u>	<u>0</u>	<u>657,059</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,236,430</u>
Fines and forfeits							
Court ordered reimbursements	0	0	0	0	2,549	0	2,549
Charges for services							
Clerk fee	0	0	0	0	19,173	0	19,173
Finance/treasurer fees	0	0	0	0	154,098	0	154,098
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>173,271</u>	<u>0</u>	<u>173,271</u>
Miscellaneous revenue							
Investment income	0	1,318	5,200	6,980	522	3,814	17,834
Interest charges-delinquent accounts	0	2,495	0	0	0	0	2,495
Buildings rental	0	0	0	6,917	0	0	6,917
Land rental	0	0	0	31,764	0	0	31,764
Donations	0	0	0	0	1,600	0	1,600
	<u>0</u>	<u>3,813</u>	<u>5,200</u>	<u>45,661</u>	<u>2,122</u>	<u>3,814</u>	<u>60,610</u>
TOTAL REVENUES	579,371	255,685	662,259	1,505,775	177,942	3,814	3,184,846
EXPENDITURES							
General government							
Municipal Court	0	0	0	0	8,984	0	8,984
County Assessor	0	0	0	0	120,847	0	120,847
County Clerk	0	0	0	0	21,003	0	21,003
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>150,834</u>	<u>0</u>	<u>150,834</u>
Public safety							
Fire marshal	0	0	401,277	0	0	0	401,277
Fire-E.M.S. grant	0	0	12,153	0	0	0	12,153
Police	0	0	78,254	0	0	0	78,254
	<u>0</u>	<u>0</u>	<u>491,684</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>491,684</u>
Physical and economic environment							
Community and Economic Development	0	194,008	0	0	0	0	194,008
Health and welfare							

Community Services-Social Services	0	0	0	1,945,223	0	0	1,945,223
Culture and recreation							
Community Services-Library	0	0	0	0	3,083	0	3,083
Community Services-Recreation	0	0	0	0	3,016	0	3,016
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,099</u>	<u>0</u>	<u>6,099</u>
Capital outlay:							
Public Safety							
Fire	0	0	185,092	0	0	0	185,092
Debt service:							
Principal	0	0	0	0	0	3,795,000	3,795,000
Interest	0	0	0	0	0	2,475,396	2,475,396
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,270,396</u>	<u>6,270,396</u>
TOTAL EXPENDITURES	<u>0</u>	<u>194,008</u>	<u>676,776</u>	<u>1,945,223</u>	<u>156,933</u>	<u>6,270,396</u>	<u>9,243,336</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	579,371	61,677	(14,517)	(439,448)	21,009	(6,266,582)	(6,058,490)
OTHER FINANCING SOURCES (USES)							
Transfers in	0	0	0	300,000	0	6,270,396	6,570,396
Transfers out	(802,433)	0	0	0	0	0	(802,433)
	<u>(802,433)</u>	<u>0</u>	<u>0</u>	<u>300,000</u>	<u>0</u>	<u>6,270,396</u>	<u>5,767,963</u>
NET CHANGE IN FUND BALANCE	(223,062)	61,677	(14,517)	(139,448)	21,009	3,814	(290,527)
FUND BALANCE							
Beginning of fiscal year	308,615	88,301	272,167	680,094	611,868	271,277	2,232,322
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 85,553</u>	<u>149,978</u>	<u>257,650</u>	<u>540,646</u>	<u>632,877</u>	<u>275,091</u>	<u>1,941,795</u>

See accompanying notes to financial statements

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

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

Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
State shared revenues	\$ 570,000	570,000	579,371	9,371
EXPENDITURES AND ENCUMBRANCES				
TOTAL EXPENDITURES AND ENCUMBRANCES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES</i>	570,000	570,000	579,371	9,371
OTHER FINANCING SOURCES (USES)				
Transfers out to:				
Capital Improvement Project Fund	<u>(850,000)</u>	<u>(850,000)</u>	<u>(802,433)</u>	<u>47,567</u>
NET CHANGE IN FUND BALANCE	\$ <u>(280,000)</u>	<u>(280,000)</u>	<u>(223,062)</u>	<u>56,938</u>
FUND BALANCE				
Beginning of fiscal year			<u>308,615</u>	
FUND BALANCE - END OF FISCAL YEAR			\$ <u>85,553</u>	

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

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

Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Selective gross receipt taxes	\$ 202,000	202,000	251,872	49,872
Miscellaneous revenues				
Investment income	2,000	2,000	1,318	(682)
Interest charges-delinquent account	0	0	2,495	2,495
TOTAL REVENUES	<u>204,000</u>	<u>204,000</u>	<u>255,685</u>	<u>51,685</u>
EXPENDITURES AND ENCUMBRANCES				
Community and Economic Development				
Outside services	190,000	190,000	188,972	1,028
Intrafund/interfund services	5,036	5,036	5,036	0
TOTAL EXPENDITURES AND ENCUMBRANCES	<u>195,036</u>	<u>195,036</u>	<u>194,008</u>	<u>1,028</u>
NET CHANGE IN FUND BALANCE	<u>\$ 8,964</u>	<u>8,964</u>	<u>61,677</u>	<u>52,713</u>
FUND BALANCE				
Beginning of fiscal year			88,301	
FUND BALANCE - END OF FISCAL YEAR			<u>\$ 149,978</u>	

**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, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
State grants-fire	\$ 412,472	544,877	544,877	0
State grants-police	104,000	132,935	112,182	(20,753)
Miscellaneous revenues				
Investment income	2,000	2,000	5,200	3,200
TOTAL REVENUES	518,472	679,812	662,259	(17,553)
EXPENDITURES AND ENCUMBRANCES				
Fire				
Grants and contracts				
Fire - Fire marshal grant	401,685	804,665	591,754	212,911
Fire - Emergency medical services grant	11,000	12,153	12,153	0
	412,685	816,818	603,907	212,911
Police				
Grants and contracts				
Police - Law enforcement protection grant	40,000	39,200	37,977	1,223
Police - DWI local grant	64,000	93,735	72,382	21,353
Police - Seizure/Forfeiture	0	225	0	225
	104,000	133,160	110,359	22,801
TOTAL EXPENDITURES AND ENCUMBRANCES	516,685	949,978	714,266	235,712
NET CHANGE IN FUND BALANCE	\$ 1,787	(270,166)	(52,007)	218,159
ADJUSTMENTS TO GAAP				
Encumbrances			37,490	
GAAP BASIS			(14,517)	
FUND BALANCE				
Beginning of fiscal year			272,167	
FUND BALANCE - END OF FISCAL YEAR			\$ 257,650	

See accompanying notes to financial statements

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

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

Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
General gross receipts taxes	\$ 1,646,000	1,646,000	1,460,114	(185,886)
Miscellaneous revenues				
Investment income	9,000	9,000	6,980	(2,020)
Buildings rental	45,000	45,000	6,917	(38,083)
Land renta	0	0	31,764	31,764
TOTAL REVENUES	1,700,000	1,700,000	1,505,775	(194,225)
EXPENDITURES AND ENCUMBRANCES				
Community Services-Social Services				
Employee salaries and benefits	56,810	56,810	52,878	3,932
Outside services	2,086,400	2,086,956	1,892,254	194,702
Materials and supplies	1,000	1,000	91	909
TOTAL EXPENDITURES AND ENCUMBRANCES	2,144,210	2,144,766	1,945,223	199,543
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	(444,210)	(444,766)	(439,448)	5,318
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
General Fund	300,000	300,000	300,000	0
NET CHANGE IN FUND BALANCE	\$ (144,210)	(144,766)	(139,448)	5,318
ADJUSTMENTS TO GAAP				
Encumbrances			0	
GAAP BASIS			(139,448)	
FUND BALANCE				
Beginning of fiscal year			680,094	
FUND BALANCE - END OF FISCAL YEAR			\$ 540,646	

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, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Fines and Forfeits				
Court ordered reimbursements	\$ 25,700	3,200	2,549	(651)
Charges for Services				
Clerk fee	20,000	20,000	19,173	(827)
Finance/treasurer fees	153,000	153,000	154,098	1,098
	<u>173,000</u>	<u>173,000</u>	<u>173,271</u>	<u>271</u>
Miscellaneous revenues				
Investment income	1,500	1,500	522	(978)
Donations	3,000	3,000	1,600	(1,400)
	<u>4,500</u>	<u>4,500</u>	<u>2,122</u>	<u>(2,378)</u>
TOTAL REVENUES	203,200	180,700	177,942	(2,758)
EXPENDITURES AND ENCUMBRANCES				
Municipal Court				
Bench warrant	8,984	8,984	8,984	0
Community service	25,000	0	0	0
Alternative sentencing	35,000	0	0	0
County Assessor				
Property tax valuation	127,038	136,239	120,847	15,392
County Clerk				
Recording and equipment	28,739	28,739	21,003	7,736
Community Services				
Aquatic center gift	3,000	3,000	3,016	(16)
Library gift	3,200	3,200	3,083	117
TOTAL EXPENDITURES AND ENCUMBRANCES	230,961	180,162	156,933	23,229
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	(27,761)	538	21,009	20,471

OTHER FINANCING SOURCES (USES)

Transfers in from:

General Fund

37,000

0

0

0

NET CHANGE IN FUND BALANCE

\$ 9,239

538

21,009

20,471

FUND BALANCE

Beginning of fiscal year

611,868

FUND BALANCE - END OF FISCAL YEAR

\$ 632,877

**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, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Miscellaneous revenues				
Investment income	\$ 9,000	9,000	3,814	(5,186)
EXPENDITURES AND ENCUMBRANCES				
Administrative Services - Finance Office				
Principal payment on debt	3,795,000	3,795,000	3,795,000	0
Interest payment on debt	2,475,397	2,475,397	2,475,396	1
	<u>6,270,397</u>	<u>6,270,397</u>	<u>6,270,396</u>	<u>1</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES	(6,261,397)	(6,261,397)	(6,266,582)	(5,185)
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
General Fund	6,270,397	6,270,397	6,270,396	(1)
NET CHANGE IN FUND BALANCE	\$ <u>9,000</u>	<u>9,000</u>	3,814	<u>(5,186)</u>
FUND BALANCE				
Beginning of fiscal year			271,277	
FUND BALANCE - END OF FISCAL YEAR			\$ <u>275,091</u>	

See accompanying notes to financial statements

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

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

Year ended June 30, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Miscellaneous revenues				
Investment income	\$ 2,150,000	2,150,000	643,141	(1,506,859)
OTHER FINANCING SOURCES (USES)				
Transfers out to:				
Capital Improvement Projects Fund	(1,222,000)	(1,222,000)	(1,198,437)	23,563
NET CHANGE IN FUND BALANCE	\$ 928,000	928,000	(555,296)	(1,483,296)
FUND BALANCE				
Beginning of fiscal year			27,738,045	
FUND BALANCE - END OF FISCAL YEAR			\$ 27,182,749	

INCORPORATED COUNTY OF LOS ALAMOS
PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS
Year ended June 30, 2015

CAPITAL IMPROVEMENT PROJECTS	PROJECT-LENGTH BUDGET APPROPRIATIONS	EXPENDED IN PRIOR YEARS	EXPENDED IN CURRENT YEAR	EXPENDED THROUGH JUNE 30, 2015	UNEXPENDED AS OF JUNE 30, 2015	ENCUMBRANCES AS OF JUNE 30, 2015	REMAINING BALANCE AS OF JUNE 30, 2015
Information Technology (continuing)	\$ 1,847,179	55,148	115,746	170,894	1,676,285	162,769	1,513,516
Visual Desktop Infrastructure (residual)	44,745	0	0	0	44,745	44,745	0
Finance Enterprise Resource Planning	1,898,910	0	0	0	1,898,910	54,792	1,844,118
Municipal Building Replacement (residual)	290,561	0	0	0	290,561	33,270	257,291
Trinity Site Demolition (residual)	170,812	0	0	0	170,812	0	170,812
Golf Course Clubhouse (residual)	253,027	0	0	0	253,027	41,720	211,307
White Rock Civic Center	8,516,832	704,497	4,294,803	4,999,300	3,517,532	1,202,198	2,315,334
Potential Public Schools Projects	670,800	0	0	0	670,800	0	670,800
Jemez Regional Fire Protection	375,000	0	0	0	375,000	0	375,000
Canyon Rim Trail	1,375,327	0	143,880	143,880	1,231,447	39,654	1,191,793
NM 502 Knecht to Tewa (residual)	271,111	0	0	0	271,111	168,994	102,117
Western Area Road Replacement (continuing)	2,094,051	0	1,259,024	1,259,024	835,027	565,705	269,322
Eastern Area Project (residual)	50,965	0	0	0	50,965	0	50,965
Eastern Area Soundwall (residual)	38,464	0	0	0	38,464	0	38,464
Oppenheimer/Trinity Signal Replacement	50,000	0	0	0	50,000	0	50,000
Ice Rink Parking Lot	244,000	0	0	0	244,000	0	244,000
Central Avenue Improvement	48,696	0	0	0	48,696	16,171	32,525
Sherwood Boulevard Reconstruction	2,835,806	0	42,123	42,123	2,793,683	0	2,793,683
20th Street Reconstruction	998,125	0	360	360	997,765	0	997,765
PCI Road Survey	225,000	0	0	0	225,000	0	225,000
Public Art (continuing)	787,738	0	0	0	787,738	8,800	778,938
Parks Small Capital Projects (continuing)	646,433	0	0	0	646,433	9,261	637,172
White Rock Gateway Structure	50,000	32,941	0	32,941	17,059	0	17,059
Stables Area Covered Arena (residual)	47,994	0	0	0	47,994	0	47,994
Ice Rink Improvements	181,000	177,759	3,076	180,835	165	0	165
Ashley Pond Improvements (residual)	73,473	0	0	0	73,473	0	73,473
Teen Center	4,310,396	224,601	2,722,387	2,946,988	1,363,408	1,094,909	268,499
Nature Center	220,766	0	0	0	220,766	108,381	112,385
	<u>28,617,211</u>	<u>1,194,946</u>	<u>8,581,399</u>	<u>9,776,345</u>	<u>18,840,866</u>	<u>3,551,369</u>	<u>15,289,497</u>
PROJECTS COMPLETED IN FY 2015							
Information Technology	41,188	40,288	900	41,188	0	0	0
Visual Desktop Infrastructure	479,586	0	479,586	479,586	0	0	0
Finance Enterprise Resource Planning (ERP)	101,090	0	101,090	101,090	0	0	0
Municipal Building Replacement	39,974	0	39,974	39,974	0	0	0
Trinity Site Demolition	581,717	0	581,717	581,717	0	0	0
Golf Course Clubhouse	5,471,933	5,089,649	382,284	5,471,933	0	0	0
NM 502 Knecht to Tewa	1,435,417	560,005	875,412	1,435,417	0	0	0
Eastern Area Project	59,513	0	59,513	59,513	0	0	0
Eastern Area Soundwall	718,777	104,285	614,492	718,777	0	0	0
Central Avenue Improvement	2,971,206	94,405	2,876,801	2,971,206	0	0	0
Public Art (continuing)	136,252	11,275	124,977	136,252	0	0	0
Nature Center	4,156,661	1,118,028	3,038,633	4,156,661	0	0	0
TOTAL PROJECTS COMPLETED IN FY 2015	<u>16,193,314</u>	<u>7,017,935</u>	<u>9,175,379</u>	<u>16,193,314</u>	<u>0</u>	<u>0</u>	<u>0</u>
PROJECT TOTALS FY 2015	<u>\$ 44,810,525</u>	<u>8,212,881</u>	<u>17,756,778</u>	<u>25,969,659</u>	<u>18,840,866</u>	<u>3,551,369</u>	<u>15,289,497</u>

Joint Utility System Subfunds

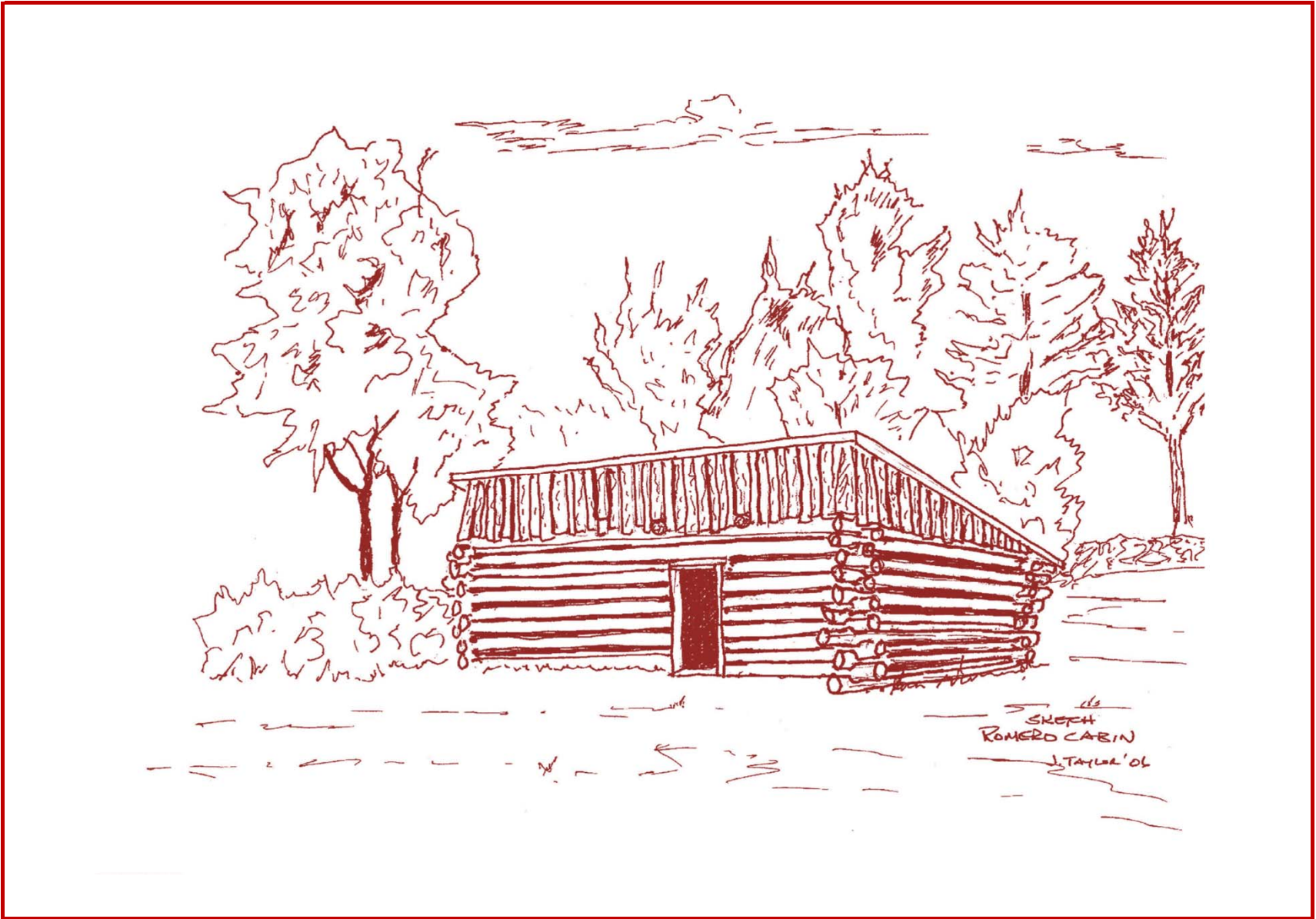
The Joint Utility System is presented as a major fund. This section provides combining schedules for the individual utility subfunds and industry format financial schedules.

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.



INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM SUBFUNDS
COMBINING SCHEDULE OF NET POSITION
June 30, 2015

	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL JOINT UTILITY SYSTEM</u>
ASSETS					
CURRENT ASSETS					
Equity (deficit) in pooled cash and investments	\$ (10,145,177)	6,396,757	12,153,535	98,952	8,504,067
Investments	3,649,873	0	0	0	3,649,873
Receivables, net of allowance for uncollectibles					
Accounts	3,658,493	161,604	268,142	311,428	4,399,667
Unbilled	617,481	113,463	221,155	190,866	1,142,965
Due from other subfunds (not included in total column)	0	0	141,662	0	0
Inventories and prepayments					
Inventories	777,603	78,837	257,123	19,860	1,133,423
Power plant inventories	842,827	0	0	0	842,827
Prepayments	684,392	0	133,755	0	818,147
	<u>85,492</u>	<u>6,750,661</u>	<u>13,175,372</u>	<u>621,106</u>	<u>20,490,969</u>
RESTRICTED ASSETS					
Cash and cash equivalents					
Debt reserves and debt service	3,156,291	0	192,838	884,481	4,233,610
Operations and maintenance	8,106,193	0	0	478,504	8,584,697
Investments					
Debt reserves and debt service	13,211,780	0	0	0	13,211,780
	<u>24,474,264</u>	<u>0</u>	<u>192,838</u>	<u>1,362,985</u>	<u>26,030,087</u>
PROPERTY, PLANT AND EQUIPMENT					
Land	0	0	0	2,959,328	2,959,328
Utility plant in service	163,617,823	15,128,267	82,879,539	41,221,828	302,847,457
Machinery and equipment	3,250,141	179,710	868,716	285,717	4,584,284
Less accumulated depreciation	(98,044,828)	(4,134,391)	(23,638,006)	(10,151,804)	(135,969,029)
Construction in progress	5,662,236	20,603	657,610	214,856	6,555,305
	<u>74,485,372</u>	<u>11,194,189</u>	<u>60,767,859</u>	<u>34,529,925</u>	<u>180,977,345</u>
OTHER ASSETS					
Assets held for resale	948,236	0	0	0	948,236
Advances to other subfunds (not included in total column)	0	0	1,388,553	0	0
TOTAL ASSETS	<u>99,993,364</u>	<u>17,944,850</u>	<u>75,524,622</u>	<u>36,514,016</u>	<u>228,446,637</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred amounts from refunding of debt (debits)	680,539	0	0	0	680,539
Deferred pensions	351,866	88,439	50,866	42,149	533,320
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,032,405</u>	<u>88,439</u>	<u>50,866</u>	<u>42,149</u>	<u>1,213,859</u>

LIABILITIES

CURRENT LIABILITIES

Accounts payable	3,757,655	92,953	186,413	173,181	4,210,202
Accrued salaries including benefits payable	111,390	3,026	31,001	26,226	171,643
Accrued compensated absences	405,777	88,236	51,616	60,638	606,267
Customer deposits payable	76,613	51,902	46,105	0	174,620
Due to other governments	64,059	15,194	20,680	18,310	118,243
Due to other subfunds (not included in total column)	0	0	0	141,662	0
Donations held in trust	25,074	0	0	0	25,074
	<u>4,440,568</u>	<u>251,311</u>	<u>335,815</u>	<u>420,017</u>	<u>5,306,049</u>

LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Current portion of revenue bonds payable	2,635,728	0	44,272	0	2,680,000
Contracts and intergovernmental debt payable	0	0	61,014	622,568	683,582
Interest payable on debt	97,109	0	9,088	79,535	185,732
	<u>2,732,837</u>	<u>0</u>	<u>114,374</u>	<u>702,103</u>	<u>3,549,314</u>

NON-CURRENT LIABILITIES

Revenue bonds payable	28,877,899	0	1,579,474	0	30,457,373
Special closure costs	7,891,690	0	0	0	7,891,690
Accrued compensated absences	169,592	74,889	51,191	29,564	325,236
Advances from other funds	500,000	0	0	0	500,000
Advances from other subfunds (not included in total column)	0	0	0	1,388,553	0
Contracts and intergovernmental debt payable	0	0	955,783	10,935,665	11,891,448
Net pension liability	3,669,236	922,237	530,431	439,524	5,561,428
	<u>41,108,417</u>	<u>997,126</u>	<u>3,116,879</u>	<u>12,793,306</u>	<u>56,627,175</u>
TOTAL LIABILITIES	<u>48,281,822</u>	<u>1,248,437</u>	<u>3,567,068</u>	<u>13,915,426</u>	<u>65,482,538</u>

DEFERRED INFLOWS OF RESOURCES:

Deferred pensions	1,437,988	361,429	207,878	172,251	2,179,546
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,437,988</u>	<u>361,429</u>	<u>207,878</u>	<u>172,251</u>	<u>2,179,546</u>

NET POSITION

Net investment in capital assets	43,652,284	11,194,189	58,127,316	22,971,692	135,945,481
Restricted assets for, net of related liabilities:					
Debt service	16,485,465	0	183,750	1,283,450	17,952,665
Unrestricted	(8,831,790)	5,229,234	13,489,476	(1,786,654)	8,100,266
TOTAL NET POSITION	<u>\$ 51,305,959</u>	<u>16,423,423</u>	<u>71,800,542</u>	<u>22,468,488</u>	<u>161,998,412</u>

See accompanying notes to financial statements



INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM SUBFUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year ended June 30, 2015

	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL JOINT UTILITY SYSTEM</u>
OPERATING REVENUES					
Utility sales and service	\$ 41,593,539	5,371,378	4,605,346	4,276,791	55,847,054
Rentals	22,262	0	0	0	22,262
Intergovernmental	94,485	0	25,564	0	120,049
Miscellaneous operating revenue	25,853	11,881	9,469	9,250	56,453
	<u>41,736,139</u>	<u>5,383,259</u>	<u>4,640,379</u>	<u>4,286,041</u>	<u>56,045,818</u>
OPERATING EXPENSES					
Employee salaries and benefits	5,020,753	361,320	1,215,912	1,259,129	7,857,114
Contractual services	29,861,303	3,586,510	2,872,476	1,576,940	37,897,229
Materials and supplies	277,192	54,536	359,846	202,566	894,140
Depreciation and amortization	7,353,284	381,968	2,024,249	808,816	10,568,317
Special closure costs	3,424,753	0	0	0	3,424,753
Other	249,535	0	1,340	3,138	254,013
	<u>46,186,820</u>	<u>4,384,334</u>	<u>6,473,823</u>	<u>3,850,589</u>	<u>60,895,566</u>
OPERATING INCOME (LOSS)	(4,450,681)	998,925	(1,833,444)	435,452	(4,849,748)
NONOPERATING REVENUES (EXPENSES)					
Gain (loss) on disposition of capital assets	(97,787)	(20,572)	(403,957)	(2,225)	(524,541)
Investment income (loss)	(127,818)	70,386	150,525	12,738	105,831
Interest on long-term debt	(1,128,201)	0	(89,436)	(359,557)	(1,577,194)
Interest on intra-subfund debt	0	0	24,000	(24,000)	0
Inventory adjustment	(3,023)	(130)	(5,773)	3,312	(5,614)
	<u>(1,356,829)</u>	<u>49,684</u>	<u>(324,641)</u>	<u>(369,732)</u>	<u>(2,001,518)</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(5,807,510)	1,048,609	(2,158,085)	65,720	(6,851,266)
TRANSFERS AND CONTRIBUTIONS					
Transfers out	(620,236)	(297,390)	0	(72,876)	(990,502)
Contributed capital assets - outside source	0	206,980	338,330	315,870	861,180
Contributed capital assets- governmental activities	80,000	57,950	89,682	57,168	284,800
	<u>(540,236)</u>	<u>160,590</u>	<u>427,992</u>	<u>298,162</u>	<u>(653,492)</u>
NET INCOME (LOSS)	(6,347,746)	1,016,149	(1,730,073)	365,882	(6,695,788)
NET POSITION					
Beginning of fiscal year	62,607,849	16,652,464	74,246,794	22,696,044	176,203,151
Prior period restatement - GASB Statement 68	(4,954,144)	(1,245,190)	(716,179)	(593,438)	(7,508,951)
NET POSITION - END OF FISCAL YEAR	\$ <u>51,305,959</u>	<u>16,423,423</u>	<u>71,800,542</u>	<u>22,468,488</u>	<u>161,998,412</u>

INCORPORATED COUNTY OF LOS ALAMOS
JOINT UTILITY SYSTEM SUBFUNDS
 COMBINING SCHEDULE OF CASH FLOWS
 Year ended June 30, 2015

	<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	\$ 41,252,114	5,557,126	4,722,337	4,212,250	55,743,827
Cash paid to suppliers for goods and services	(29,554,631)	(3,846,458)	(3,724,653)	(1,617,566)	(38,743,308)
Cash paid to employees	(5,144,628)	(426,412)	(1,237,552)	(1,262,588)	(8,071,180)
Taxes received from customers and users	958,577	375,288	216,042	213,369	1,763,276
Taxes remitted to State (from customers and users)	(947,763)	(376,887)	(218,794)	(211,340)	(1,754,784)
NET CASH FLOWS - OPERATING ACTIVITIES	6,563,669	1,282,657	(242,620)	1,334,125	8,937,831
CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES					
Transfers to other funds	(484,485)	(297,390)	0	0	(781,875)
Cash received from short-term intra subfund loans	0	0	93,784	800,000	893,784
Cash paid for short-term intra subfund loans	0	0	(800,000)	(93,784)	(893,784)
NET CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES	(484,485)	(297,390)	(706,216)	706,216	(781,875)
CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of revenue bonds	22,652,043	0	0	0	22,652,043
Principal repaid	(22,902,313)	0	(70,332)	(604,522)	(23,577,167)
Interest and other debt service paid	(912,213)	0	(92,488)	(363,709)	(1,368,410)
Federal debt subsidy received	72,716	0	27,288	0	100,004
Cash paid for acquisition of capital assets	(4,712,470)	(915,469)	(906,015)	(857,983)	(7,391,937)
NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES	(5,802,237)	(915,469)	(1,041,547)	(1,826,214)	(9,585,467)
CASH FLOWS - INVESTING ACTIVITIES					
Proceeds from sale of investment securities	16,574,160	0	0	0	16,574,160
Interest received on investments	15,136	70,386	150,525	12,738	248,785
Purchase of investment securities	(23,206,241)	0	0	0	(23,206,241)
NET CASH FLOWS - INVESTING ACTIVITIES	(6,616,945)	70,386	150,525	12,738	(6,383,296)
NET INCREASE (DECREASE) IN CASH	(6,339,998)	140,184	(1,839,858)	226,865	(7,812,807)
EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR	7,457,305	6,256,573	14,186,231	1,235,072	29,135,181
EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR	\$ 1,117,307	6,396,757	12,346,373	1,461,937	21,322,374

(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)	\$	(4,450,681)	998,925	(1,833,444)	435,452	(4,849,748)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES						
Depreciation and amortization expense		7,353,284	381,968	2,024,249	808,816	10,568,317
Amortization of special closure costs		3,424,753	0	0	0	3,424,753
Provision for uncollectible accounts receivable		3,023	0	1,340	3,138	7,501
Intergovernmental revenue		(94,485)	0	(25,564)	0	(120,049)
Change in assets and liabilities:						
Accounts and other receivables		(402,906)	166,551	108,966	(73,791)	(201,180)
Inventories		(126,973)	(32,035)	(29,117)	2,007	(186,118)
Prepayments and other		(292,354)	0	18,664	0	(273,690)
Accounts and retentions payable		1,249,703	(173,377)	(481,878)	159,933	754,381
Salaries and benefits payable		(123,875)	(65,092)	(21,640)	(3,459)	(214,066)
Other current liabilities		13,366	7,316	(1,444)	0	19,238
Due to other governments		10,814	(1,599)	(2,752)	2,029	8,492
Total adjustments		11,014,350	283,732	1,590,824	898,673	13,787,579
NET CASH FLOWS - OPERATING ACTIVITIES	\$	6,563,669	1,282,657	(242,620)	1,334,125	8,937,831

SCHEDULE OF NON CASH CAPITAL AND RELATED FINANCING ACTIVITIES

NON CASH TRANSACTIONS:

Asset transfers - proprietary funds	\$	(135,751)	0	0	(72,876)	(208,627)
Contributed capital assets from outside sources		0	206,980	338,330	315,870	861,180
Contributed capital assets - governmental activities		80,000	57,950	89,682	57,168	284,800
Fair value adjustment for investments		95,265	0	0	0	95,265
TOTAL NON CASH TRANSACTIONS	\$	39,514	264,930	428,012	300,162	1,032,618

**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 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$ 0	0	120,049	120,049
Charges for services	63,048,244	63,048,244	55,869,316	(7,178,928)
Miscellaneous revenues	766,051	766,051	253,029	(513,022)
TOTAL REVENUES	<u>63,814,295</u>	<u>63,814,295</u>	<u>56,242,394</u>	<u>(7,571,901)</u>
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Electric Subfund	57,724,632	58,419,912	54,583,766	3,836,146
Gas Subfund	6,775,508	7,146,421	5,555,163	1,591,258
Water Subfund	10,977,357	12,812,519	9,227,568	3,584,951
Wastewater Subfund	5,313,286	6,684,675	6,411,570	273,105
TOTAL EXPENSES AND ENCUMBRANCES	<u>80,790,783</u>	<u>85,063,527</u>	<u>75,778,067</u>	<u>9,285,460</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(16,976,488)	(21,249,232)	(19,535,673)	1,713,559
OTHER FINANCING SOURCES (USES)				
Transfers in	800,000	800,000	0	(800,000)
Transfers out	(1,697,003)	(1,697,003)	(781,875)	915,128
Proceeds from long-term debt	19,096,310	19,096,310	22,652,043	3,555,733
TOTAL OTHER FINANCING SOURCES (USES)	<u>18,199,307</u>	<u>18,199,307</u>	<u>21,870,168</u>	<u>3,670,861</u>
NET CHANGE IN FUND BALANCE	\$ <u>1,222,819</u>	<u>(3,049,925)</u>	<u>2,334,495</u>	<u>5,384,420</u>
ADJUSTMENTS TO GAAP				
Encumbrances			8,585,451	
Changes in compensated absences			(65,051)	
Bad debt adjustment			(1,438)	
Depreciation and amortization			(10,568,317)	
Adjustments to inventory			(5,614)	
Special closure costs			(3,424,753)	

Net book value of disposed capital assets	(524,541)
Proceeds from issuance of revenue bonds	(22,652,043)
Assets used to refund revenue bonds	(12,467,043)
Assets transferred - proprietary funds	(208,627)
Contributed capital assets - governmental activities	284,800
Contributed capital - outside source	861,180
Capital outlay capitalized	245,589
Capital projects capitalized (budgeted by line item)	7,031,660
Pension expense	301,297
Principal on debt service	23,577,167
	<u>(9,030,283)</u>
GAAP BASIS	(6,695,788)
NET POSITION	
Beginning of fiscal year	176,203,151
Prior period restatement - GASB Statement 68	(7,508,951)
NET POSITION - END OF FISCAL YEAR	\$ <u>161,998,412</u>

**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 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal subsidy	\$ 0	0	94,485	94,485
Charges for services				
Residential	14,277,231	14,277,231	6,203,978	(8,073,253)
Commercial and industrial	0	0	4,286,822	4,286,822
Public street and highway lighting	0	0	67,436	67,436
Municipal	0	0	1,402,431	1,402,431
Educational	0	0	469,886	469,886
Wholesale	30,387,630	30,387,630	29,056,585	(1,331,045)
Rent from utility properties	0	0	22,262	22,262
Miscellaneous services	198,750	198,750	106,401	(92,349)
	<u>44,863,611</u>	<u>44,863,611</u>	<u>41,615,801</u>	<u>(3,247,810)</u>
Miscellaneous revenues				
Interest income (loss)	100,000	100,000	(127,818)	(227,818)
Interest charges-delinquent accounts	0	0	22,962	22,962
Other	0	0	270	270
Interfund loans (principal)	58,945	58,945	0	(58,945)
	<u>158,945</u>	<u>158,945</u>	<u>(104,586)</u>	<u>(263,531)</u>
TOTAL REVENUES	<u>45,022,556</u>	<u>45,022,556</u>	<u>41,605,700</u>	<u>(3,416,856)</u>
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Electric production				
Employee salaries and benefits	1,365,940	1,365,940	1,508,424	(142,484)
Outside services	36,789,529	37,003,115	34,746,345	2,256,770
Materials and supplies	95,900	103,682	101,969	1,713
Intrafund/interfund services	1,281,951	1,281,951	1,162,006	119,945
Capital outlay	19,050	19,050	6,165	12,885
Debt and fiscal charges	8,994,795	8,994,795	10,159,917	(1,165,122)
	<u>48,547,165</u>	<u>48,768,533</u>	<u>47,684,826</u>	<u>1,083,707</u>
Electric distribution				
Employee salaries and benefits	1,368,562	1,368,562	1,453,530	(84,968)
Outside services	4,569,278	4,833,857	1,697,413	3,136,444
Materials and supplies	253,500	313,645	667,690	(354,045)

Intrafund/interfund services	1,502,693	1,502,693	1,225,741	276,952
Capital outlay	52,525	52,525	134,692	(82,167)
Debt and fiscal charges	1,426,595	1,426,595	1,653,088	(226,493)
	<u>9,173,153</u>	<u>9,497,877</u>	<u>6,832,154</u>	<u>2,665,723</u>
General and administrative				
Employee salaries and benefits	2,905,942	2,905,942	2,520,579	385,363
Outside services	843,072	989,767	682,575	307,192
Materials and supplies	183,353	185,846	92,162	93,684
Intrafund/interfund services	(3,983,653)	(3,983,653)	(3,268,530)	(715,123)
Capital outlay	55,600	55,600	40,000	15,600
	<u>4,314</u>	<u>153,502</u>	<u>66,786</u>	<u>86,716</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>57,724,632</u>	<u>58,419,912</u>	<u>54,583,766</u>	<u>3,836,146</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(12,702,076)	(13,397,356)	(12,978,066)	419,290
OTHER FINANCING SOURCES (USES)				
Transfers out to:				
General Fund	(564,222)	(564,222)	(484,485)	79,737
Proceeds from issuance of long-term debt				
Revenue bonds	16,133,984	16,133,984	22,652,043	6,518,059
	<u>16,133,984</u>	<u>16,133,984</u>	<u>22,652,043</u>	<u>6,518,059</u>
NET CHANGE IN FUND BALANCE	\$ <u>2,867,686</u>	<u>2,172,406</u>	<u>9,189,492</u>	<u>7,017,086</u>
ADJUSTMENTS TO GAAP				
Encumbrances			2,873,538	
Changes in compensated absences			(58,594)	
Bad debt adjustment			2,621	
Depreciation and amortization			(7,353,284)	
Adjustments to inventory			(3,023)	
Special closure costs			(3,424,753)	
Net book value of disposed capital assets			(97,787)	
Proceeds from issuance of revenue bonds			(22,652,043)	
Assets used to refund revenue bonds			(12,467,043)	
Assets transferred - proprietary funds			(135,751)	
Contributed capital assets - governmental activities			80,000	
Capital outlay capitalized			140,857	
Capital projects capitalized (budgeted by line item)			4,456,925	
Pension expense			198,786	
Principal on debt service			22,902,313	
			<u>(15,537,238)</u>	
			(6,347,746)	
GAAP BASIS				
NET POSITION				
Beginning of fiscal year			62,607,849	
Prior period restatement - GASB Statement 68			(4,954,144)	
NET POSITION - END OF FISCAL YEAR			<u>51,305,959</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 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for services				
Residential	\$ 7,156,571	7,156,571	4,150,914	(3,005,657)
Commercial and industrial	0	0	786,424	786,424
Municipal	0	0	228,955	228,955
Educational	0	0	177,991	177,991
Miscellaneous services	0	0	27,094	27,094
	<u>7,156,571</u>	<u>7,156,571</u>	<u>5,371,378</u>	<u>(1,785,193)</u>
Miscellaneous revenues				
Interest income	0	0	70,386	70,386
Interest charges-delinquent accounts	0	0	11,462	11,462
	<u>0</u>	<u>0</u>	<u>81,848</u>	<u>81,848</u>
TOTAL REVENUES	7,156,571	7,156,571	5,453,226	(1,703,345)
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Gas				
Employee salaries and benefits	442,191	442,191	608,420	(166,229)
Outside services	4,990,218	5,357,584	3,717,160	1,640,424
Materials and supplies	150,500	154,047	235,479	(81,432)
Intrafund/interfund services	1,192,599	1,192,599	984,830	207,769
Capital outlay	0	0	9,274	(9,274)
TOTAL EXPENSES AND ENCUMBRANCES	6,775,508	7,146,421	5,555,163	1,591,258
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	381,063	10,150	(101,937)	(112,087)

OTHER FINANCING SOURCES (USES)

Transfer out to:				
General Fund	<u>(332,781)</u>	<u>(332,781)</u>	<u>(297,390)</u>	<u>35,391</u>
NET CHANGE IN FUND BALANCE	\$ <u>48,282</u>	<u>(322,631)</u>	<u>(399,327)</u>	<u>(76,696)</u>

ADJUSTMENTS TO GAAP

Encumbrances			578,964	
Changes in compensated absences			8,401	
Bad debt adjustment			419	
Depreciation and amortization			(381,968)	
Adjustments to inventory			(130)	
Net book value of disposed capital assets			(20,572)	
Contributed capital assets - governmental activities			57,950	
Contributed capital - outside sources			206,980	
Capital outlay capitalized			9,274	
Capital projects capitalized (budgeted by line item)			906,195	
Pension expense			49,963	
			<u>1,415,476</u>	
GAAP BASIS			1,016,149	

NET POSITION

Beginning of fiscal year			16,652,464	
Prior period restatement - GASB Statement 68			(1,245,190)	
NET POSITION - END OF FISCAL YEAR			\$ <u>16,423,423</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 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal subsidy	\$ 0	0	25,564	25,564
Charges for services				
Residential	4,772,458	4,772,458	3,010,161	(1,762,297)
Commercial and industrial	0	0	459,150	459,150
Municipal	90,000	90,000	259,569	169,569
Educational	0	0	115,167	115,167
Wholesale	1,212,675	1,212,675	734,950	(477,725)
Miscellaneous services	62,000	62,000	26,349	(35,651)
	<u>6,137,133</u>	<u>6,137,133</u>	<u>4,605,346</u>	<u>(1,531,787)</u>
Miscellaneous revenues				
Interest income	532,106	532,106	150,525	(381,581)
Interest charges-delinquent accounts	0	0	7,226	7,226
Other	0	0	2,243	2,243
Interfund loan repayment	0	0	93,784	93,784
	<u>532,106</u>	<u>532,106</u>	<u>253,778</u>	<u>(278,328)</u>
TOTAL REVENUES	<u>6,669,239</u>	<u>6,669,239</u>	<u>4,884,688</u>	<u>(1,784,551)</u>
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Water distribution				
Employee salaries and benefits	512,833	512,833	529,935	(17,102)
Outside services	1,090,162	1,831,961	1,445,661	386,300
Materials and supplies	106,053	106,401	252,471	(146,070)
Intrafund/interfund services	855,075	855,075	926,752	(71,677)
Capital outlay	7,500	7,500	0	7,500
	<u>2,571,623</u>	<u>3,313,770</u>	<u>3,154,819</u>	<u>158,951</u>
Water production				
Employee salaries and benefits	892,422	892,422	852,122	40,300
Outside services	5,374,915	6,465,248	3,328,479	3,136,769
Materials and supplies	229,000	231,682	171,976	59,706
Intrafund/interfund services	1,575,339	1,575,339	1,560,404	14,935

Capital outlay	107,500	107,500	0	107,500
Debt and fiscal charges	226,558	226,558	159,768	66,790
	<u>8,405,734</u>	<u>9,498,749</u>	<u>6,072,749</u>	<u>3,426,000</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>10,977,357</u>	<u>12,812,519</u>	<u>9,227,568</u>	<u>3,584,951</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(4,308,118)	(6,143,280)	(4,342,880)	1,800,400
OTHER FINANCING SOURCES (USES)				
Transfer out to:				
Wastewater subfund	(800,000)	(800,000)	0	800,000
Proceeds from issuance of long-term debt:				
Revenue bonds	2,962,326	2,962,326	0	(2,962,326)
	<u>2,962,326</u>	<u>2,962,326</u>	<u>0</u>	<u>(2,962,326)</u>
NET CHANGE IN FUND BALANCE	\$ <u>(2,145,792)</u>	<u>(3,980,954)</u>	<u>(4,342,880)</u>	<u>(361,926)</u>
ADJUSTMENTS TO GAAP				
Encumbrances			3,688,398	
Changes in compensated absences			(3,583)	
Bad debt adjustment			(1,340)	
Depreciation and amortization			(2,024,249)	
Adjustments to inventory			(5,773)	
Net book value of disposed capital assets			(403,957)	
Contributed capital assets - governmental activities			89,682	
Contributed capital - outside sources			338,330	
Capital projects capitalized (budgeted by line item)			906,015	
Principal on interfund loans			(69,784)	
Pension expense			28,736	
Principal on debt service			70,332	
			<u>2,612,807</u>	
GAAP BASIS			(1,730,073)	
NET POSITION				
Beginning of fiscal year			74,246,794	
Prior period restatement - GASB Statement 68			(716,179)	
NET POSITION - END OF FISCAL YEAR			<u>\$ 71,800,542</u>	

See accompanying notes to financial statements

**INCORPORATED COUNTY OF LOS ALAMOS
WASTEWATER SUBFUND**

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

Year ended June 30 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for services				
Wastewater collection	\$ 4,887,929	4,887,929	4,274,921	(613,008)
Miscellaneous services	3,000	3,000	1,870	(1,130)
	<u>4,890,929</u>	<u>4,890,929</u>	<u>4,276,791</u>	<u>(614,138)</u>
Miscellaneous revenues				
Interest income	75,000	75,000	12,739	(62,261)
Interest charges-delinquent accounts	0	0	9,250	9,250
	<u>75,000</u>	<u>75,000</u>	<u>21,989</u>	<u>(53,011)</u>
TOTAL REVENUES	4,965,929	4,965,929	4,298,780	(667,149)
EXPENSES AND ENCUMBRANCES				
Department of Public Utilities				
Wastewater				
Employee salaries and benefits	1,333,642	1,333,642	1,356,675	(23,033)
Outside services	1,041,280	2,327,503	2,256,285	71,218
Materials and supplies	213,250	225,540	204,479	21,061
Intrafund/interfund services	1,465,778	1,465,778	1,440,810	24,968
Capital outlay	109,000	181,876	95,458	86,418
Debt and fiscal charges	1,150,336	1,150,336	1,057,863	92,473
TOTAL EXPENSES AND ENCUMBRANCES	5,313,286	6,684,675	6,411,570	273,105
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
Water subfund	800,000	800,000	0	(800,000)
NET CHANGE IN FUND BALANCE	\$ <u>452,643</u>	<u>(918,746)</u>	<u>(2,112,790)</u>	<u>(1,194,044)</u>

ADJUSTMENTS TO GAAP

Encumbrances	1,444,551
Changes in compensated absences	(11,275)
Bad debt adjustment	(3,138)
Depreciation and amortization	(808,816)
Adjustments to inventory	3,312
Net book value of disposed capital assets	(2,225)
Assets transferred - proprietary funds	(72,876)
Contributed capital assets - governmental activities	57,168
Contributed capital assets -outside sources	315,870
Capital outlay capitalized	95,458
Capital projects capitalized (budgeted by line item)	762,525
Principal on interfund loans	69,784
Pension expense	23,812
Principal on debt service	604,522
	<u>2,478,672</u>
GAAP BASIS	365,882

NET POSITION

Beginning of fiscal year	22,696,044
Prior period restatement - GASB Statement 68	(593,438)
NET POSITION - END OF FISCAL YEAR	\$ <u>22,468,488</u>



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.



**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, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Selective gross receipt taxes	\$ 827,000	827,000	730,090	(96,910)
Charges for services				
Sales of food or merchandise (trash bags)	7,500	7,500	5,592	(1,908)
Residential	1,555,000	1,555,000	1,539,410	(15,590)
Commercial and industrial	550,000	550,000	478,995	(71,005)
Other charges for services	700,000	700,000	502,522	(197,478)
	<u>2,812,500</u>	<u>2,812,500</u>	<u>2,526,519</u>	<u>(285,981)</u>
Interfund/interdepartmental charges				
Interdepartmental services	0	0	73,676	73,676
Miscellaneous revenues				
Interest income	47,000	47,000	28,704	(18,296)
Interest charges-delinquent accounts	0	0	4,865	4,865
Other	78,000	78,000	114,189	36,189
	<u>125,000</u>	<u>125,000</u>	<u>147,758</u>	<u>22,758</u>
TOTAL REVENUES	<u>3,764,500</u>	<u>3,764,500</u>	<u>3,478,043</u>	<u>(286,457)</u>
EXPENSES AND ENCUMBRANCES				
Public Works				
Environmental Services				
Employee salaries and benefits	1,150,727	1,150,727	1,096,878	53,849
Outside services	1,262,770	1,687,770	954,024	733,746
Materials and supplies	100,060	102,677	83,832	18,845
Intrafund/interfund services	1,089,581	1,089,581	1,103,443	(13,862)
Capital outlay	200,000	336,358	136,358	200,000
Debt and fiscal charges	361,598	361,598	360,583	1,015
	<u>4,164,736</u>	<u>4,728,711</u>	<u>3,735,118</u>	<u>993,593</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>4,164,736</u>	<u>4,728,711</u>	<u>3,735,118</u>	<u>993,593</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(400,236)	(964,211)	(257,075)	707,136

OTHER FINANCING SOURCES (USES)**Transfers out to:**

Emergency Declarations Fund

0(289,168)(289,168)0**NET CHANGE IN FUND BALANCE**\$ (400,236)(1,253,379)(546,243)707,136**ADJUSTMENTS TO GAAP**

Encumbrances

11,966

Changes in compensated absences

10,793

Bad debt adjustment

(1,435)

Depreciation and amortization

(199,323)

Special closure costs

(330,000)

Capital outlay capitalized

136,358

Assets transferred - proprietary funds

(136,358)

Principal on debt service

163,830

Pension expense

34,721

(309,448)(855,691)**GAAP BASIS****NET POSITION**

Beginning of fiscal year

5,257,927

Prior period restatement - GASB Statement 68

(865,314)

NET POSITION - END OF FISCAL YEAR\$ 3,536,922

**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, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental				
Federal direct	\$ 0	0	150,000	150,000
Federal indirect	1,603,709	3,285,324	2,239,696	(1,045,628)
State grants-other	0	0	3,789	3,789
Other intergovernmental (NCRTD)	1,494,173	1,494,173	1,361,820	(132,353)
	<u>3,097,882</u>	<u>4,779,497</u>	<u>3,755,305</u>	<u>(1,024,192)</u>
Charges for services				
Miscellaneous revenues				
Interest income	26,000	26,000	16,194	(9,806)
TOTAL REVENUES	<u>3,123,882</u>	<u>4,805,497</u>	<u>3,771,499</u>	<u>(1,033,998)</u>
EXPENSES AND ENCUMBRANCES				
Public Works				
Transit (Atomic City Transit)				
Employee salaries and benefits	2,408,855	2,408,855	2,278,255	130,600
Outside services	142,501	580,628	337,676	242,952
Materials and supplies	129,480	142,393	61,734	80,659
Intrafund/interfund services	1,273,634	1,273,634	1,273,634	0
Capital outlay	275,200	1,555,200	1,569,383	(14,183)
TOTAL EXPENSES AND ENCUMBRANCES	<u>4,229,670</u>	<u>5,960,710</u>	<u>5,520,682</u>	<u>440,028</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(1,105,788)	(1,155,213)	(1,749,183)	(593,970)
OTHER FINANCING SOURCES (USES)				
Transfers in from:				
General Fund	1,200,000	1,200,000	1,200,000	0
NET CHANGE IN FUND BALANCE	<u><u>\$ 94,212</u></u>	<u><u>44,787</u></u>	<u><u>(549,183)</u></u>	<u><u>(593,970)</u></u>

ADJUSTMENTS TO GAAP

Encumbrances	681,884
Changes in compensated absences	(3,445)
Depreciation and amortization	(92,298)
Capital outlay capitalized	950,963
Capital projects capitalized (budgeted by line item)	92,128
Assets transferred - proprietary funds	(950,963)
Pension expense	70,473

748,742**GAAP BASIS**

199,559**NET POSITION**

Beginning of fiscal year	2,613,912
Prior period restatement - GASB Statement 68	(1,756,308)

NET POSITION - END OF FISCAL YEAR

\$ 1,057,163

**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, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Fire excise tax	\$ 1,646,000	1,646,000	1,460,114	(185,886)
Intergovernmental revenue				
Federal direct - NNSA cooperative agreement	18,140,941	18,140,941	17,288,589	(852,352)
Charges for services				
Ambulance services	228,250	228,250	486,318	258,068
Interfund/interdepartmental charges				
County share of fire services	4,306,985	4,306,985	3,910,167	(396,818)
Miscellaneous revenues				
Other	0	0	3,005	3,005
TOTAL REVENUES	<u>24,322,176</u>	<u>24,322,176</u>	<u>23,148,193</u>	<u>(1,173,983)</u>
EXPENSES AND ENCUMBRANCES				
Fire Department				
Operations				
Employee salaries and benefits	14,843,021	14,686,021	14,275,227	410,794
Outside services	205,375	263,662	79,270	184,392
Materials and supplies	574,047	689,859	693,063	(3,204)
	<u>15,622,443</u>	<u>15,639,542</u>	<u>15,047,560</u>	<u>591,982</u>
Life Safety				
Employee salaries and benefits	216,244	236,245	248,947	(12,702)
Outside services	29,300	29,300	39,445	(10,145)
Materials and supplies	34,965	42,865	26,577	16,288
	<u>280,509</u>	<u>308,410</u>	<u>314,969</u>	<u>(6,559)</u>
Training				
Employee salaries and benefits	329,867	717,866	712,092	5,774
Outside services	225,974	225,974	144,006	81,968
Materials and supplies	101,500	106,343	37,830	68,513
	<u>657,341</u>	<u>1,050,183</u>	<u>893,928</u>	<u>156,255</u>

Emergency Medical Services				
Employee salaries and benefits	302,992	261,993	243,035	18,958
Outside services	216,926	217,276	183,930	33,346
Materials and supplies	162,100	226,206	197,899	28,307
	<u>682,018</u>	<u>705,475</u>	<u>624,864</u>	<u>80,611</u>
Non contract-administration				
Outside services	0	0	3,701	(3,701)
Intrafund/interfund services	0	0	20	(20)
	<u>0</u>	<u>0</u>	<u>3,721</u>	<u>(3,721)</u>
Administration				
Employee salaries and benefits	1,272,906	1,062,905	1,052,211	10,694
Outside services	359,243	401,843	419,263	(17,420)
Materials and supplies	97,419	106,289	102,081	4,208
Intrafund/interfund services	3,727,256	3,727,256	3,708,758	18,498
	<u>5,456,824</u>	<u>5,298,293</u>	<u>5,282,313</u>	<u>15,980</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>22,699,135</u>	<u>23,001,903</u>	<u>22,167,355</u>	<u>834,548</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	1,623,041	1,320,273	980,838	(339,435)
OTHER FINANCING SOURCES (USES)				
Transfers out to:				
General Fund	<u>(1,646,000)</u>	<u>(1,646,000)</u>	<u>(1,352,717)</u>	<u>(293,283)</u>
NET CHANGE IN FUND BALANCE	\$ <u><u>(22,959)</u></u>	<u><u>(325,727)</u></u>	<u><u>(371,879)</u></u>	<u><u>(632,718)</u></u>
ADJUSTMENTS TO GAAP				
Encumbrances			346,431	
Changes in compensated absences			206,466	
Bad debt expense			(341,213)	
Depreciation and amortization			(498,377)	
Contributed capital assets - governmental activities			(84,687)	
Pension expense			(855,877)	
			<u>(1,227,257)</u>	
GAAP BASIS			<u>(1,599,136)</u>	
NET POSITION				
Beginning of fiscal year			15,765,798	
Prior period restatement - GASB Statement 68			(33,334,668)	
NET POSITION - END OF FISCAL YEAR			\$ <u><u>(19,168,006)</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, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Licenses and permits				
Right of entry permits	\$ 2,500	2,500	80	(2,420)
Intergovernmental				
Federal direct	237,500	840,853	580,442	(260,411)
State grants-other	6,250	94,088	46,598	(47,490)
	<u>243,750</u>	<u>934,941</u>	<u>627,040</u>	<u>(307,901)</u>
Charges for services				
Airport fees	49,000	49,000	54,224	5,224
Miscellaneous revenues				
Interest income	0	0	6,324	6,324
Tie down rental	35,200	35,200	34,035	(1,165)
Facilities rental	18,800	18,800	300	(18,500)
	<u>54,000</u>	<u>54,000</u>	<u>40,659</u>	<u>(13,341)</u>
TOTAL REVENUES	349,250	1,040,441	722,003	(318,438)
EXPENSES AND ENCUMBRANCES				
Public Works				
Airport operations				
Employee salaries and benefits	177,915	177,915	151,763	26,152
Outside services	657,200	1,373,930	926,688	447,242
Materials and supplies	17,950	17,950	13,755	4,195
Intrafund/interfund services	123,427	123,427	123,816	(389)
Debt and fiscal charges	0	0	416	(416)
	<u>976,492</u>	<u>1,693,222</u>	<u>1,216,438</u>	<u>476,784</u>
TOTAL EXPENSES AND ENCUMBRANCES	976,492	1,693,222	1,216,438	476,784
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(627,242)	(652,781)	(494,435)	158,346

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

General Fund	272,000	286,203	286,203	0
Economic Development Fund	359,000	359,000	359,000	0
	<u>631,000</u>	<u>645,203</u>	<u>645,203</u>	<u>0</u>

NET CHANGE IN FUND BALANCE \$ 3,758 (7,578) 150,768 158,346

ADJUSTMENTS TO GAAP

Encumbrances			89,199	
Changes in compensated absences			5,888	
Depreciation and amortization			(761,532)	
Capital outlay capitalized			633,627	
Pension expense			6,278	
			<u>(26,540)</u>	

GAAP BASIS

124,228

NET POSITION

Beginning of fiscal year			15,713,837	
Prior period restatement - GASB Statement 68			(156,433)	

NET POSITION - END OF FISCAL YEAR \$ 15,681,632



Internal Service Funds

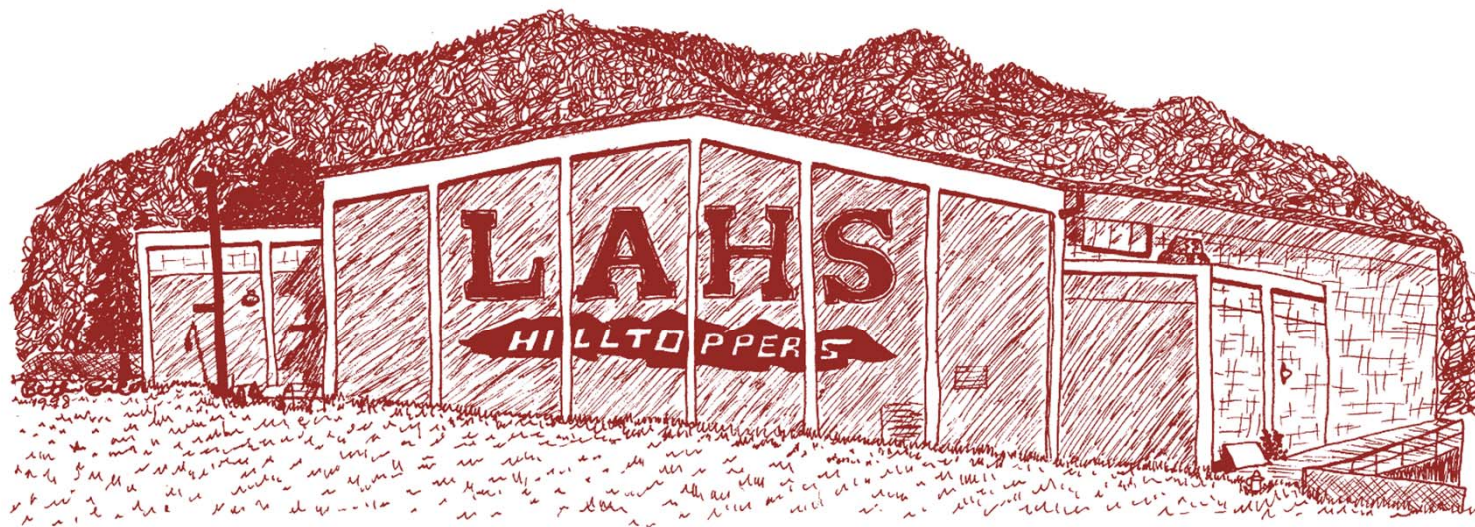
Internal Service Funds account for the financing of goods and services provided by one department or agency to other departments or agencies of a government on a cost-reimbursement basis. The County's internal service funds primarily serve the business-type activities of the County.

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.

Agency Fund

Agency Fund 871 - accounts for the collection and payment to the State and local School District of property taxes billed and collected by the County. The Schedule of Changes in Assets and Liabilities is the only required fund financial statement for the Agency Fund, and is presented immediately following the Internal Service Funds financial statements.



Los Alamos High School

INCORPORATED COUNTY OF LOS ALAMOS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2015

	<u>EQUIPMENT</u>	<u>RISK MANAGEMENT</u>	<u>TOTAL</u>
ASSETS			
CURRENT ASSETS			
Equity in pooled cash and investments	\$ 6,915,550	8,491,680	15,407,230
Receivables, net of allowance for uncollectibles			
Accounts	27,523	1,616	29,139
Inventories and prepayments			
Prepayments	0	26,900	26,900
	<u>6,943,073</u>	<u>8,520,196</u>	<u>15,463,269</u>
PROPERTY, PLANT AND EQUIPMENT			
Machinery and equipment	23,124,416	0	23,124,416
Less accumulated depreciation	(13,048,793)	0	(13,048,793)
	<u>10,075,623</u>	<u>0</u>	<u>10,075,623</u>
TOTAL ASSETS	<u>17,018,696</u>	<u>8,520,196</u>	<u>25,538,892</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pensions	48,287	14,822	63,109
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	78,532	279,661	358,193
Claims and judgments payable	0	2,197,485	2,197,485
Accrued salaries including benefits payable	15,226	18,469	33,695
Accrued compensated absences	70,678	27,322	98,000
	<u>164,436</u>	<u>2,522,937</u>	<u>2,687,373</u>
NONCURRENT LIABILITIES			
Accrued compensated absences	32,490	5,286	37,776
Claims and judgments payable	0	1,776,841	1,776,841
Net pension liability	503,533	154,564	658,097
	<u>536,023</u>	<u>1,936,691</u>	<u>2,472,714</u>
TOTAL LIABILITIES	<u>700,459</u>	<u>4,459,628</u>	<u>5,160,087</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pensions	197,337	60,574	257,911
NET POSITION			
Invested in capital assets, net of related debt	10,075,623	0	10,075,623
Unrestricted	6,093,564	4,014,816	10,108,380
TOTAL NET POSITION	<u>\$ 16,169,187</u>	<u>4,014,816</u>	<u>20,184,003</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, 2015

	<u>EQUIPMENT</u>	<u>RISK MANAGEMENT</u>	<u>TOTAL</u>
OPERATING REVENUES			
Interfund charges for services	\$ 3,827,190	0	3,827,190
Insurance and pension contributions			
County	0	7,819,425	7,819,425
Employees and retirees	0	1,537,374	1,537,374
Miscellaneous operating revenue	143,161	11,895	155,056
	<u>3,970,351</u>	<u>9,368,694</u>	<u>13,339,045</u>
OPERATING EXPENSES			
Employee salaries and benefits	778,494	263,153	1,041,647
Contractual services	508,082	9,924,908	10,432,990
Materials and supplies	1,464,850	5,425	1,470,275
Depreciation and amortization	1,913,798	0	1,913,798
	<u>4,665,224</u>	<u>10,193,486</u>	<u>14,858,710</u>
OPERATING INCOME (LOSS)	(694,873)	(824,792)	(1,519,665)
NONOPERATING REVENUES (EXPENSES)			
Gain (loss) on disposition of fixed assets	107,084	0	107,084
Investment income	76,654	93,470	170,124
	<u>183,738</u>	<u>93,470</u>	<u>277,208</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(511,135)	(731,322)	(1,242,457)
TRANSFERS AND CONTRIBUTIONS			
Transfers in	1,295,948	0	1,295,948
Contributed capital assets - governmental activities	30,557	0	30,557
	<u>1,326,505</u>	<u>0</u>	<u>1,326,505</u>
NET INCOME (LOSS)	815,370	(731,322)	84,048
NET POSITION			
Beginning of fiscal year	16,033,679	4,954,828	20,988,507
Prior period restatement - GASB Statement 68	(679,862)	(208,690)	(888,552)
NET POSITION - END OF FISCAL YEAR	\$ 16,169,187	\$ 4,014,816	20,184,003

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

**COMBINING STATEMENT OF CASH FLOWS
Year ended June 30, 2015**

	<u>EQUIPMENT</u>	<u>RISK MANAGEMENT</u>	<u>TOTAL</u>
CASH FLOWS - OPERATING ACTIVITIES			
Cash received from customers and users	\$ 3,956,220	12,355	3,968,575
Cash received from contributions-employer and employees	0	9,356,799	9,356,799
Cash paid to suppliers for goods and services	(2,016,628)	(9,609,385)	(11,626,013)
Cash paid to employees	(785,755)	(255,442)	(1,041,197)
NET CASH FLOWS - OPERATING ACTIVITIES	1,153,837	(495,673)	658,164
CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES			
Cash paid for acquisition of capital assets	(1,626,137)	0	(1,626,137)
Proceeds from sale of capital assets	162,521	0	162,521
NET CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES	(1,463,616)	0	(1,463,616)
CASH FLOWS - INVESTING ACTIVITIES			
Interest received on investments	76,654	93,470	170,124
NET INCREASE (DECREASE) IN CASH	(233,125)	(402,203)	(635,328)
EQUITY IN POOLED CASH AND INVESTMENTS - BEGINNING OF FISCAL YEAR	7,148,675	8,893,883	16,042,558
EQUITY IN POOLED CASH AND INVESTMENTS - END OF FISCAL YEAR	\$ 6,915,550	8,491,680	15,407,230

RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES

OPERATING INCOME(LOSS)	\$ (694,873)	(824,792)	(1,519,665)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH FLOWS - OPERATING ACTIVITIES			
Depreciation and amortization expense	1,913,798	0	1,913,798
Change in assets and liabilities:			
Accounts and other receivables	(14,131)	460	(13,671)
Accounts payable	(43,696)	(40,125)	(83,821)
Salaries and benefits payable	(7,261)	7,711	450
Claims and judgments payable	0	361,073	361,073
Total adjustments	<u>1,848,710</u>	<u>329,119</u>	<u>2,177,829</u>
NET CASH FLOWS - OPERATING ACTIVITIES	<u>\$ 1,153,837</u>	<u>(495,673)</u>	<u>658,164</u>

SCHEDULE OF NON CASH CAPITAL AND RELATED FINANCING ACTIVITIES

NON CASH TRANSACTIONS

Asset transfers - proprietary funds	\$ 1,295,948	0	1,295,948
Contributed capital assets - governmental activities	30,557	0	30,557
TOTAL NON CASH CAPITAL ACQUISITIONS	<u>\$ 1,326,505</u>	<u>0</u>	<u>1,326,505</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, 2015

	<u>ANNUAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUALS</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Interfund/interdepartmental charges				
Charges for special services	\$ 3,744,069	3,744,069	3,827,190	83,121
Miscellaneous revenues				
Investment income	164,000	164,000	76,654	(87,346)
Other	240,000	240,000	143,161	(96,839)
	<u>404,000</u>	<u>404,000</u>	<u>219,815</u>	<u>(184,185)</u>
TOTAL REVENUES	<u>4,148,069</u>	<u>4,148,069</u>	<u>4,047,005</u>	<u>(101,064)</u>
EXPENSES AND ENCUMBRANCES				
Public Works				
Fleet management-equipment maintenance				
Employee salaries and benefits	799,843	799,843	791,407	8,436
Outside services	116,660	236,660	147,831	88,829
Materials and supplies	1,547,047	1,547,422	1,423,579	123,843
Intrafund/interfund services	368,069	368,069	368,854	(785)
Capital outlay	0	45,000	37,172	7,828
	<u>2,831,619</u>	<u>2,996,994</u>	<u>2,768,843</u>	<u>228,151</u>
Fleet management-equipment replacement				
Materials and supplies	0	0	41,271	(41,271)
Capital outlay	1,634,300	2,237,285	2,086,518	150,767
	<u>1,634,300</u>	<u>2,237,285</u>	<u>2,127,789</u>	<u>109,496</u>
TOTAL EXPENSES AND ENCUMBRANCES	<u>4,465,919</u>	<u>5,234,279</u>	<u>4,896,632</u>	<u>337,647</u>
EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	(317,850)	(1,086,210)	(849,627)	236,583

OTHER FINANCING SOURCES (USES)

Proceeds from sale of capital assets	<u>100,000</u>	<u>100,000</u>	<u>162,521</u>	<u>62,521</u>
NET CHANGE IN NET POSITION	\$ <u>(217,850)</u>	<u>(986,210)</u>	<u>(687,106)</u>	<u>299,104</u>

ADJUSTMENTS TO GAAP

Encumbrances			506,157	
Changes in compensated absences			(14,367)	
Depreciation and amortization			(1,913,798)	
Net book value of disposed capital assets			(55,437)	
Capital outlay capitalized			1,626,137	
Asset transfers - proprietary funds			1,295,948	
Contributed capital assets - governmental activities			30,557	
Pension expense			27,279	
			<u>1,502,476</u>	
GAAP BASIS			815,370	

NET POSITION

Beginning of fiscal year			16,033,679	
Prior period restatement - GASB Statement 68			(679,862)	
NET POSITION - END OF FISCAL YEAR	\$		<u>16,169,187</u>	

**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, 2015

	<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	104	104
Interfund/interdepartmental charges				
County insurance contributions	8,422,956	8,422,956	7,819,425	(603,531)
Miscellaneous revenues				
Investment income	154,000	154,000	93,470	(60,530)
Group insurance contributions				
Employees	1,712,251	1,712,251	1,533,490	(178,761)
Retirees and others	0	0	3,884	3,884
Other judgments and settlements	0	0	11,333	11,333
	<u>1,866,251</u>	<u>1,866,251</u>	<u>1,642,177</u>	<u>(224,074)</u>
TOTAL REVENUES	10,289,207	10,289,207	9,461,706	(827,501)
EXPENSES AND ENCUMBRANCES				
Administrative Services - Human Resources				
Group insurance				
Outside services	662,500	662,500	589,170	73,330
Intrafund/interfund services	(52,500)	(52,500)	(29,687)	(22,813)
	<u>610,000</u>	<u>610,000</u>	<u>559,483</u>	<u>50,517</u>
Medical Insurance				
Outside services	6,662,693	6,662,693	6,761,231	(98,538)
Unemployment insurance				
Outside services	75,000	75,000	8,104	66,896
Workers' compensation insurance				
Outside services	700,000	700,000	714,618	(14,618)
Administration and other insurance				
Employee salaries and benefits	266,420	266,420	265,115	1,305
Outside services	1,000,270	1,450,270	1,486,466	(36,196)
Materials and supplies	20,500	20,500	5,425	15,075
Intrafund/interfund services	56,746	56,746	33,933	22,813
	<u>1,343,936</u>	<u>1,793,936</u>	<u>1,790,939</u>	<u>2,997</u>
TOTAL EXPENSES AND ENCUMBRANCES	9,391,629	9,841,629	9,834,375	7,254

EXCESS REVENUES OVER (UNDER) EXPENSES AND ENCUMBRANCES	897,578	447,578	(372,669)	(820,247)
NET CHANGE IN NET POSITION	\$ <u>897,578</u>	<u>447,578</u>	(372,669)	<u>(820,247)</u>
ADJUSTMENTS TO GAAP				
Changes in compensated absences			(6,412)	
Bad debt expense			458	
Incurred but not reported claims adjustment			(361,073)	
Pension expense			8,374	
			<u>(358,653)</u>	
GAAP BASIS			<u>(731,322)</u>	
NET POSITION				
Beginning of fiscal year			4,954,828	
Prior period restatement - GASB Statement 68			(208,690)	
NET POSITION - END OF FISCAL YEAR			\$ <u>4,014,816</u>	

**INCORPORATED COUNTY OF LOS ALAMOS
AGENCY FUND**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year ended June 30, 2015

	<u>BALANCE JUNE 30, 2014</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE JUNE 30, 2015</u>
ASSETS				
Equity in pooled cash and investments	\$ 353,439	17,053,832	17,084,775	322,496
Receivables				
Property taxes	269,527	15,368,081	15,401,334	236,274
Other	264	549	500	313
TOTAL ASSETS	<u>\$ 623,230</u>	<u>32,422,462</u>	<u>32,486,609</u>	<u>559,083</u>
LIABILITIES				
Due to other governments	\$ 608,290	15,764,425	15,830,617	542,098
Donations held in trust	14,940	7,213	5,168	16,985
TOTAL LIABILITIES	<u>\$ 623,230</u>	<u>15,771,638</u>	<u>15,835,785</u>	<u>559,083</u>

See accompanying notes to financial statements.

Statistical Section

This section of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the County's overall financial health. This section is presented in five general categories as described below.

Financial trends information is intended to assist readers in understanding and assessing how the County's financial position has changed over time.

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the County's ability to generate its "own-source revenues". Own-source revenues are revenues that are generated by the County itself. The County's largest own-source revenues are Joint Utility System charges, thus there are several required tables showing the Joint Utility Fund customer base, charge rates, and revenues by customer category. **Additional tables, although not required, show gross receipts tax revenue history and information about property taxes.**

Debt capacity information is intended to assist readers in understanding and assessing the County's debt burden and its ability to issue additional debt.

Demographic and economic information is intended (1) to assist readers in understanding the socioeconomic environment within which the County operates and (2) to provide information that facilitates comparisons of financial information over time and among governments.

Operating information is intended to provide contextual information about the County's operations and resources to assist readers in using financial statement information to understand and assess the County's economic condition.

**INCORPORATED COUNTY OF LOS ALAMOS
NET POSITION BY COMPONENT (ACCRUAL BASIS OF ACCOUNTING)**

Table 1

LAST TEN FISCAL YEARS

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Governmental activities										
Net investment in capital assets	\$ 170,030,313	179,392,030	169,397,461	183,000,699	178,334,145	192,752,416	208,576,888	237,826,582	239,254,295	250,108,256
Restricted	23,546,640	25,953,706	26,998,503	28,017,885	28,325,491	35,352,438	33,651,944	35,537,750	34,988,485	34,249,549
Unrestricted	68,980,912	83,145,949	92,425,436	89,765,352	103,506,637	105,766,930	88,201,894	64,512,993	65,417,024	24,828,055 [b]
Total governmental activities net position [a]	<u>\$ 262,557,865</u>	<u>288,491,685</u>	<u>288,821,400</u>	<u>300,783,936</u>	<u>310,166,273</u>	<u>333,871,784</u>	<u>330,430,726</u>	<u>337,877,325</u>	<u>339,659,804</u>	<u>309,185,860</u>
Business-type activities										
Net investment in capital assets	\$ 99,265,533	104,619,109	115,346,140	142,618,564	158,548,491	161,529,616	167,570,211	167,060,666	181,756,242	179,372,871
Restricted	17,563,718	18,171,112	21,313,740	18,360,797	18,666,972	20,160,305	21,139,074	22,202,599	22,978,409	18,360,915
Unrestricted	37,834,350	39,456,940	38,716,522	40,619,953	34,379,861	39,092,391	37,641,839	35,292,581	32,720,327	-13,031,536 [b]
Total business-type activities net position [a]	<u>\$ 154,663,601</u>	<u>162,247,161</u>	<u>175,376,402</u>	<u>201,599,314</u>	<u>211,595,324</u>	<u>220,782,312</u>	<u>226,351,124</u>	<u>224,555,846</u>	<u>237,454,978</u>	<u>184,702,250</u>
Primary government										
Net investment in capital assets	\$ 269,295,846	284,011,139	284,743,601	325,619,263	336,882,636	354,282,032	376,147,099	404,887,248	421,010,537	429,481,127
Restricted	41,110,358	44,124,818	48,312,243	46,378,682	46,992,463	55,512,743	54,791,018	57,740,349	57,966,894	52,610,464
Unrestricted	106,815,262	122,602,889	131,141,958	130,385,305	137,886,498	144,859,321	125,843,733	99,805,574	98,137,351	11,796,519 [b]
Total primary government net position [a]	<u>\$ 417,221,466</u>	<u>450,738,846</u>	<u>464,197,802</u>	<u>502,383,250</u>	<u>521,761,597</u>	<u>554,654,096</u>	<u>556,781,850</u>	<u>562,433,171</u>	<u>577,114,782</u>	<u>493,888,110</u>

Source: Los Alamos County CAFRs

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.

INCORPORATED COUNTY OF LOS ALAMOS
CHANGES IN NET POSITION (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

Table 2

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Expenses										
Governmental activities:										
General government	\$ 11,957,875	11,783,696	14,426,791	15,392,748	19,020,307	19,354,103	18,663,752	14,217,521	14,792,046	15,786,864
Public safety	6,797,301	7,393,321	7,029,949	9,657,214	11,307,944	12,360,479	12,763,626	14,126,300	13,888,177	12,144,576
Cerro Grande fire recovery	314,745	814,144	365,197	94,245 [b]	0	0	0	0	0	0
Physical and economic environment	1,707,996	1,524,858	1,685,895	2,017,455	1,545,719	2,099,635	3,900,321	1,820,183	1,704,968	1,625,567
Transportation	9,710,036	9,637,503	12,409,532	11,250,407	10,050,217	8,666,590	11,979,692	10,597,589	11,592,103	10,612,552
Health and welfare	690,980	993,076	1,892,186	1,860,474	2,068,607	2,154,670	2,671,201	2,812,257	2,413,003	3,454,239
Culture and recreation	7,666,314	7,586,802	9,120,096	8,682,314	8,865,528	9,053,137	9,327,340	8,630,805	8,539,264	8,499,131
Interest on long-term debt	146,837	122,631	96,932	2,672,018	3,699,791	3,595,170	3,476,881	3,651,044	3,143,244	3,089,731
Total governmental activities expenses	<u>38,992,084</u>	<u>39,856,031</u>	<u>47,026,578</u>	<u>51,626,875</u>	<u>56,558,113</u>	<u>57,283,784</u>	<u>62,782,813</u>	<u>55,855,699</u>	<u>56,072,805</u>	<u>55,212,660</u>
Business-type activities:										
Joint Utilities										
Electric	35,973,561	37,942,732	45,217,104	34,387,216	41,164,227	41,736,839	41,719,538	47,133,456	43,960,638	47,510,797
Gas	8,669,395	7,731,388	8,434,435	6,365,053	6,896,901	5,350,868	4,311,995	4,782,055	6,075,188	4,442,941
Water	4,924,965	4,756,917	5,419,693	5,377,817	5,877,689	5,949,329	5,551,378	6,743,730	6,663,350	7,037,166
Wastewater	2,629,412	3,016,061	2,870,251	3,654,838	3,137,595	4,159,837	3,771,483	4,013,751	3,943,016	4,294,289
Environmental Services	3,094,809	2,654,126	3,097,723	3,221,222	4,399,102	4,220,409	4,549,617	3,670,408	4,225,768	3,984,802
Golf	992,338	1,014,099	1,044,012	1,150,136	1,140,056	1,277,202	1,254,690	1,194,242	0 [c]	0
Transit (Atomic City Transit)	0	0	1,544,871 [a]	2,144,194 [a]	3,165,043	3,416,977	3,567,829	4,200,697	3,993,193	4,050,193
Fire	14,847,675	14,980,238	15,090,781	18,411,656	19,127,418	19,412,022	21,002,769	20,470,142	22,908,775	23,455,765
Airport	283,148	222,398	446,171	767,161	944,379	999,589	1,108,878	1,737,767	1,537,667	1,251,229
Total business-type activities expenses	<u>71,415,303</u>	<u>72,317,959</u>	<u>83,165,041</u>	<u>75,479,293</u>	<u>85,852,410</u>	<u>86,523,072</u>	<u>86,838,177</u>	<u>93,946,248</u>	<u>93,307,595</u>	<u>96,027,182</u>
Total primary government expenses	<u>\$ 110,407,387</u>	<u>112,173,990</u>	<u>130,191,619</u>	<u>127,106,168</u>	<u>142,410,523</u>	<u>143,806,856</u>	<u>149,620,990</u>	<u>149,801,947</u>	<u>149,380,400</u>	<u>151,239,842</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General government	\$ 1,013,965	1,145,736	879,593	909,928	1,096,043	1,227,575	1,020,736	1,079,196	957,045	1,038,897
Public safety	37,917	100,100	92,377	70,792	84,106	72,192	39,254	30,892	10,075	27,970
Transportation	0	0	0	0	0	0	0	58,997	0	0
Physical and economic environment	379,018	327,333	296,965	274,041	696,216	281,256	229,336	278,557	297,164	285,865
Culture and recreation	604,924	538,676	574,193	604,296	608,966	558,720	500,258	485,245	1,095,508	1,054,444
Operating grants and contributions	2,830,061	1,964,532	1,901,447	3,368,035	1,896,905	1,710,444	2,188,367	2,944,958	3,193,079	1,686,315
Capital grants and contributions	2,963,466	1,517,988	2,921,918	579,715	2,582,496	5,678,971	462,299	1,254,628	710,953	895,715
Total governmental activities program revenues	<u>7,829,351</u>	<u>5,594,365</u>	<u>6,666,493</u>	<u>5,806,807</u>	<u>6,964,732</u>	<u>9,529,158</u>	<u>4,440,250</u>	<u>6,132,473</u>	<u>6,263,824</u>	<u>4,989,206</u>
Business-type activities:										
Charges for services:										
Joint Utilities										
Electric	35,557,701	36,475,970	42,521,330	40,793,945	40,668,122	42,894,754	44,840,758	49,066,724	46,479,599	41,641,654
Gas	8,923,993	9,163,927	8,836,735	8,261,673	7,954,116	6,239,881	5,453,744	5,496,085	6,714,276	5,383,259
Water	5,103,574	4,190,068	4,781,273	4,618,583	4,816,679	5,403,940	5,667,415	5,768,598	4,913,083	4,614,815
Wastewater	2,373,508	2,464,387	3,334,040	3,316,698	3,542,805	3,696,644	4,147,134	3,998,295	4,019,962	4,286,041
Environmental Services	2,789,885	3,017,966	3,150,748	3,121,708	3,126,334	3,250,412	2,827,628	2,701,807	3,096,701	2,719,249
Golf	673,410	633,094	661,826	636,358	641,433	584,432	521,004	505,080	0 [c]	0
Transit (Atomic City Transit)	0	0	332 [a]	14,180 [a]	18,548	68,944	39,132	150,092	150,000	0
Fire	14,675,641	14,879,607	14,781,394	7,232,513	3,813,047	3,980,920	4,111,381	4,485,389	4,702,845	4,399,490
Airport	107,352	103,325	94,267	84,429	82,883	86,784	88,933	85,324	100,434	88,639
Operating grants and contributions	26,578	170,925	772,110	11,172,077	16,456,680	16,941,411	18,545,761	18,639,957	20,631,902	20,167,450
Capital grants and contributions	653,120	819,731	283,738	15,468,551	7,230,200	5,764,144	1,734,061	1,863,427	11,953,592	2,484,713

Total business-type activities program revenues	<u>70,884,762</u>	<u>71,919,000</u>	<u>79,217,793</u>	<u>94,720,715</u>	<u>88,350,847</u>	<u>88,912,266</u>	<u>87,976,951</u>	<u>92,760,778</u>	<u>102,762,394</u>	<u>85,785,310</u>
Total primary government program revenues	\$ <u>78,714,113</u>	<u>77,513,365</u>	<u>85,884,286</u>	<u>100,527,522</u>	<u>95,315,579</u>	<u>98,441,424</u>	<u>92,417,201</u>	<u>98,893,251</u>	<u>109,026,218</u>	<u>90,774,516</u>
Net (Expenses)/Revenues										
Governmental activities	\$ (31,162,733)	(34,261,666)	(40,360,085)	(45,820,068)	(49,593,381)	(47,754,626)	(58,342,563)	(49,723,226)	(49,808,981)	(50,223,454)
Business-type activities	(530,541)	(398,959)	(3,947,248)	19,241,422	2,498,437	2,389,194	1,138,774	(1,185,470)	9,454,799	(10,241,872)
Total primary government net expense	\$ <u>(31,693,274)</u>	<u>(34,660,625)</u>	<u>(44,307,333)</u>	<u>(26,578,646)</u>	<u>(47,094,944)</u>	<u>(45,365,432)</u>	<u>(57,203,789)</u>	<u>(50,908,696)</u>	<u>(40,354,182)</u>	<u>(60,465,326)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Gross receipts taxes	\$ 13,315,414	29,397,771	25,943,927	32,912,239	28,948,180	32,669,923	29,348,286	24,328,784	22,376,156	22,340,980
Property taxes	5,198,224	5,598,052	5,962,093	6,268,614	6,585,887	5,082,288	5,181,012	5,266,033	5,328,528	5,336,098
Franchise taxes	465,821	473,599	491,631	469,347	451,423	445,786	470,897	464,719	481,665	472,261
Grants and contribution not restricted to specific programs	389,008	837,047	821,381	872,736	797,199	846,484	654,647	523,589	1,451,287	817,545
State shared tax revenue not restricted to specific programs	10,797,698	19,465,338	17,172,099	22,164,216	19,284,774	21,792,159	19,562,710	16,273,672	14,979,816	14,911,175
Unrestricted investment earnings	4,258,030	8,328,587	2,377,360	(2,619,223)	6,619,681	9,357,730	310,908	6,423,031	8,321,837	1,359,032
Gain on exchange of capital assets	0	0	0	0	0	4,267,857	0	0	0	337,133
Special items	3,171,874	0	0	0	0	0	0	0	0	0
Transfers	(1,345,890)	(3,904,908)	(12,078,691)	(2,285,325)	(3,711,426)	(3,002,090)	(626,955)	3,889,997	(807,895)	347,887
Total governmental activities	<u>36,250,179</u>	<u>60,195,486</u>	<u>40,689,800</u>	<u>57,782,604</u>	<u>58,975,718</u>	<u>71,460,137</u>	<u>54,901,505</u>	<u>57,169,825</u>	<u>52,131,394</u>	<u>45,922,111</u>
Business-type activities:										
Gross receipts taxes	513,684	956,397	2,557,319	3,242,150	2,841,265	3,212,873	2,884,446	2,392,659	2,197,573	2,190,204
Grants and contribution not restricted to specific programs	0	0	0	0	0	18,000	7,500	0	0	0
Unrestricted investment earnings	2,388,280	3,121,214	2,440,479	1,454,015	944,882	564,831	911,137	887,530	898,846	157,053
Special items	1,025,000	0	0	0	0	0	0	0	0	0
Transfers	1,345,890	3,904,908	12,078,691	2,285,325	3,711,426	3,002,090	626,955	(3,889,997)	807,895	(347,887)
Total business-type activities	<u>5,272,854</u>	<u>7,982,519</u>	<u>17,076,489</u>	<u>6,981,490</u>	<u>7,497,573</u>	<u>6,797,794</u>	<u>4,430,038</u>	<u>(609,808)</u>	<u>3,904,314</u>	<u>1,999,370</u>
Total primary government	\$ <u>41,523,033</u>	<u>68,178,005</u>	<u>57,766,289</u>	<u>64,764,094</u>	<u>66,473,291</u>	<u>78,257,931</u>	<u>59,331,543</u>	<u>56,560,017</u>	<u>56,035,708</u>	<u>47,921,481</u>
Change in Net Position										
Governmental activities	\$ 5,087,446	25,933,820	329,715	11,962,536	9,382,337	23,705,511	(3,441,058)	7,446,599	2,322,413	(4,301,343)
Business-type activities	4,742,313	7,583,560	13,129,241	26,222,912	9,996,010	9,186,988	5,568,812	(1,795,278)	13,359,113	(8,242,502)
Total primary government net expense	\$ <u>9,829,759</u>	<u>33,517,380</u>	<u>13,458,956</u>	<u>38,185,448</u>	<u>19,378,347</u>	<u>32,892,499</u>	<u>2,127,754</u>	<u>5,651,321</u>	<u>15,681,526</u>	<u>(12,543,845)</u> [d]

Source: Los Alamos County CAFRs

Notes:

[a] The County began operating the Atomic City Transit operation in FY2008. This activity is recorded in an enterprise fund.

[b] The Cerro Grande Fire Fund was closed in FY2009 as all amounts were recovered.

[c] The Golf Course Fund was closed at the end of FY2013 and reclassified from an enterprise fund. The Golf Course became a division of the General Fund beginning July 1, 2014.

[d] 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.



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

Table 3

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
General Fund										
Reserved	\$ 5,133,693	6,163,307	6,357,698	7,322,571	7,454,198	0	0	0	0	0
Unreserved	15,046,741	20,310,233	28,476,946	34,373,979	31,678,425	0	0	0	0	0
Nonspendable	0	0	0	0	0	1,266,859	1,304,638	2,082,306	2,370,466	2,086,644
Restricted	0	0	0	0	0	4,414,738	4,573,909	4,704,218	4,578,105	4,662,147
Committed	0	0	0	0	0	12,761,219	4,879,110	10,576,477	11,216,517	0
Assigned	0	0	0	0	0	0	0	0	0	2,735,989
Unassigned	0	0	0	0	0	13,570,673	11,947,812	11,020,219	10,946,134	16,030,633
Total General Fund	\$ 20,180,434	26,473,540	34,834,644	41,696,550	39,132,623	32,013,489	22,705,469	28,383,220	29,111,222	25,515,413
All Other Governmental Funds										
Reserved	\$ 31,529,075	36,097,731	53,828,212	100,153,224	38,926,491	0	0	0	0	0
Unreserved, reported in:										
Special revenue funds	30,552,033	13,161,264	8,747,551	6,026,702	8,400,370	0	0	0	0	0
Debt service funds	0	0	0	6,424,030 [b]	6,424,030	0	0	0	0	0
Capital projects funds	9,983,649	32,198,705	23,643,713	1,235,010	38,276,395	0	0	0	0	0
Permanent funds [a]	1,052,257	2,401,352	0	0	1,498,489	0	0	0	0	0
Nonspendable	0	0	0	0	0	24,492,490	24,982,806	25,214,071	25,177,558	25,472,184
Restricted	0	0	0	0	0	7,512,658	4,808,769	6,169,905	5,377,454	4,941,698
Committed	0	0	0	0	0	80,339,764	72,140,568	43,106,108	43,694,827	0
Assigned	0	0	0	0	0	0	0	0	0	31,376,364
Unassigned	0	0	0	0	0	0	0	(605,171) [c]	(2,733,870) [d]	0
Total All Other Governmental Funds	\$ 73,117,014	83,859,052	86,219,476	113,838,966	93,525,775	112,344,912	101,932,143	73,884,913	71,515,969	61,790,246

Source: Los Alamos County CAFRs

Notes:

[a] Amount by which undistributed balance exceeds required amount of maintained principal balance.

[b] The County issued gross receipts tax revenue bonds in FY2009.

[c] The Unassigned fund balance deficit relates to the individual Las Conchas Fire Fund incurring reimbursable expenditures which were not received within the County's period of availability for accrual (60 days).

[d] The Unassigned fund balance deficit relates to the individual Emergency Declarations Fund, formerly Las Conchas Fire Fund, incurring reimbursable expenditures which were not received within the County's period of availability for accrual (60 days).

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

Table 4

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Revenues:										
Taxes and special assessments	\$ 19,097,149	35,666,249 [c]	32,587,924	39,867,881	36,289,316	38,466,493	35,288,631	30,353,771	28,507,405	28,494,458
Licenses and permits	265,649	243,071	223,071	216,234	409,123	240,507	182,160	232,506	274,320	252,091
Intergovernmental	15,529,217	23,017,584 [a]	21,408,769	25,780,683	22,143,759	26,095,049	21,714,390	19,420,500	17,067,419	19,881,600
Fines forfeitures and penalties	278,157	302,516	255,665	203,514	194,532	174,671	160,777	171,567	167,241	154,697
Charges for services	1,191,624	1,259,022	1,053,068	1,045,629	1,201,023	1,115,663	939,550	1,014,457	1,230,420	1,204,594
Interfund/Interdepartmental charges	3,809,053	3,746,485	3,988,710	4,835,634	4,526,696	4,069,297	4,172,734	6,436,301	7,493,187	6,602,030
Investment Income	4,258,030	8,328,587 [b]	2,377,360 [c]	(2,619,223) [c]	6,619,681	9,357,730	310,908	6,423,031	8,321,837	1,359,032
Other revenues	380,948	711,931	493,595	872,244	1,161,464	1,092,145	820,470	706,646	1,286,404	1,482,134
Total revenues	44,809,827	73,275,445	62,388,162	70,202,596	72,545,594	80,611,555	63,589,620	64,758,779	64,348,233	59,430,636
Expenditures										
General government	13,478,990	16,088,626	16,743,522	18,480,346	18,344,495	19,843,062	19,187,027	18,639,060	18,478,112	19,795,338
Public safety	6,849,654	7,499,938	7,043,313	9,689,061	11,526,276	11,651,434	12,157,139	13,510,694	13,365,914	11,897,415
Cerro Grande fire recovery [a]	6,455,294	4,723,030	4,284,892	165,171	0	0	0	0	0	0
Physical and economic environment	1,677,129	1,521,304	1,650,347	2,594,303	1,421,757	2,089,260	3,895,739	1,723,777	1,714,917	1,660,995
Transportation	4,012,760	3,530,925	3,531,475	4,056,407	4,478,447	3,068,034	4,889,279	4,511,094	4,613,400	3,737,857
Health and welfare	690,980	993,076	1,892,186 [d]	1,860,474	2,068,607	2,154,210	2,671,161	2,811,364	2,414,606	3,461,538
Culture and recreation	6,960,304	6,850,489	7,758,322	8,181,407	8,216,827	8,278,223	8,508,258	7,840,837	7,788,712	7,805,286
Capital Projects/Outlay	6,382,973	11,879,387	10,268,206	59,440,424	42,337,887	11,341,861	24,432,329	24,017,766	11,688,570	18,701,900
Debt service										
Principal	542,887	566,926	592,494	3,605,686	3,090,000	3,215,000	3,345,000	9,794,887 [f]	3,615,000	3,795,000
Interest	150,480	126,447	100,933	2,459,841	3,821,638	3,698,038	3,569,438	3,442,225	2,542,740	2,475,396
Bond issuance costs	0	0	0	0	0	0	0	375,113 [f]	0	0
Total expenditures	47,201,451	53,780,148	53,865,690	110,533,120	95,305,934	65,339,122	82,655,370	86,666,817	66,221,971	73,330,725
Excess of revenues over (under) expenditures	(2,391,624)	19,495,297	8,522,472	(40,330,524)	(22,760,340)	15,272,433	(19,065,750)	(21,908,038)	(1,873,738)	(13,900,089)
Other Financial Sources (Uses)										
Transfers in	18,971,878	27,571,970	27,763,838	26,836,139	28,158,656	35,599,850	27,418,134	15,264,237	21,359,159	17,779,053
Transfers out	(18,348,661)	(30,032,123)	(25,564,782)	(27,700,509)	(28,275,434)	(38,574,878)	(28,073,173)	(15,725,678)	(21,126,363)	(17,200,496)
Issuance of long-term debt	0	0	0	75,676,290 [e]	0	0	0	43,413,930 [g]	0	0
Payment to escrow - refunding debt	0	0	0	0	0	0	0	(43,413,930)	0	0
Loss on disposal of asset held for resale	0	0	0	0	0	(597,402)	0	0	0	0
Total other financial sources (uses)	623,217	(2,460,153)	2,199,056	74,811,920	(116,778)	(3,572,430)	(655,039)	(461,441)	232,796	578,557
Net change in fund balance	\$ (1,768,407)	17,035,144	10,721,528	34,481,396	(22,877,118)	11,700,003	(19,720,789)	(22,369,479)	(1,640,942)	(13,321,532)
Debt service as a percentage of non-capital expenditures										
	1.70%	1.65%	1.59%	11.87%	13.05%	12.80%	11.88%	21.13%	11.29%	11.48%

Source: Los Alamos County CAFRs

Notes:

- [a] The increase is primarily the result of the change in taxable status of the management contract for Los Alamos National Laboratory on gross receipts taxes collected, and the imposition of new GRT increments.
- [b] The increase in investment income reflects higher cash and investment balances resulting from increased gross receipts taxes.
- [c] The decrease in investment income reflects lower cash and investment balances and lower returns in the overall market.
- [d] The amount of State supported medicaid payments effectively doubled as the calculation is based on prior year GRT receipts.
- [e] Proceeds from issuance of 2008 GRT Revenue Bonds are shown here net of premiums, discounts, and issuance costs.
- [f] 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.
- [g] Proceeds from issuance of 2013 GRT Refunding Revenue Bonds are shown here net of premiums and discounts.

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
2006	8,767	7,586	7,046	7,074
2007	8,891	7,682	7,150	6,959
2008	8,877	7,675	7,185	6,945
2009	8,734	7,605	7,073	6,734
2010	8,733	7,573	7,074	6,716
2011	8,610	7,439	6,949	6,646
2012	8,964	7,756	7,229	7,094
2013	8,714	7,537	7,044	6,768
2014	8,900	7,544	7,064	6,765
2015	8,647	7,439	6,984	6,696

Source: Utility Department operating records

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

Table 6

Fiscal Year	ELECTRIC		GAS		WATER		Wastewater Revenue	Joint Utility System Revenue
	Revenue	Sales (KWh)	Revenue	Sales (Therms)	Revenue	Sales (MGal) [a]		
2006	\$ 35,557,701	554,696,686	\$ 8,923,993	8,198,081	\$ 5,103,574	1,352,376	\$ 2,373,508	\$ 51,958,776
2007	36,475,970	556,125,402	9,163,927	9,374,019	4,190,068	1,061,988	2,464,387	52,294,352
2008	42,521,330	536,548,803	8,836,735	8,726,004	4,781,273	800,273	3,334,040	59,473,378
2009	40,793,945	544,023,884	8,261,673	8,434,678	4,618,583	1,156,924	3,316,698	56,990,899
2010	40,668,122	541,039,995	7,954,116	9,578,556	4,816,679	1,350,961	3,542,805	56,981,722
2011	42,894,754	559,500,638	6,239,881	8,528,456	5,403,940	1,225,571	3,696,644	58,235,219
2012	44,954,861	592,737,868	5,482,076	8,284,857	5,672,022	1,288,143	4,147,134	60,256,093
2013	49,206,543	570,882,779	5,507,228	8,385,907	5,780,760	1,254,647	4,006,563	64,501,094
2014	46,574,314	531,795,566	6,714,276	9,030,531	4,938,708	1,029,057	4,019,962	62,247,260
2015	41,736,139	514,619,427	5,383,259	8,085,720	4,640,379	964,069	4,286,041	56,045,818

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
LAST TEN FISCAL YEARS

Table 7

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Type of Customer:										
Electric Utility										
Residential	\$ 4,941,511	5,069,467	5,346,566	5,230,565	5,730,319	5,594,525	5,878,664	5,744,107	5,801,691	6,203,978
Commercial and industrial	3,325,037	3,229,023	3,506,293	3,523,646	3,606,847	3,557,480	3,858,918	3,822,367	3,888,005	4,286,822
Public street and highway lighting	55,457	60,342	58,060	61,221	65,567	56,135	69,953	63,467	66,035	67,436
Municipal	1,133,598	976,043	1,273,241	1,381,168	1,313,543	1,728,801	1,554,427	1,683,615	1,444,776	1,402,431
Educational	315,804	313,724	341,237	349,934	357,528	359,585	425,151	447,456	473,886	469,886
Wholesale	25,612,623	26,627,645	31,496,210	29,954,906	29,325,387	31,406,424	32,888,233	36,932,693	34,425,200	29,056,585
Miscellaneous	173,671	199,726	499,723	292,505	268,931	191,804	279,515	512,838	474,721	249,001
Total electric utility	<u>35,557,701</u>	<u>36,475,970</u>	<u>42,521,330</u>	<u>40,793,945</u>	<u>40,668,122</u>	<u>42,894,754</u>	<u>44,954,861</u>	<u>49,206,543</u>	<u>46,574,314</u>	<u>41,736,139</u>
Gas Utility										
Residential	6,284,862	6,452,335	6,634,477	6,207,224	5,986,586	4,728,730	4,230,259	4,288,747	5,068,656	4,150,914
Commercial and industrial	1,863,946	1,951,352	1,412,365	1,284,447	1,245,762	926,796	783,425	782,496	879,141	786,424
Municipal	380,777	370,165	378,729	426,102	400,936	326,138	215,625	216,626	322,610	228,955
Educational	327,746	339,136	305,086	297,291	265,683	203,497	193,036	189,857	227,578	177,991
Miscellaneous	66,662	50,939	106,078	46,609	55,149	54,720	59,731	29,502	216,291	38,975
Total gas utility	<u>8,923,993</u>	<u>9,163,927</u>	<u>8,836,735</u>	<u>8,261,673</u>	<u>7,954,116</u>	<u>6,239,881</u>	<u>5,482,076</u>	<u>5,507,228</u>	<u>6,714,276</u>	<u>5,383,259</u>
Water Utility										
Residential	3,021,546	2,418,937	2,948,789	2,706,312	2,893,771	3,327,626	3,512,646	3,559,699	3,112,239	3,010,161
Commercial and industrial	818,856	692,244	453,342	436,167	375,903	475,727	515,633	479,456	418,078	459,150
Municipal	264,234	166,737	371,081 [a]	327,690	355,465	384,581	413,283	379,986	310,255	259,569
Educational	111,849	70,453	135,963	112,101	96,981	119,391	157,613	139,435	122,780	115,167
Wholesale	816,880	780,414	806,247	983,763	1,025,587	1,048,609	1,017,619	1,163,816	898,229	734,950
Miscellaneous	70,209	61,283	65,851	52,550	68,972	48,006	55,228	58,368	77,127	61,382
Total water utility	<u>5,103,574</u>	<u>4,190,068</u>	<u>4,781,273</u>	<u>4,618,583</u>	<u>4,816,679</u>	<u>5,403,940</u>	<u>5,672,022</u>	<u>5,780,760</u>	<u>4,938,708</u>	<u>4,640,379</u>
Wastewater Utility										
Wastewater collection	2,299,109	2,411,602	3,311,657	3,304,507	3,529,619	3,685,168	4,136,291	3,997,167	4,008,411	4,274,921
Municipal (non-potable water)	65,172	45,073	0 [a]	0	0	0	0	0	0	0
Miscellaneous	9,227	7,712	22,383	12,191	13,186	11,476	10,843	9,396	11,551	11,120
Total wastewater utility	<u>2,373,508</u>	<u>2,464,387</u>	<u>3,334,040</u>	<u>3,316,698</u>	<u>3,542,805</u>	<u>3,696,644</u>	<u>4,147,134</u>	<u>4,006,563</u>	<u>4,019,962</u>	<u>4,286,041</u>
Total operating revenues- Joint Utility System	<u>\$ 51,958,776</u>	<u>52,294,352</u>	<u>59,473,378</u>	<u>56,990,899</u>	<u>56,981,722</u>	<u>58,235,219</u>	<u>60,256,093</u>	<u>64,501,094</u>	<u>62,247,260</u>	<u>56,045,818</u>

Source: CAFRs, Budget to Actual Statements

[a] Non-potable water sales are included in the municipal Water Sub-fund revenues starting in FY2008. Prior to FY2008 they were accounted for in the Wastewater Sub-fund.

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

Table 8

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Electric Utility										
Residential										
Rate per kilowatt hour	\$0.0815	\$0.0815	\$0.0815	\$0.0907	\$0.0907	\$0.0952	\$0.0952	\$0.0952	\$0.1028	\$0.1152
Monthly flat service fee	\$5.67	\$5.67	\$5.67	\$5.67	\$5.67	\$5.95	\$5.95	\$5.95	\$6.43	\$12.00
Commercial										
Rate per kilowatt hour	\$0.0553 - .0772	\$0.0553 - .0772	\$0.0553 - .0772	\$0.058 - 0.0859	\$0.058 - 0.0859	\$0.0613 - 0.902	\$0.0613 - 0.902	\$0.0613 - 0.902	\$0.0662 - .09074	\$0.0821-0.1111
Monthly flat service fee	\$15.20 -16.00	\$15.20 -16.00	\$15.20 -16.00	\$15.20 -16.00	\$15.20 -16.00	\$15.96 -16.80	\$15.96 -16.80	\$15.96 -16.80	\$17.24 -18.14	\$22.00 - 65.00
Demand Rate	\$7.60 - 8.00	\$7.60 - 8.00	\$7.60 - 8.00	\$8.50 - 8.91	\$8.50 - 8.91	\$8.93 - 9.35	\$8.93 - 9.35	\$8.93 - 9.35	\$9.644 - 10.10	\$10.50 - 11.00
Gas Utility										
Residential										
Rate per therm	\$1.05	\$0.92	\$0.92	\$0.92	\$0.70	\$0.55	\$0.55	\$0.55	\$0.28 - \$0.77	\$0.29 - \$0.82
Monthly flat service fee	\$6.43	\$6.43	\$6.43	\$6.43	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50
Commercial										
Rate per therm	\$1.00 - 1.05	\$0.92	\$0.92	\$0.92	\$0.70	\$0.55	\$0.55	\$0.55	\$0.28 - \$0.77	\$0.29 - \$0.82
Monthly flat service fee	\$6.43 - 19.46	\$6.43 - 19.46	\$6.43 - 19.46	\$6.43 - 19.46	\$9.50 - 28.50	\$9.50 - 28.50	\$9.50 - 28.50	\$9.50 - 28.50	\$9.50 - 28.50	\$9.50 - 28.50
Water Utility										
Residential										
Rate per 1000 Gallons	\$3.72	\$3.72	\$3.72	\$3.72	\$3.95	\$3.95	\$4.19	\$4.19	\$4.19	\$4.19 - \$5.32
Monthly flat service fee	\$7.02	\$7.02	\$7.02	\$7.02	\$7.50	\$7.50	\$7.55	\$7.55	\$7.55 - \$8.80	\$7.93
Commercial										
Rate per 1000 Gallons	\$3.72	\$3.72	\$3.72	\$3.72	\$3.95	\$3.95	\$4.19	\$4.19	\$4.19	\$4.19
Monthly flat service fee	\$7.02 - \$41.81	\$7.02 - \$41.81	\$7.02 - \$41.81	\$7.02 - \$41.81	\$7.50 - \$150.00	\$7.50 - \$150.00	\$7.55 - \$275	\$7.55 - \$275	\$7.55 - \$275	\$7.93 - \$439.50
Wastewater Utility										
Residential										
Rate per 1000 Gallons	\$4.60	\$4.60	\$4.85	\$4.85	\$5.35	\$5.35	\$5.89	\$0.00	\$0.00	\$0.00
Monthly flat service fees	\$7.50	\$7.50	\$12.00	\$12.00	\$13.20	\$13.20	\$14.52	\$30.33 - \$34.89	\$30.33 - \$34.89	\$32.75 - \$37.68
Commercial										
Rate per 1000 Gallons	\$4.60	\$4.60	\$4.85	\$4.85	\$5.35	\$5.35	\$5.89	\$11.91	\$12.86	\$13.89
Monthly flat service fee	\$7.50	\$7.50	\$12.00	\$12.00	\$13.20	\$13.20	\$14.52	\$7.00	\$7.56	\$8.16

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>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Services [a]	\$ 338,489	1,255,824 [b]	1,190,803	1,526,945	1,283,609	1,531,617	1,350,135	1,047,653	962,997	1,117,023
Construction	223,999	165,717	97,351	81,169	97,497	58,993	67,311	80,273	61,625	34,176
Retail & Food Service	68,867	59,019	57,987	68,459	64,603	62,959	59,933	64,501	58,195	79,997
Telecommunications	9,995	10,693	10,865	11,260	21,388	22,778	28,445	26,983	27,875	25,406
Manufacturing	2,636	2,696	3,939	6,770	2,883	4,727	3,706	5,471	6,042	5,370
Wholesale	18,535	14,736	7,165	9,387	6,418	4,397	6,195	2,944	1,555	2,121
Financial Services	10,247	10,360	8,808	9,253	10,036	10,088	11,456	8,962	9,594	12,240
Agriculture	35	9	29	38	0	0	0	0	9	47
Mining	0	0	105	0	0	0	0	4	0	0
Public Administration	0	(5) [c]	0	1,046	0	0	0	0	0	0
Other	31,657	25,280	20,477	15,218	17,533	15,175	14,991	14,805	17,822	18,406
Totals	\$ 704,460	1,544,329	1,397,529	1,729,543	1,503,967	1,710,734	1,542,172	1,251,596	1,145,714	1,294,786

Source: Taxable Gross Receipts (from State of New Mexico Taxation and Revenue Department - monthly report NM_FR003-500 Local Government Distribution) - in \$1,000s

Notes:

General Note: The State will not distribute information on individual taxpayers; thus, the County cannot disclose information on the largest individual taxpayers.

FY 2014 General Note: Lower receipts overall in FY 2014 are due to the Federal Government shutdown in October 2013. Los Alamos County's taxable receipts are highly dependent on the Federal Government and its contractors.

[a] Services include professional services, health care, education, administration and support, and waste management and remediation services

[b] The marked increase in activity could be largely due to the new taxable status of the largest employer, Los Alamos National Laboratory. In prior years, the laboratory was a non-profit.

[c] The State's reporting system corrected a prior period filing error in the "Public Administration" sector.

**INCORPORATED COUNTY OF LOS ALAMOS
GROSS RECEIPTS TAX (GRT) REVENUES AND RATES**

Table 10

LAST TEN FISCAL YEARS

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
<u>GRT Revenues</u>										
General Fund - Local - Municipal	\$ 10,405,815	19,499,692	17,197,172	24,010,373	21,079,046	23,835,717	21,399,137	17,750,645	16,303,296	16,248,652
General Fund - Local - County	1,027,875	1,927,670	1,697,918	6,472,762 [g]	5,682,530	6,425,679	5,768,820	4,785,252	4,395,075	4,380,342
General Fund - State Shared	10,765,141	19,458,921	17,172,099	21,806,633	19,149,417	21,653,702	19,440,165	16,125,672	14,810,815	14,761,175
General Fund - subtotal	<u>22,198,831</u>	<u>40,886,283</u>	<u>36,067,189</u>	<u>52,289,768</u>	<u>45,910,993</u>	<u>51,915,098</u>	<u>46,608,122</u>	<u>38,661,569</u>	<u>35,509,186</u>	<u>35,390,169</u>
Fire Protection Excise Tax	0	0	1,703,782 [e]	2,157,587	1,894,177	2,141,893	1,922,940	1,595,084	1,465,025	1,460,114
Indigent Health Care (IHC) Fund	1,027,875	1,927,670	1,697,918	2,157,587	1,894,177	2,141,893	1,922,940	1,595,084	1,465,025	1,460,114
Capital Improvement Projects (CIP) Fund	572,786	5,787,044	5,093,755	0	0	0	0	0	0	0
Refuse Fund	513,684	956,397	853,537	1,084,563	947,088	1,070,980	961,506	797,575	732,548	730,090
Total GRT Revenues	\$ <u>24,313,176</u>	<u>49,557,394</u>	<u>45,416,181</u>	<u>57,689,505</u>	<u>50,646,435</u>	<u>57,269,864</u>	<u>51,415,508</u>	<u>42,649,312</u>	<u>39,171,784</u>	<u>39,040,487</u>
Total GRT Revenues - Own source (excludes State Shared)	\$ <u>13,548,035</u>	<u>30,098,473</u>	<u>28,244,082</u>	<u>35,882,872</u>	<u>31,497,018</u>	<u>35,616,162</u>	<u>31,975,343</u>	<u>26,523,640</u>	<u>24,360,969</u>	<u>24,279,312</u>
<u>GRT Rates by Imposing Authority</u>										
State Imposed Rate	5.0000%	5.0000%	5.0000%	5.0000%	5.0000%	5.1250% [a]	5.1250%	5.1250%	5.1250%	5.1250%
Locally Imposed Options:										
Municipal:										
Municipal - General	1.2500%	1.2500%	1.2500%	1.2500%	1.2500%	1.2500%	1.2500%	1.2500%	1.2500%	1.2500%
Municipal - Environmental - Refuse	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%
Municipal - MIGRT - CIP	0.0625% [b]	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%
Municipal - MIGRT - CIP	0.0625% [b]	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% [c]	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%
County - Correctional - CIP	0.0625%	0.0625% [d]	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%
County - Correctional - CIP	0.0625%	0.0625% [d]	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%
County - Fire Protection Excise Tax			0.1250% [e]	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% [f]	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%
Subtotal - Local options:	<u>1.6875%</u>	<u>1.9375%</u>	<u>2.0625%</u>	<u>2.0625%</u>	<u>2.0625%</u>	<u>2.0625%</u>	<u>2.0625%</u>	<u>2.0625%</u>	<u>2.0625%</u>	<u>2.0625%</u>
Total GRT Rates	<u>6.6875%</u>	<u>6.9375%</u>	<u>7.0625%</u>	<u>7.1875%</u>	<u>7.1875%</u>	<u>7.3125%</u>	<u>7.3125%</u>	<u>7.3125%</u>	<u>7.3125%</u>	<u>7.3125%</u>
<u>GRT Rates by Recipient</u>										
State Revenue	3.7750%	3.7750%	3.7750%	3.7750%	3.7750%	3.9000%	3.9000%	3.9000%	3.9000%	3.9000%
NCRTD				0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%
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	1.6875%	1.9375%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%	2.0625%
Total County Revenue	<u>2.9125%</u>	<u>3.1625%</u>	<u>3.2875%</u>	<u>3.2875%</u>	<u>3.2875%</u>	<u>3.2875%</u>	<u>3.2875%</u>	<u>3.2875%</u>	<u>3.2875%</u>	<u>3.2875%</u>
Total GRT Rates	<u>6.6875%</u>	<u>6.9375%</u>	<u>7.0625%</u>	<u>7.1875%</u>	<u>7.1875%</u>	<u>7.3125%</u>	<u>7.3125%</u>	<u>7.3125%</u>	<u>7.3125%</u>	<u>7.3125%</u>

Sources: Los Alamos County CAFRs and Adopted Budgets

Notes:

[a] State Rate Changed July 1, 2010

[b] Municipal Infrastructure GRT (MIGRT) effective January 1, 2006 (middle of FY2006)

[c] Third 1/8 of the County Gross Receipts Tax effective July 1, 2006

[d] County Correctional effective July 1, 2006

[e] County Fire Protection Excise Tax effective July 1, 2007

[f] Regional Transit increment effective July 1, 2009

[g] Includes \$103,701 of Municipal Equivalent Distribution, which is intended to assist counties with a smaller than average per capita share of GRT base

**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
2005	\$	11,300,097	\$ 6,849	\$ 11,306,946	\$ 10,994,524	\$ 97.30%	\$ 310,626	\$ 11,305,150	99.98%
2006		12,096,750	(14,203)	12,082,547	11,805,510	97.59%	275,355	12,080,865	99.99%
2007		12,446,784	(14,663)	12,432,121	12,116,160	97.34%	314,126	12,430,286	99.99%
2008		12,934,268	(41,558)	12,892,710	12,384,692	95.75%	506,902	12,891,594	99.99%
2009		16,841,850	17,213	16,859,063	16,365,480	97.17%	488,010	16,853,490	99.97%
2010		15,347,068	(1,459)	15,345,609	14,954,165	97.44%	372,791	15,326,956	99.88%
2011		15,508,620	189,520	15,698,140	15,015,951	96.82%	646,549	15,662,500	99.77%
2012		15,602,806	198,642	15,801,448	15,272,274	97.88%	103,930	15,376,204	97.31%
2013		15,574,631	195,718	15,770,349	15,187,714	97.52%	188,490	15,376,204	97.50%
2014		15,368,081	201,079	15,569,160	15,018,695	97.73%	259,582	15,278,277	98.13%

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 2014 were collected during the fiscal year ended June 30, 2015.

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]
	REAL PROPERTY	PERSONAL PROPERTY [c]	CENTRALLY ASSESSED PROPERTY [d]					
2005	\$ 643,892,960	\$ 10,670,160	\$ 7,359,620	\$ (7,584,420)	\$ 654,338,320	\$ 1,985,768,220	1.727%	
2006	681,136,700	11,046,990	7,688,420	(7,980,370)	691,891,740	2,099,616,330	1.748%	
2007	715,440,480	12,183,030	7,556,300	(8,151,920)	727,027,890	2,205,539,430	1.712%	
2008	724,658,990	11,300,110	8,046,650	(8,147,160)	735,858,590	2,232,017,250	1.758%	
2009	700,878,040	10,531,960	5,973,100	(8,291,310)	709,091,790	2,152,149,300	2.375%	
2010	682,140,660	10,955,750	7,027,020	(8,405,180)	691,718,250	2,100,370,290	2.219%	
2011	692,219,200	11,563,780	7,300,910	(8,732,840)	702,351,050	2,133,251,670	2.208%	
2012	693,444,690	9,321,500	6,051,950	(9,111,190)	699,706,950	2,126,454,420	2.230%	
2013	661,214,660	9,354,290	5,601,990	(8,872,910)	667,298,030	2,028,512,820	2.334%	
2014	659,404,506	9,403,680	5,601,990	(8,884,910)	665,525,266	2,023,230,528	2.309%	

Source: Tax rolls

Notes:

[a] Assessed valuation is one third of estimated actual value for all ten years.

[b] Tax Year 20XX corresponds to the fiscal year ended on June 30, 20XX+1. For example, taxes levied for Tax Year 2012 were collected during the fiscal year ended June 30, 2013.

[c] Personal property Includes mobile homes and livestock.

[d] Assessed value of communications, pipeline and gas, public utility, airline, mineral, and certain construction property within the County is determined by the New Mexico State Property Tax Division. A breakdown of real and personal property is not available.

[e] Weighted average rate applied to assessed value

INCORPORATED COUNTY OF LOS ALAMOS
PROPERTY TAX RATES AND TAX LEVIES - ALL DIRECT AND OVERLAPPING GOVERNMENTS

Table 13

LAST TEN TAX YEARS

<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						
2005	Residential	1.234	7.599	6.775	1.180	16.788
	Non-Residential	1.234	10.792	6.925	1.199	20.150
2006	Residential	1.291	7.658	6.756	1.212	16.917
	Non-Residential	1.291	11.312	6.923	1.263	20.789
2007	Residential	1.221	7.721	6.760	0.788	16.490
	Non-Residential	1.221	11.856	6.945	0.873	20.895
2008	Residential	1.250	8.051	6.772	0.822	16.895
	Non-Residential	1.250	12.591	6.969	0.927	21.737
2009	Residential	1.150	8.741	12.253	0.892	23.036
	Non-Residential	1.150	13.788	12.467	1.000	28.405
2010	Residential	1.530	6.915	12.267	0.924	21.636
	Non-Residential	1.530	10.598	12.471	1.000	25.599
2011	Residential	1.362	6.975	12.272	0.935	21.544
	Non-Residential	1.362	10.598	12.473	1.000	25.433
2012	Residential	1.360	7.166	12.316	0.969	21.811
	Non-Residential	1.360	10.598	12.506	1.000	25.464
2013	Residential	1.360	7.347	12.307	1.000	22.014
	Non-Residential	1.360	10.598	12.487	1.000	25.445
2014	Residential	1.360	7.690	12.534	1.000	22.584
	Non-Residential	1.360	10.598	12.694	1.000	25.652

Source: Adopted rates

**INCORPORATED COUNTY OF LOS ALAMOS
TEN PRINCIPAL PROPERTY TAXPAYERS**

Table 14

June 30, 2015

TAXPAYER	TYPE OF BUSINESS	FY 2015			FY 2006		
		TAX YEAR 2014 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL ASSESSED VALUATION	TAX YEAR 2005 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL ASSESSED VALUATION
PHC-Los Alamos, Inc.	Medical Services	\$ 8,442,160	1	1.27%	\$ 8,913,470	1	1.37%
Los Alamos National Bank	Banking	5,049,630	2	0.76%	5,149,430	3	0.79%
Central Park Square LLC	Real Estate	4,574,440	3	0.69%	-	-	-
Los Alamos Commerce and Development	Real Estate	3,756,880	4	0.56%	4,525,780	4	0.70%
Canyon Village Housing Solutions	Apartments	3,460,620	5	0.52%	-	-	-
Century Link (formerly Qwest Corp.)	Telephone Utility	3,365,420	6	0.51%	6,088,430	2	0.94%
Oppenheimer Place Condominium Assoc., Inc	Real Estate	3,336,370	7	0.50%	3,368,830	6	0.52%
Simth's Food & Drug Centers, Inc.	Food & Drug	2,195,340	8	0.33%	-	-	-
CC&F Los Alamos Invest Co.	Real Estate	2,011,760	9	0.30%	1,970,510	9	0.30%
Shannon Corporation	Real Estate	1,816,040	10	0.27%	2,404,100	8	0.37%
Netuschil Development Corporation	Real Estate	-	-	-	3,073,820	7	0.47%
Housing Solutions LLC	Real Estate	-	-	-	3,521,460	5	0.54%
Developers Diversified Realty	Real Estate	-	-	-	1,785,020	10	0.27%
Total assessed valuation of ten principal taxpayers		38,008,660		5.71%	40,800,850		6.27%
Total assessed valuation of other taxpayers		627,516,606		94.29%	610,252,200		93.73%
Total assessed valuation		\$ 665,525,266		100.00%	\$ 651,053,050		100.00%

Source: Tax rolls

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			
2006	\$ 0	\$ 0	\$ 2,920,105	\$ 62,347,149	\$ 1,064,890 [a]	\$ 66,332,144	7%	\$ 3,524
2007	0	0	2,353,180	65,019,205 [b]	15,657,064 [c]	83,029,449	8%	4,386
2008	0	0	1,760,686	59,514,641	18,086,801 [c]	79,362,128	7%	4,172
2009	0	73,734,775 [d]	0 [e]	53,605,077	18,486,512	145,826,364	14%	8,043
2010	0	70,533,228	0	47,405,513	19,955,942	137,894,683	13%	7,598
2011	0	67,226,077	0	54,145,925 [f]	19,695,479	141,067,481	13%	7,859
2012	0	63,799,121	0	47,310,039	19,182,482	130,291,642	12%	7,150
2013	0	53,956,841 [g]	0	39,879,153	18,784,979	112,620,973	10%	6,202
2014	0	59,912,216 [h]	0	32,822,680 [h]	18,113,022	110,847,918	10%	6,041
2015	0	56,056,683	0	33,137,373 [i]	0	89,194,056	8%	4,939

[a] Draws on New Mexico Environment Department (NMED) loan for Wastewater Treatment Facility. Total loan amount is not to exceed \$15,000,000.

[b] Addition of \$7,695,000 Series 2006 Revenue Bonds.

[c] Additional draws on NMED loan for Wastewater Treatment Facility and new loan from New Mexico Finance Authority for Solid Waste Transfer Station.

[d] Addition of 2008 Series Gross Receipts Tax Revenue Bonds.

[e] Early retirement of NMED Bayo Canyon effluent line and NMFA deferred maintenance project loans.

[f] 2010 Series revenue bonds issued for approximately \$13.2 million.

[g] Includes the 2013 Series refunding revenue bonds issued for approximately \$38.5 million.

[h] Includes reclassifications due to implementation of GASB 65 of \$9,653,817 to GRT revenue bonds and \$1,458,826 to Joint Utility revenue bonds.

[i] 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>
2006	18,822	\$ 654,338,320	\$ 0	\$ 0	\$ 0	0.00%	\$ 0
2007	18,931	691,891,740	0	0	0	0.00%	0
2008	19,022	727,027,898	0	0	0	0.00%	0
2009	18,130	735,858,590	0	0	0	0.00%	0
2010	18,150	735,858,590	0	0	0	0.00%	0
2011	17,950	691,383,880	0	0	0	0.00%	0
2012	18,222	702,351,050	0	0	0	0.00%	0
2013	18,159	699,706,950	0	0	0	0.00%	0
2014	18,348	667,298,030	0	0	0	0.00%	0
2015	18,058	682,086,900	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 2014 tax year corresponds to FY2015)

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

Table 17

June 30, 2015

<u>NAME OF GOVERNMENTAL UNIT</u>	<u>2014 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	\$ 682,086,900	\$ 0	100.00%	\$ 0
GRT Revenue Bonds	682,086,900	56,056,683	100.00%	56,056,683
Overlapping Debt [a]				
State of New Mexico	52,823,095,052	372,700,000	1.29%	4,812,550
Los Alamos School District	682,086,900	36,400,000	100.00%	36,400,000
University of New Mexico - Los Alamos	682,086,900	0	100.00%	0
Total overlapping debt				41,212,550
Total direct and overlapping debt				\$ 97,269,233

Ratio of estimated direct and overlapping debt to 2014 assessed valuation: 14.26

Ratio of direct general obligation debt to 2014 assessed valuation: .00%

Per capita direct and overlapping debt: \$5,386

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

County population - 2015 estimate: 18,058

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, 2015

Assessed valuation, tax year 2014 (One third of full valuation)	<u>\$ 682,086,900</u>
Legal debt margin:	
Debt limitation - 4 percent of assessed valuation	27,283,476
Less: Debt applicable to limitation (general obligation debt)	<u>0</u>
Legal debt margin	<u><u>\$ 27,283,476</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							
2006	\$ 36,921,888	\$ 27,730,207	\$ 9,191,681	\$ 5,415,000	\$ 3,205,750	\$ 8,620,750	1.07
2007	38,074,522	28,553,817	9,520,705	5,865,000	3,124,113	8,989,113	1.06
2008	43,875,165	31,806,080	12,069,085	6,270,000	3,070,628	9,340,628	1.29
2009	42,308,373	31,665,784	10,642,589	6,560,000	2,759,288	9,319,288	1.14
2010	40,861,275	32,563,238	8,298,037	6,865,000	2,443,770	9,308,770	0.89
2011	42,549,827	32,531,701	10,018,126	7,180,000	2,592,193	9,772,193	1.03
2012	45,657,933	32,835,190	12,822,743	7,544,581	2,355,424	9,900,005	1.30
2013	49,096,622	38,067,208	11,029,414	6,944,924	2,342,866	9,287,790	1.19
2014	46,466,503	34,898,486	11,568,017	7,317,756	1,896,007	9,213,763	1.26
2015	41,608,321	39,453,772	2,154,549	9,031,716	1,128,201	10,159,917	0.21
WATER UTILITY							
2006-2010	0	0	0	0	0	0	0
2011	8,629,047	3,722,191	4,906,856	0 [d]	28,192	28,192	174.05
2012	5,791,200	3,726,613	2,064,587	1,253	35,118	36,371	56.76
2013	6,324,036	4,504,479	1,819,557	68,001	41,413	109,414	16.63
2014	5,506,428	4,457,978	1,048,450	76,278	90,049	166,327	6.30
2015	4,790,904	4,449,574	341,330	70,332	89,436	159,768	2.14

Source: CAFRs

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.

[d] 2010 Utility Bond Series had no principal debt service in FY2011.

INCORPORATED COUNTY OF LOS ALAMOS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 20

Fiscal Year	Population	Personal Income (In thousands)	Per Capita Personal Income	School Enrollment	Unemployment Rate
2006	18,822	\$ 960,430	\$ 51,027	3,635	2.50%
2007	18,931	1,024,811	54,134	3,515	2.00%
2008	19,022	1,082,884	56,928	3,470	2.60%
2009	18,130	1,019,351	55,109	3,355	3.00%
2010	18,150	1,070,656	58,698	3,362	3.50%
2011	17,950	1,083,283	59,936	3,410	4.00%
2012	18,222	1,109,606	61,539	3,375	2.90%
2013	18,159	1,106,416	60,719	3,528	3.70%
2014	18,348	1,158,288	63,786	3,524	3.40%
2015	18,058	1,108,528	62,284	3,505	3.40%

Sources: School Enrollment provided by NM Public Education Department website. Population estimate provided by U.S. Census Bureau. All other data provided by the University of NewMexico Bureau of Business and Economic Research website.

**INCORPORATED COUNTY OF LOS ALAMOS
LARGEST EMPLOYERS (representing greater than 50% of workforce)**

Table 21

June 30, 2015

EMPLOYER	TYPE OF BUSINESS	FY2015			FY2006		
		NUMBER OF EMPLOYEES [a]	RANK	% of Total County Employment	NUMBER OF EMPLOYEES	RANK	% of Total County Employment
Los Alamos National Laboratory	Research and Development	10,827	1	69.42%	9,280	1	43.72%
Los Alamos County	Government	673	2	4.31%	623	4	2.94%
Los Alamos Public Schools	Education	658	3	4.22%	700	3	3.30%
SOC (Guard Force)	Security	357	4	2.29%	-	-	-
Los Alamos Medical Center	Medical Services	320	5	2.05%	305	6	1.44%
Los Alamos National Bank	Banking	176	6	1.13%	271	7	1.28%
KSL Services, Inc.	Maintenance and Operations Services	-	-	-	1,633	2	7.69%
Plus Group	Business Services	-	-	-	255	8	1.20%
Butler Technical Group	Technical Services	-	-	-	165	9	0.78%
Protection Technology Los Alamos	Security	-	-	-	606	5	2.86%
Weirich Technical Services	Engineering & Analysis Studies	-	-	-	140	11	0.66%
Comforce Technical	Engineering & Analysis Studies	-	-	-	165	10	0.78%
Other employers		<u>2,586</u>		<u>16.58%</u> [c]	<u>7,081</u>		<u>33.36%</u>
Total workforce [b]		<u>15,597</u>		<u>100.00%</u>	<u>21,224</u>		<u>100.00%</u>

Sources: Individual Employers, New Mexico Department of Labor

Notes:

[a] As of June 30, 2015

[b] Work force total based on estimates from New Mexico Department of Labor. Average of first 3 months of 2015.

[c] Top six employers shown, which collectively represent greater than 86% of total employment

**INCORPORATED COUNTY OF LOS ALAMOS
CENSUS POPULATION BY AGE BRACKET, COUNTS, AND PERCENTAGES**

Table 22

<u>AGE BRACKET</u>	<u>1960</u>		<u>1970</u>		<u>1980</u>		<u>1990</u>		<u>2000</u>		<u>2010</u>	
	<u>NUMBER</u>	<u>PERCENT</u>	<u>NUMBER</u>	<u>PERCENT</u>	<u>NUMBER</u>	<u>PERCENT</u>	<u>NUMBER</u>	<u>PERCENT</u>	<u>NUMBER</u>	<u>PERCENT</u>	<u>NUMBER</u>	<u>PERCENT</u>
0-4 years	1,901	14.6%	1302	8.6%	1,115	6.3%	1,090	6.0%	1,021	5.6%	960	5.3%
5-19 years	4,226	32.4%	5414	35.6%	4,874	27.7%	4,032	22.3%	4,050	22.1%	3,648	20.3%
20-24 years	375	2.9%	567	3.7%	805	4.6%	565	3.1%	463	2.5%	498	2.8%
25-34 years	2,260	17.3%	2061	13.6%	2,608	14.8%	3,126	17.3%	1,864	10.2%	1,713	9.5%
35-44 years	2,653	20.3%	2432	16.0%	3,155	17.9%	3,718	20.5%	3,217	17.5%	2,327	13.0%
45-54 years	1,107	8.5%	2269	14.9%	2,491	14.2%	3,171	17.5%	3,226	17.6%	3,347	18.6%
55-64 years	373	2.9%	839	5.5%	1,829	10.4%	1,909	10.5%	2,282	12.4%	2,771	15.4%
65 and over	<u>142</u>	<u>1.1%</u>	<u>314</u>	<u>2.1%</u>	<u>722</u>	<u>4.1%</u>	<u>504</u>	<u>2.8%</u>	<u>2,220</u>	<u>12.1%</u>	<u>2,686</u>	<u>15.0%</u>
Totals	13,037	100.0%	15,198	100.0%	17,599	100.0%	18,115	100.0%	18,343	100.0%	17,950	100.0%

Source: U.S. Census Bureau

**INCORPORATED COUNTY OF LOS ALAMOS
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM**

Table 23

LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Governmental activities										
General government										
County Council	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
County Courts	4.56	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.75	4.75
County Administrator	13.00	13.50	13.50	12.00	13.23	11.00	11.50	22.00	20.00	19.00
County Assessor	6.59	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
County Attorney	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
County Clerk	6.97	6.75	6.72	6.70	6.70	6.70	6.70	6.69	6.69	7.56
County Sheriff	2.03	1.97	2.02	1.90	1.90	1.90	2.04	2.04	1.94	1.94
Administrative Services	50.50	53.86	54.75	55.25	58.25	60.22	59.76	50.00	50.00	47.76
Public Works	44.63	46.15	47.17	12.14	12.00	12.00	12.00	10.00	11.46	11.46
Capital Projects & Facilities (new FY2009)	0.00	0.00	0.00	38.50	37.00	37.00	37.00	39.00	37.00	32.00
Public Safety										
Police	60.13	75.55	75.57	77.53	76.54	77.54	77.98	77.99	78.02	76.00
Cerro Grande fire recovery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Physical and economic environment	13.00	13.00	13.00	13.00	13.00	13.00	13.00	14.00	12.00	15.00
Transportation	25.52	25.53	27.53	27.41	27.37	26.87	26.62	26.60	26.23	24.50
Health and welfare	0	0	0	0	0	1.25	1.25	2.00	2.00	2.50
Culture and recreation	86.44	85.43	86.31	86.67	88.36	86.88	86.26	85.58	86.33	84.76
Business-type activities										
Joint Utilities										
Electric	44.00	45.00	45.00	54.00	54.00	54.00	52.00	54.44	54.02	55.02
Gas	27.22	25.74	25.37	25.83	24.39	23.40	25.17	24.04	24.18	22.28
Water	12.00	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25
Wastewater	10.00	10.13	10.13	9.13	9.13	9.13	9.00	9.00	9.00	9.00
Environmental Services	19.26	19.26	19.26	18.75	18.75	19.00	18.50	18.00	18.17	17.17
Golf	12.82	12.73	12.79	13.60	13.02	12.48	12.20	12.09	11.59	11.44
Fire	135.00	141.00	141.00	148.00	150.00	150.00	150.00	150.00	150.00	150.00
Airport	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	2.08	1.50
Transit (new FY2008)	0.00	0.00	22.00	24.00	31.50	31.75	32.00	40.00	39.37	37.45
Equipment-internal service	10.00	10.00	10.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Risk-internal service	2.50	2.50	2.50	2.50	2.50	2.50	2.00	2.00	2.00	2.00
Totals	<u>599.67</u>	<u>623.65</u>	<u>650.17</u>	<u>673.46</u>	<u>684.19</u>	<u>683.17</u>	<u>681.53</u>	<u>692.02</u>	<u>687.08</u>	<u>673.34</u>

Source: Administrative Services Department

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

Table 24

LAST TEN FISCAL YEARS

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
General Government										
Assessor-number of parcels by tax year	8,972	8,972	8,988	8,799	9,139	9,078	9,079	9,047	9,194	9,189
Clerk-number of elections managed	3	4	1	3	2	2	2	3	2	2
Sheriff-number of processes administered	290	245	276	256	284	322	169	138	151	148
IT-Number of networked devices supported	not available	1,452	1,535	1,537	1,567	1,569	1,585	1,592	1,453	1,480
Public Safety										
Police-Part 1 UCR Offenses [a]	350	431	386	297	349	364	258	358	204	187
Police-number of service call responses	14,535	13,773	13,883	14,264	17,172	16,882	17,513	17,647	16,700	14,316
Police-number of reported traffic accidents	293	471	260	216	242	225	366	310	305	229
Police-number animal control cases	358	354	355	293	350	305	265	385	182	98
Physical & Economic Development										
Number of construction permits issued*	180	191	113	92	94	108	96	578 [b]	681	579
Transportation										
Traffic-miles of lane lines striped	50	46	58	52	88	56	84	84	84	51
Culture and Recreation										
Library-Number of circulations	328,098	339,895	358,216	374,358	394,736	411,356	413,291	389,719	396,768	379,991
Number of park acres maintained	590	599	599	599	609	616	936	944	944	944
Number of cemetery internments	not available	41	32	39	34	36	59	55	55	41
Number of aquatic center visits	89,748	87,457	86,843	90,275	99,759	85,658	91,972	134,143	135,916	193,398
Number of rink visits	10,294	20,130	23,451	20,731	27,443	28,663	22,817	28,286	30,150	30,805
Sr. Center-number of seniors served	not available	2,263	2,348	2,410	3,800	4,040	3,790	2,787	3,732	3,898
Joint Utility System										
EP-Number of megawatt hrs supplied	562,015	590,117	550,623	567,821	559,542	563,109	589,362	570,883	531,796	514,619
ED-Number of electric utility customers	8,767	8,892	8,877	8,764	8,733	8,610	8,660	8,741	8,900	8,647
Gas-Number of therms delivered	8,198,081	9,374,019	9,389,368	8,396,000	9,761,560	8,754,903	8,475,984	8,711,200	9,389,410	8,446,420
WP-M gallons water produced	1,468,907	1,245,586	1,458,459	1,420,686	1,308,069	1,422,096	1,382,268	1,376,746	1,166,692	1,105,780
WD-M gallons of water sold	999,920	720,433	800,273	781,692	741,277	800,842	876,360	842,344	683,637	706,356
WW-K gallons sewage conveyed	530,375	363,182	441,351	451,640	447,516	445,685	479,870	429,117	421,319	437,938
Golf Course										
Number of golf rounds provided	not available	31,374	29,221	29,553	27,844	25,841	24,249	22,186	27,284	29,359
Transit (first year of complete data was FY2009)										
Number of one way passenger rides	not available	not available	not available	391,338	433,512	449,987	491,315	573,967	517,638	548,331
Number of miles of service provided	not available	not available	not available	430,180	516,013	627,309	675,157	785,697	714,815	721,357
Fire Protection Services										
Number of responses	1,965	1,873	2,022	1,956	2,001	2,110	1,951	1,841	1,838	1,766
Airport										
Number of takeoffs & landings	not available	11,199	13,255	13,244	13,376	14,010	13,500	13,500	13,500	12,700

Sources: County departments.

[a] Only calendar year data available

[b] High number of permits due to major hail storm damage (mainly roofs).

INCORPORATED COUNTY OF LOS ALAMOS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Table 25

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Public Safety										
Police stations (includes WR substation)	2	2	2	2	2	2	2	2	2	2
Police vehicles	41	46	48	50	50	50	47	47	47	43
County owned fire stations	4	4	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	105.7	106.0	106.0	106.0	106.6	106.6	106.5	106.5	106.5	106.5
Sidewalk, square yards	227,407	229,048	231,099	235,356	241,612	241,612	245,440	245,440	245,440	246,009
Street lights, county owned	1,153	1,156	1,167	1,204	1,292	1,292	1292	1292	1292	1292
Traffic signals	11	11	11	11	11	11	11	11	11	12
School and station flashers	9	9	10	10	10	10	10	10	10	10
Public Parking Lots	28	30	31	27	34	35	37	38	38	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	33	33	34	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	60	60	60	60	60	61	61	61	62	62
Electric distribution line miles	142.0	142.0	142.0	142.0	143.0	143.0	143.0	143.0	144.0	144.0
Water production wells	12.0	12.0	12.0	12.0	12.0	12.0	12	12	12	12
Water distribution line miles	147.0	147.0	147.0	147.0	148.5	148.5	148.5	149.5	149.5	149.8
Gas distribution line miles	120.0	120.0	120.0	120.0	122.0	122.0	122.0	125.0	125.5	125.5
Wastewater collection line miles	117.0	117.0	117.0	117.0	118.0	118.0	118.0	118.0	118.9	118.9
Environmental Services										
Collection trucks	8	9	10	10	10	10	10	10	10	10
Golf Course										
Holes	18	18	18	18	18	18	18	18	18	18
Airport										
Tie down spaces	83	83	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	
2006	\$ 195,428	\$ 177,147	\$ 1,403	\$ 37,917	\$ 28,711	\$ 413,709	\$ 394,508	\$ 1,248,823
2007	192,972	182,260	826	111,761	31,668	413,327	407,440	1,340,254
2008	210,508	174,613	237	114,181	31,363	414,925	420,184	1,366,011
2009	210,931	164,301	219	141,275	31,142	442,643	402,342	1,392,853
2010	221,476	157,979	902	200,748	54,811	437,711	374,584	1,448,211
2011	225,931	123,703	747	174,095	47,631	466,858	361,617	1,400,582
2012	235,444	108,900	2,474	181,565	49,922	457,600	282,776	1,318,681
2013	233,512	109,421	4,533	175,552	61,835	486,879	250,684	1,322,416
2014	231,282	128,916	13,924	189,561	68,787	478,324	253,562	1,364,356
2015	247,143	107,219	17,208	206,136	77,004	484,485	297,390	1,436,585

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 and Gas retail revenues excluding sales to schools and the County.



Other Supplementary Information

SCHEDULE OF RECONCILIATION OF TAX RECEIPTS AND DISBURSEMENTS

Year ended June 30, 2015

PROPERTY TAX RECEIVABLE, JUNE 30, 2014	\$ 417,726
Net taxes charged to treasurer	15,368,082
Collections	(15,409,626)
Adjustments	(5,645)
PROPERTY TAX RECEIVABLE, JUNE 30, 2015	<u><u>\$ 370,537</u></u>

PROPERTY TAXES RECEIVABLE AS OF JUNE 30, 2015, 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>
2005	\$ 1,479	758	96	92	533
2006	1,194	576	86	81	451
2007	1,373	704	92	62	515
2008	651	310	48	32	261
2009	1,364	526	67	53	719
2010	3,289	1,217	247	132	1,693
2011	2,887	1,057	182	119	1,529
2012	25,266	9,407	1,500	1,055	13,304
2013	47,877	17,305	2,888	2,072	25,612
2014	285,157	102,404	16,744	12,232	153,777
	<u><u>\$ 370,537</u></u>	<u><u>134,264</u></u>	<u><u>21,950</u></u>	<u><u>15,930</u></u>	<u><u>198,394</u></u>

DISTRIBUTION OF COLLECTED PROPERTY TAXES:	
Incorporated County of Los Alamos	\$ 5,421,824
State of New Mexico	911,427
University of New Mexico	669,724
Los Alamos Public Schools	8,406,651
	<u><u>\$ 15,409,626</u></u>

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

Year ended June 30, 2015

<u>Agency</u>	<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected to Date</u>	<u>Distributed in Current Year</u>	<u>Distributed to Date</u>	<u>Undistributed at Year End</u>	<u>Receivable at Year End</u>
Incorporated County of Los Alamos:							
2005	\$ 5,277,028	80	5,276,270	80	5,276,270	0	758
2006	5,659,661	157	5,659,085	157	5,659,085	0	576
2007	6,036,476	152	6,035,772	152	6,035,772	0	704
2008	6,379,203	156	6,378,893	156	6,378,893	0	310
2009	6,682,978	200	6,682,452	200	6,682,452	0	526
2010	5,137,492	1,893	5,136,275	1,893	5,136,275	0	1,217
2011	5,312,337	3,874	5,311,280	3,874	5,311,280	0	1,057
2012	5,400,726	8,807	5,391,319	8,807	5,391,319	0	9,407
2013	5,458,798	100,859	5,441,494	100,859	5,441,494	0	17,305
2014	5,476,411	5,305,648	5,374,008	5,305,648	5,374,008	0	102,403
	56,821,111	5,421,824	56,686,848	5,421,824	56,686,848	0	134,264
State of New Mexico:							
2005	808,420	13	808,325	13	808,325	0	96
2006	893,349	26	893,264	26	893,264	0	86
2007	888,249	24	888,157	24	888,157	0	92
2008	917,943	24	917,895	24	917,894	0	48
2009	816,703	26	816,635	19	816,628	7	67
2010	1,059,008	385	1,058,762	385	1,058,762	0	247
2011	969,197	678	969,015	678	969,015	0	181
2012	964,670	1,472	963,169	1,454	963,151	18	1,500
2013	955,276	17,480	952,388	17,306	952,214	174	2,888
2014	920,126	891,298	903,381	887,863	899,946	3,435	16,744
	9,192,940	911,427	9,170,991	907,792	9,167,356	3,635	21,950

University of New Mexico:

2005	773,952	12	773,859	12	773,859	0	92
2006	842,876	25	842,795	25	842,795	0	81
2007	581,285	15	581,223	15	581,223	0	62
2008	614,435	16	614,403	16	614,403	0	32
2009	643,301	20	643,248	15	643,243	6	53
2010	646,526	236	646,394	236	646,394	0	132
2011	671,310	472	671,191	472	671,191	0	119
2012	689,831	1,049	688,776	1,036	688,763	13	1,055
2013	701,943	12,796	699,872	12,669	699,744	128	2,072
2014	676,200	655,083	663,968	652,557	661,442	2,526	12,232
	6,841,658	669,724	6,825,728	667,052	6,823,056	2,672	15,930

Los Alamos Public Schools:

2005	4,447,567	71	4,447,034	71	4,447,034	0	533
2006	4,686,654	138	4,686,203	138	4,686,203	0	451
2007	4,930,473	133	4,929,958	133	4,929,958	0	515
2008	4,993,277	131	4,993,016	129	4,993,013	3	261
2009	8,716,082	281	8,715,363	205	8,715,287	76	719
2010	8,505,960	3,093	8,504,267	3,093	8,504,267	0	1,693
2011	8,747,766	6,117	8,746,236	6,117	8,746,236	0	1,529
2012	8,748,693	13,267	8,735,388	13,100	8,735,221	167	13,304
2013	8,655,517	157,864	8,629,905	156,293	8,628,334	1,571	25,612
2014	8,490,697	8,225,555	8,336,921	8,193,832	8,305,197	31,723	153,776
	70,922,684	8,406,651	70,724,290	8,373,110	70,690,750	33,540	198,394

Grand Total	\$ 143,778,393	15,409,626	143,407,857	15,369,779	143,368,010	39,847	370,537
--------------------	-----------------------	-------------------	--------------------	-------------------	--------------------	---------------	----------------

**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF PLEDGED COLLATERAL**

June 30, 2015

	<u>LOS ALAMOS NATIONAL BANK</u>	<u>COMMUNITY BANK</u>	<u>FIRST NATIONAL BANK OF SANTA FE</u>	<u>TOTAL</u>
TOTAL AMOUNT OF DEPOSITS (bank balances)	\$ 21,039,808	3,037,517	3,154,660	27,231,985
Less: FDIC coverage	250,000	250,000	250,000	750,000
TOTAL UNINSURED PUBLIC FUNDS	<u>20,789,808</u>	<u>2,787,517</u>	<u>2,904,660</u>	<u>26,481,985</u>
COLLATERAL REQUIRED				
Deposits	10,394,904 [a]	1,393,758 [a]	1,452,330 [a]	13,240,993
COLLATERAL				
Letters of Credit, Agencies, Municipal Bonds	27,547,777 [b]	2,986,560 [b]	8,674,764 [b]	39,209,101
OVER(UNDER) SECURED	<u>\$ 17,152,873</u>	<u>1,592,802</u>	<u>7,222,434</u>	<u>25,968,109</u>

Notes:

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

[b] Letter of Credit - Federal Home Loan Bank of Dallas

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

June 30, 2015

	<u>ACQUISITION DATE</u>	<u>MATURITY DATE</u>	<u>CUSIP NUMBER</u>	<u>TYPE</u>	<u>PAR VALUE</u>	<u>BOOK/MARKET PER BANK</u>
LOS ALAMOS NATIONAL BANK						
Agency Notes/Bonds	12/29/14	01/01/38	31300MJ95	FHLMC	\$ 1,012,739	1,082,182
	04/20/15	06/01/40	31419ABY2	FNMA	9,382,989	10,005,457
	04/20/15	08/01/41	3138EMP39	FNMA	7,782,703	8,294,882
	04/30/14	10/17/16	313380XB8	FHLB	1,500,000	1,500,102
	05/20/15	07/25/44	31395A3J2	FSPC	782,871	790,519
	05/21/15	10/25/44	31395HHV5	FSPC	1,372,537	1,394,331
	05/26/15	11/16/44	38378NNC3	GNR	4,457,601	4,480,303
					<u>26,291,440</u>	<u>27,547,777</u>
COMMUNITY BANK						
Letter of Credit: Federal Home Loan Bank of Dallas						
Beneficiary: County of Los Alamos	04/23/15	07/22/15	Letter of credit		2,000,000	2,000,000
Agency Notes/Bonds	10/31/14	08/01/19	3137EADK2	FHLMC	<u>1,000,000</u>	<u>986,560</u>
					3,000,000	2,986,560
FIRST NATIONAL BANK OF SANTA FE						
Agency Notes/Bonds	08/29/14	01/01/34	3128P75H2	FHLMC	6,497,294	6,700,156
	08/29/14	10/29/19	3135G0RL9	FNMA	<u>2,000,000</u>	<u>1,974,608</u>
					8,497,294	8,674,764
					<u>\$ 37,788,733</u>	<u>39,209,101</u>
TOTAL PLEDGED COLLATERAL						



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

June 30, 2015

<u>NAME OF DEPOSITORY</u>	<u>ACCOUNT NAME</u>	<u>TYPE OF ACCOUNT</u>	<u>TOTAL DEPOSITORY BALANCES</u>
Charles Schwab Bank	L.A.C. Employee Pension Plan	Participant Investments	\$ 40,598,874
Bank of Albuquerque	Los Alamos County	FHLB	12,057,740
Bank of Albuquerque	Los Alamos County	FHLMC	15,205,800
Bank of Albuquerque	Los Alamos County	FNMA	2,509,775
Bank of Albuquerque	Los Alamos County	FFCB	14,969,200
Bank of Albuquerque	Los Alamos County	T-Note	10,512,691
First National Bank of Santa Fe	Los Alamos County	Savings	3,154,660
Community Bank	Los Alamos County	Savings	3,037,517
Los Alamos National Bank	Library Gift Fund	C.D.	12,300
Los Alamos National Bank	Employee Fund	Checking	7,344
Los Alamos National Bank	Employee Fund	C.D.	9,642
Los Alamos National Bank	Flexible Spending Account	Checking	21,668
Los Alamos National Bank	General County	Checking	11,650,702
Los Alamos National Bank	GRT Bonds Debt Service	Checking	30,385
Los Alamos National Bank	Landfill Closure	Checking	357,596
Los Alamos National Bank	Municipal Court Bond	Checking	8,311
Los Alamos National Bank	Police Operations	Checking	539
Los Alamos National Bank	Small Purchase	Checking	27,818
Los Alamos National Bank	Manual Checks	Checking	20,001
Los Alamos National Bank	Utility Resource Pool	Checking	8,893,504
NMFA / Bank of Albuquerque	Trustee Loan Account	Cash Equivalent	439,745
Bank of Albuquerque	Trustee Loan Account - Utilities	Cash Equivalent	484,762
NMFA / Bank of Albuquerque	Trustee Loan Account - Utilities	Cash Equivalent	10,364,587
NMFA / Bank of Albuquerque	Trustee Loan Account - Utilities	Cash Equivalent	8,217,577
State Investment Council	Permanent Fund	Pool	24,292,545
State Investment Council	General Fund	Pool	12,794,074
State Investment Council	Cemetery Perpetual Care	Pool	903,492
Wells Fargo Bank Minnesota	Utility Bond Accounts	Cash Equivalent	1,843,122
Total Depository Balances			182,425,969
Reconciling items to Bank Reconciliation			(2,087,979)
Petty Cash and Change Funds			5,510
Total Deposits and Investments reported in financial statements			\$ 180,343,500

**INCORPORATED COUNTY OF LOS ALAMOS
SUPPLEMENTAL SCHEDULE OF JOINT POWERS AGREEMENTS AND MEMORANDUMS OF UNDERSTANDING**

June 30, 2015

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 will act as the investment manager for County funds deposited with the SIC, and invest County funds in accordance with the guidelines provided in the County's Investment Policy; providing 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 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, 2015, the County had approximately \$37.9 million invested with the SIC. The County paid approximately \$92,000 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 Law Enforcement Information Exchange (NM LInX)

The parties entered into this agreement to allow the County to participate in the pilot implementation of the New Mexico law enforcement information exchange. The NM LInX is a federal initiative sponsored by the U.S. Attorney for the District of New Mexico and the Naval Criminal Investigative Service (NCIS) to allow the electronic sharing of public police records with other participating law enforcement agencies. Under this agreement the NCIS will provide the equipment and installation costs associated with the LInX system. The County will use the existing manpower to populate the database and maintain the information resulting in no additional fiscal impact.

This agreement was entered into February 28, 2006 and maybe terminated at any time by the participants.

Incorporated County of Los Alamos (the County) and the New Mexico Energy, Minerals and Natural Resources Department (NMEMNRD)

The parties entered into this agreement to document 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 Federal Aviation Administration (FAA)

The party entered into this MOU with respect to the Automated Weather Observing System (AWOS) installed at the County's airport facility and formally acknowledges the County's acceptance of the FAA's Operation and Maintenance Manual (OMM), which is attached therein to the MOU. Consequently, the County agrees to operate and maintain the airport facility in accordance with FAA requirements and standards, including those requirements contained in the OMM. Non compliance with these requirements will be grounds for reporting the airport facility out of service and/or cancellation of FAA approved instrument flight rule procedures.

The MOU was entered into and made effective on October 7, 2003 and remains in force and effect indefinitely.

Incorporated County of Los Alamos (the County) and the National Park Service (NPS); Bandelier National Monument

The parties entered into this MOU with respect to law enforcement procedures on lands within the National Park System, which includes Bandelier National Monument and designated exterior geographical boundaries. The agreement outlines law enforcement procedures that are authorized by NPS commissioned personnel, upon request by the County, such as responding to life or death incidents, responding to motor vehicle accidents, traffic control, crime scenes, and emergency response assistance. Accordingly, upon request by NPS, the County's Police Department is authorized to provide similar emergency law enforcement assistance to the NPS. The MOU does not obligate either party to the expenditure of funds, reimbursement of funds, or the future payment of money in excess of authorized appropriations.

The MOU was entered into and made effective on December 23, 2014 and remains in force and effect for five (5) years. Any modifications to this agreement must be in written form and executed by both parties. Either party may terminate this agreement by providing the other party with sixty (60) days advance written notice.

Incorporated County of Los Alamos (the County) Police Department (LAPD), the New Mexico Department of Public Safety (NMDPS), and the Department of Energy; National Nuclear Security Administration; Los Alamos Site Office (LASO)

The parties entered into this MOU as a requirement by the Department of Energy, primarily to set forth understandings with regard to dealing with threats and criminal acts associated with theft, sabotage or hostage attempts against the NNSA, and/or Los Alamos National Laboratory (LANL). The MOU provides a basis for contingency response planning, coordination, and cooperation between the NMDPS, LAPD, and LASO to deal with off-site pursuit and/or recovery operations, to facilitate effective communication and exchange of information and assure timely, reliable, effective decision making and response actions. The MOU establishes guidelines for the use of force, public and officer safety, hostages, methods of pursuit, communications and coordination, and command and control. Although the MOU does not obligate funds, or is a basis for the transfer of funds, it is strictly for internal management purposes only and is subject to changes and modifications required by the Homeland Security's Final National Response Plan.

This MOU was entered into and made effective on January 17, 2013 and remains in force and effect for a period of 5 years thereafter. The MOU is subject to changes and modifications required by the Homeland Security's Final National Response Plan and may be terminated or amended with 60 days written notice to the other parties.

Incorporated County of Los Alamos (the County) Police Department (LAPD), the Federal Bureau of Investigation (FBI), and the Department of Energy; National Nuclear Security Administration; Los Alamos Site Office (LASO)

The parties entered into this MOU as a requirement by the Department of Energy, primarily to set forth understandings with regard to dealing with threats and criminal acts associated with theft, sabotage or hostage attempts against the LASO, and/or Los Alamos National Laboratory (LANL). The MOU

provides a basis for contingency response planning, coordination, and cooperation between the LAPD, the FBI, and the NNSA to deal with incidence response and resolution, to facilitate effective communication and exchange of information and assure timely, reliable, effective decision making and response actions. The MOU establishes guidelines for LANL security incident response, including command and control, and LAPD response and pursuit operations. Although the MOU does not obligate funds, or is a basis for the transfer of funds, it is strictly for internal management purposes only and is subject to changes and modifications required by the Homeland Security's Final National Response Plan.

This MOU was entered into and made effective on May 16, 2013 and remains in force and effect for a period of 5 years thereafter. The MOU is subject to changes and modifications required by the Homeland Security's Final National Response Plan and may be terminated or amended with 60 days written notice to the other parties.

Incorporated County of Los Alamos (the County) and the District Attorney for the First Judicial District (District Attorney)

The parties entered into this MOU to memorialize the understanding of the District Attorney and the County regarding the use of facilities and clerical support offered by the County to the District Attorney to support investigations and prosecutions of criminal cases within the County. As such, the County agrees to provide a furnished office at the County Attorney's office, which includes a separate phone line, computer connection to the Internet and office supplies. In addition, County employees will be available to support the District Attorney for a maximum of 10 hours per week with routine clerical matters. In return, the District Attorney will handle all felony criminal matters arising in the County and will be available for advice to Police Department personnel on other criminal matters.

This MOU was entered into and made effective on May 8, 2008 and remains in force and effect until terminated upon a 90-day written notice by either party.

Incorporated County of Los Alamos (the County) and the Santa Fe County Sheriff's Office (Sheriff)

The parties entered into this MOU to permit the commissioning, by Sheriff, of Los Alamos County Police Department (LAPD) law enforcement officers as deputy sheriffs of and for the County of Santa Fe for limited enforcement of New Mexico laws relating to motor vehicles within a designated corridor in Santa Fe County. This is primarily due to LAPD's physical proximity to portions of Santa Fe County, and their ability to respond to traffic incidents in a timelier manner. There is no cost to Sheriff, and each party shall bear its own cost and liabilities.

This MOU was entered into and made effective on October 1, 2008 and remains in force and effect indefinitely or until terminated upon a 90-day written notice by either party.

Incorporated County of Los Alamos (the County) and the Board of Education of the Los Alamos Public Schools (LAPS)

The parties entered into this MOU with respect to warehouse operation services provided to LAPS by the County's Material Management Division (Division), such as inventory, project material planning, shipping, and other services specified in the agreement. The MOU describes the County Division's responsibility to provide staging and storage operations for LAPS's project designated materials. Under this agreement, the County is obligated to hire two (2) LAPS warehouse staff, wherein staff roles and responsibilities are defined. Accordingly, LAPS is obligated to transfer ownership of its inventory, at cost, all items pursuant to Exhibit A of the MOU. In addition, LAPS agrees to provide access to County Division personnel to areas and software systems necessary to accomplish the duties and obligations required in the MOU. By subsequent County action, LAPS is not obligated to reimburse the County for general administrative expenses and overhead costs associated with this MOU.

The MOU was entered into and made effective on November 16, 2009 and remains in force and effect until terminated by mutual written agreement of the parties. In the event the parties cannot mutually agree to terminate this MOU, either party may give notice of termination on or prior to March 31st to be effective at the start of the next fiscal year.

Incorporated County of Los Alamos (the County) and the City of Santa Fe, Santa Fe County, City of Espanola, Rio Arriba County, the Town of Taos, Taos County, Ohkay Owingeh, and Jemez Pueblo together known as “coalition members”

Members of the coalition entered into this joint powers agreement to memorialize a shared interest in assuring that LANL missions remain sustainable and diversified, while assuring protection of the environment, affecting federal and state government policy decisions that affect LANL, and promoting economic development throughout the region. This agreement establishes the Regional Coalition, a separate entity from coalition members, which will develop and implement plans and approaches for carrying out the purposes of the coalition. Governance of the Regional Coalition is stated in the agreement; the County of Los Alamos is the acting fiscal agent for implementation and administration of the agreement.

This agreement was entered into by Los Alamos County on May 18, 2011 and approved by the New Mexico Department of Finance and Administration and made effective on October 13, 2011. Ohkay Owingeh joined the coalition in October 2012; Jemez Pueblo joined the coalition in November 2014. The term of this agreement is perpetual unless terminated by mutual consent of the coalition members.

Incorporated County of Los Alamos (the County) and the New Mexico MainStreet Program (NMMS) of the New Mexico Economic Development Department (NMEDD)

Under the New Mexico MainStreet Program (NMMS), this MOU establishes a partnership with NMEDD to advance economic development and revitalization initiatives within the downtown business district of Los Alamos. A locally qualified MainStreet Project affiliate, the Los Alamos Commerce and Development Corporation, is qualified to receive from NMEDD any available resources, training, and technical services. The MOU is based on standards defined in an accompanying document which sets forth specific criteria for participation by the County in partnership with the NMMS affiliate.

The MOU covers a period of two years beginning July 1, 2013 through July 31, 2015. The MOU was fully executed on October 7, 2013.

Incorporated County of Los Alamos (the County) and the New Mexico Motor Vehicle Division (MVD) of the Taxation and Revenue Department (TRD)

The parties entered into this MOU for the purpose of providing Los Alamos County access to the motor vehicle database and access to add and delete property tax liens on manufactured homes in the County. The MOU identifies points of contact for both parties and establishes requirements and restrictions for use of information, audit requirements, and record keeping. There are no charges levied upon MVD or the County for the use of the database. The MOU is ongoing and may be terminated upon 10 days written notice to MVD.

Incorporated County of Los Alamos (the County) and the North Central Regional Transit District (NCRTD)

The parties entered into this MOU to fund certain expenses and projects that aim to promote an efficient, sustainable, and multi-modal transportation system in the region. NCRTD is a political subdivision of the State of New Mexico, of which the County is a member of along with eleven (12) other political subdivisions. Through this regional partnership effort, the County agrees to fund \$400,000 for member local government matches of federal grants, additional reserve funds, and such other purposes as NCRTD deems appropriate. In return, NCRTD agrees to maintain midday service routes to Los Alamos County.

The MOU covers period September 9, 2014 through September 30, 2015, and may be terminated by either party upon thirty (30) days written notice. The MOU is typically renewed each year for an additional one (1) year period and may be subject to new funding amounts by the County.

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 in cash 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. Amendments to this agreement shall be in writing and subject to approval by the New Mexico Department of Finance and Administration.

Incorporated County of Los Alamos (the County) and the Los Alamos Ski Club, Inc. (LASC).

The parties entered into this MOU to jointly explore water sources and economic development opportunities within Los Alamos County in the Jemez Mountains, including land on and adjacent to Pajarito Mountain, a ski area which is owned and managed by LASC. By means of this MOU, the County intends to procure services of a professional planner to create a long-term development plan for the purposes of fire protection, property development, economic growth, and snowmaking.

This MOU is non-binding and does not obligate the County to implement the recommendations of the development plan. No funds are committed and no legal obligations are created. The MOU was made effective on November 26, 2013 and is in effect for a five (5) year term thereafter, unless modified or terminated by either party upon thirty (30) days written notice to the other party.

Incorporated County of Los Alamos (the County) and the New Mexico Department of Transportation (NMDOT).

The parties entered into this MOU to plan, schedule, and finance a highway construction project, funded by the Federal Highway Administration through NMDOT, within the boundaries of the County, identified as the NM502 Knecht Road to Tewa Loop Reconstruction Project. The MOU defines the commitment of each party to coordinate Project financing, development and execution, including right of way, utilities, design, scheduling, construction, and maintenance.

This MOU obligates approximately \$3.5 million in funding by the NMDOT and approximately \$1.5 million in funding by the County. This MOU was made effective on April 28, 2014 and remains in effect for the life of the Project.

Incorporated County of Los Alamos (the County) and the National Park Service (NPS); Bandelier National Monument

The parties entered into this MOU with respect to structural fire-fighting assistance on lands within and adjacent to Bandelier National Monument. The agreement outlines procedures for emergency notification and response under a Unified Incident Command structure. Accordingly, the County's Fire Department is authorized to establish a command structure to assist the NPS with fire suppression, traffic control, and emergency medical assistance. Both parties are required to participate in joint training exercises at least biannually. The MOU does not obligate either party to the expenditure of funds, reimbursement of funds, or the future payment of money.

The MOU was entered into and made effective on January 23, 2015 and remains in force and effect for five (5) years. Any modifications to this agreement must be in written form and executed by both parties. Either party may terminate this agreement by providing the other party with sixty (60) days advance written notice.

**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED**

Year ended June 30, 2015

<i>IFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
IFB2015-03	Competitive sealed Invitation for Bids (IFB)	JJ Excavation	Multi-award total \$800,000 (see also Century Club Construction and Paul Parker Construction)		JJ Excavation, 64 La Villita, County Road 21, Alcalde, NM 87511	Y	N	On-call snow removal & emergency equipment services
IFB2015-03	Competitive sealed Invitation for Bids (IFB)	Century Club Construction, LLC	Multi-award total \$800,000 (see also Century Club Construction and Paul Parker Construction)		Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	N	On-call snow removal & emergency equipment services
IFB2015-03	Competitive sealed Invitation for Bids (IFB)	Paul Parker Construction	Multi-award total \$800,000 (see also Century Club Construction and Paul Parker Construction)		Paul Parker Construction, 301 Maple Dr, Los Alamos, NM	Y	N	On-call snow removal & emergency equipment services
IFB2015-05	Competitive sealed Invitation for Bids (IFB)	Allied 360° Construction LLC	Multi-award total \$2,000,000 HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services		Allied 360° Construction, 1140 Rancho Vista Street, Espanola, NM 87532	Y	N	HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services
IFB2015-05	Competitive sealed Invitation for Bids (IFB)	Mark the Electrician	Multi-award total \$2,000,000 HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services		Mark the Electrician, 190 Central Park Square, Los Alamos, NM 87544	Y	N	HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services
IFB2015-05	Competitive sealed Invitation for Bids (IFB)	B&D Industries	Multi-award total \$2,000,000 HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services		B&D Industries, 9720 Bell Avenue SE, Albuquerque, NM 87123	Y	N	HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services
IFB2015-05	Competitive sealed Invitation for Bids (IFB)	La Mesilla Construction	Multi-award total \$2,000,000 HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services		La Mesilla Construction, #98, CR 119, Espanola, NM 87532	Y	N	HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services
IFB2015-05	Competitive sealed Invitation for Bids (IFB)	Trane	Multi-award total \$2,000,000 HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services		Trane, 5501 San Diego Ave. NE, Albuquerque, NM 87113	N	N	HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services

IFB2015-05	Competitive sealed Invitation for Bids (IFB)	DRB Electric	Multi-award total \$2,000,000 HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services		DRB Electric, PO Box 12868, Albuquerque, NM 87195	Y	N	HVAC, Electrical, Plumbing and Architectural/Structural Maintenance On Call Services
IFB2015-06	Competitive sealed Invitation for Bids (IFB)	Chef Link	\$164,154		Chef Link, 3221 A Richards Lane, Santa Fe, NM 87507	Y	N	Kitchen and Restaurant Equipment
IFB2015-07	Competitive sealed Invitation for Bids (IFB)	Paul Parker Construction	\$498,880		Paul Parker Construction, 301 Maple Dr, Los Alamos, NM	Y	N	SAN ILDEFONSO 8" GAS REPLACEMENT AND REINFORCEMENT
IFB2015-07	Competitive sealed Invitation for Bids (IFB)				K.R. Swerdferger, 1274 Calle De Comercio Ste.6, Santa Fe, NM 87507	Y	N	
IFB2015-08	Competitive sealed Invitation for Bids (IFB)	RMCI INC	\$3,899,077		RMCI INC, 6211 Chappell RD NE, Albuquerque, NM 87113	Y	N	OTOWI BOOSTER STATION NO. 1 REPLACEMENT PROJECT
IFB2015-08	Competitive sealed Invitation for Bids (IFB)				AUI, PO Box 9825 Albuquerque, NM 87119	Y	N	OTOWI BOOSTER STATION NO. 1 REPLACEMENT PROJECT
IFB2015-10	Competitive sealed Invitation for Bids (IFB)	Reliable Inc.	\$87,516		Reliable Inc., 9901 Coors Blvd NW, Albuquerque, NM 87114	Y	N	Pickup Truck Economy Downsize Extended Cab 4 x 4
IFB2015-11	Competitive sealed Invitation for Bids (IFB)	R and M Construction, LLC	\$2,941,628		R and M Construction, LLC, County Road 1037 Bldg 15, Alcalde, NM 87511	Y	N	REMODEL THE COMMUNITY BUILDING FOR A TEEN CENTER
IFB2015-12	Competitive sealed Invitation for Bids (IFB)	Allied 360° Construction	\$190,533		Allied 360° Construction, 1140 Rancho Vista Street, Espanola, NM 87532	Y	N	Timber Ridge Sewer Lift Station Replacement
IFB2015-12	Competitive sealed Invitation for Bids (IFB)				Paul Parker Construction, 301 Maple Dr, Los Alamos, NM	Y	N	Timber Ridge Sewer Lift Station Replacement
IFB2015-12	Competitive sealed Invitation for Bids (IFB)				Done Right Construction, LLC, 11 Rancho De Valencia, Pecos, NM 87552	Y	N	Timber Ridge Sewer Lift Station Replacement
IFB2015-12	Competitive sealed Invitation for Bids (IFB)				RMCI INC, 6211 Chappell RD NE, Albuquerque, NM 87113	Y	N	Timber Ridge Sewer Lift Station Replacement
IFB2015-12	Competitive sealed Invitation for Bids (IFB)				Total Contracting Services, Inc, 1724 Atrisco SW, Albuquerque, NM 87105	Y	N	Timber Ridge Sewer Lift Station Replacement
IFB2015-12	Competitive sealed Invitation for Bids (IFB)				Sasquatch, Inc, 2868 Rufina St A, Santa Fe, NM 87507	Y	N	Timber Ridge Sewer Lift Station Replacement
IFB2015-12	Competitive sealed Invitation for Bids (IFB)				Adame Construction Inc., PO Box 1358, Los Lunas NM 87031	Y	N	Timber Ridge Sewer Lift Station Replacement
IFB2015-12	Competitive sealed Invitation for Bids (IFB)				AAC Contruccion, LLC, 18 LA Luna Rd, Santa Fe, NM 87507	Y	N	Timber Ridge Sewer Lift Station Replacement
IFB2015-13	Competitive sealed Invitation for Bids (IFB)	RMCI INC	\$139,050		RMCI INC, 6211 Chappell RD NE, Albuquerque, NM 87113	Y	N	Karen Circle, White Rock, Wastewater Lift Station Renovation
IFB2015-13	Competitive sealed Invitation for Bids (IFB)				Allied 360° Construction, 1140 Rancho Vista Street, Espanola, NM 87532	Y	N	Karen Circle, White Rock, Wastewater Lift Station Renovation
IFB2015-13	Competitive sealed Invitation for Bids (IFB)				Done Right Construction, LLC, 11 Rancho De Valencia, Pecos, NM 87552	Y	N	
IFB2015-13	Competitive sealed Invitation for Bids (IFB)				AAC Contruccion, LLC, 18 LA Luna Rd, Santa Fe, NM 87507	Y	N	
IFB2015-13	Competitive sealed Invitation for Bids (IFB)				Total Contracting Services, Inc, 1724 Atrisco SW, Albuquerque, NM 87105	Y	N	

**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED**

Year ended June 30, 2015

<i>IFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
IFB2015-13	Competitive sealed Invitation for Bids (IFB)				Sasquatch, Inc, 2868 Rufina St A, Santa Fe, NM 87507	Y	N	
IFB2015-14	Competitive sealed Invitation for Bids (IFB)	Paul Parker Construction	\$390,296		Paul Parker Construction, 301 Maple Dr, Los Alamos, NM	Y	N	Rim Road Sewer Drop Replacement
IFB2015-14	Competitive sealed Invitation for Bids (IFB)				Cross Connection Inc, 18329 US 84/285, Espanola, NM 87532	Y	N	Rim Road Sewer Drop Replacement
IFB2015-15	Competitive sealed Invitation for Bids (IFB)	Riley Industrial Svcs, Inc.	\$331,055		Riley Industrial Svcs, Inc., 2615 San Juan Blvd, Farmington, NM 87499	Y	N	Pajarito Well 5 Tank Repainting
IFB2015-15	Competitive sealed Invitation for Bids (IFB)				TMI Coatings Inc., 3291 Terminal Drive, Saint Paul, MN 55121	N	N	Pajarito Well 5 Tank Repainting
IFB2015-16	Competitive sealed Invitation for Bids (IFB)	Cross Connection	\$99,959		Cross Connection Inc, 18329 US 84/285, Espanola, NM 87532	Y	N	Los Pueblos Water PRV Replacement
IFB2015-16	Competitive sealed Invitation for Bids (IFB)				Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	Los Pueblos Water PRV Replacement
IFB2015-19	Competitive sealed Invitation for Bids (IFB)	Century Club Construction, LLC	\$1,717,600		Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	Western Area Improvements Phase 3 Project
IFB2015-19	Competitive sealed Invitation for Bids (IFB)				RMCI INC, 6211 Chappell RD NE, Albuquerque, NM 87113	Y	N	Western Area Improvements Phase 3 Project
IFB2015-20	Competitive sealed Invitation for Bids (IFB)	Allied 360° Construction	\$145,559		Allied 360° Construction, 1140 Rancho Vista Street, Espanola, NM 87532	Y	N	Concrete Services in White Rock
IFB2015-20	Competitive sealed Invitation for Bids (IFB)				Cisneros Concrete, PO Box 1394, Los Alamos, NM 87544	Y	N	Concrete Services in White Rock
IFB2015-21	Competitive sealed Invitation for Bids (IFB)	RMCI INC	\$1,825,138		RMCI INC, 6211 Chappell RD NE, Albuquerque, NM 87113	Y	N	Sherwood La Vista SR 4 Improvement Project
IFB2015-21	Competitive sealed Invitation for Bids (IFB)				Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	Sherwood La Vista SR 4 Improvement Project
IFB2015-22	Competitive sealed Invitation for Bids (IFB)	Star Paving	\$781,824		Star Paving, 3109 Love Road SW, Albuquerque, NM 87121	Y	N	20 th Street Improvements
IFB2015-22	Competitive sealed Invitation for Bids (IFB)				Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	20 th Street Improvements
IFB2015-23	Competitive sealed Invitation for Bids (IFB)	M&M Development	\$69,955		M&M Development, 67 C Blue Canyo Trail, Santa Fe, NM 87507	Y	N	South Sixth Street Sanitary Sewer Replacement

IFB2015-23	Competitive sealed Invitation for Bids (IFB)				Total Contracting Services, Inc., 1724 Atrisco SW, Albuquerque, NM 87105	Y	N	South Sixth Street Sanitary Sewer Replacement
IFB2015-23	Competitive sealed Invitation for Bids (IFB)				Maranatha Enterprises LLC, 3604 Rancher Rd, SW, Albuquerque, NM 87121	Y	N	South Sixth Street Sanitary Sewer Replacement
IFB2015-23	Competitive sealed Invitation for Bids (IFB)				AUI, PO Box 9825 Albuquerque, NM 87119	Y	N	South Sixth Street Sanitary Sewer Replacement
IFB2015-23	Competitive sealed Invitation for Bids (IFB)				Total Contracting Services, Inc., 1724 Atrisco SW, Albuquerque, NM 87105	Y	N	South Sixth Street Sanitary Sewer Replacement
IFB2015-23	Competitive sealed Invitation for Bids (IFB)				Blueline Construction, #20 Reata Road, Santa Fe, NM 87507	Y	N	South Sixth Street Sanitary Sewer Replacement
IFB2015-23	Competitive sealed Invitation for Bids (IFB)				Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	South Sixth Street Sanitary Sewer Replacement
IFB2015-24	Competitive sealed Invitation for Bids (IFB)	Vigil Contracting Svcs., Inc.	\$360,275		Vigil Contracting Svcs., Inc., 1514 Coors SW, Albuquerque, NM 87121	Y	N	Group 12 Tank Rehabilitation
IFB2015-24	Competitive sealed Invitation for Bids (IFB)				Lone Mountain Contracting, Inc., 125 Bosque Farms Blvd., Bosque Farms, NM 87086	Y	N	Group 12 Tank Rehabilitation
IFB2015-24	Competitive sealed Invitation for Bids (IFB)				Riley Industrial Svcs, Inc., 2615 San Juan Blvd, Farmington, NM 87499	Y	N	Group 12 Tank Rehabilitation
IFB2015-25	Competitive sealed Invitation for Bids (IFB)	H.O. Construction. Inc.	\$492,018		H.O Construction. Inc., 4132 Sheldon St. SE, Albuquerque, NM 87105	Y	N	Arizona and Golf Course Non-Potable Pipeline
IFB2015-25	Competitive sealed Invitation for Bids (IFB)				Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	Arizona and Golf Course Non-Potable Pipeline
IFB2015-25	Competitive sealed Invitation for Bids (IFB)				DuCross Construction, LLC, 240 So. Crawford Blvd, Las Cruces, NM 88007	Y	N	Arizona and Golf Course Non-Potable Pipeline
IFB2015-25	Competitive sealed Invitation for Bids (IFB)				TLC Plumbing & Utility, 5000 Edith Blvd. NE, Albuquerque, NM 87107	Y	N	Arizona and Golf Course Non-Potable Pipeline
IFB2015-26	Competitive sealed Invitation for Bids (IFB)	Century Club Construction, LLC	\$709,000		Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	North Mesa Booster Pump Stations Modifications, Pipelines and Tie-ins
IFB2015-26	Competitive sealed Invitation for Bids (IFB)				Cross Connection Inc, 18329 US 84/285, Espanola, NM 87532	Y	N	North Mesa Booster Pump Stations Modifications, Pipelines and Tie-ins
IFB2015-28	Competitive sealed Invitation for Bids (IFB)	Century Club Construction, LLC	\$162,003		Century Club Construction, LLC, 8201 Golf Course Rd NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	Lining of Drainage Channel and Pond at the Los Alamos County Landfill
IFB2015-28	Competitive sealed Invitation for Bids (IFB)				Blueline Construction, #20 Reata Road, Santa Fe, NM 87507	Y	N	Lining of Drainage Channel and Pond at the Los Alamos County Landfill
IFB2015-28	Competitive sealed Invitation for Bids (IFB)				Marcon Excavating, Inc., 140 Aztec Ave., Los Alamos, NM, 87544-3405	Y	N	Lining of Drainage Channel and Pond at the Los Alamos County Landfill
IFB2015-28	Competitive sealed Invitation for Bids (IFB)				Lone Mountain Contracting, Inc., 125 Bosque Farms Blvd., Bosque Farms, NM 87086	Y	N	Lining of Drainage Channel and Pond at the Los Alamos County Landfill

**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED**

Year ended June 30, 2015

<i>IFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
IFB2015-29	Competitive sealed Invitation for Bids (IFB)				L.N. Curtis & Sons; 4647 S 33rd St, Phoenix, AZ 85040	N	N	Class B and C Uniforms for Los Alamos County Fire Department
IFB2015-29	Competitive sealed Invitation for Bids (IFB)	Neve's Uniforms & Equipment	Multi-award total \$198,000 (see also Great Ideas)		Neve's Uniforms & Equipment, 5120 Osage #200, Denver, CO 80211	N	N	Class B and C Uniforms for Los Alamos County Fire Department
IFB2015-29	Competitive sealed Invitation for Bids (IFB)	Great Ideas	Multi-award total \$198,000 (see also Neve's Uniforms & Equipment)		Great Ideas, 39 Avenida Frijoles, Santa Fe, NM 87507	Y	N	Class B and C Uniforms for Los Alamos County Fire Department
IFB2015-29	Competitive sealed Invitation for Bids (IFB)				A&A Design, 403 Middle San Pedro Road, Espanola, NM 87532	Y	N	Class B and C Uniforms for Los Alamos County Fire Department
RFP2015-1961	Competitive sealed Requests for Proposals (RFP)	Knight Piesold and Co	\$247,178	\$487,178	Knight Piesold and Co, 1999 Broadway, Ste 600, Denver, CO 80202	N	N	Engineering Services for the El Vado Hydroelectric Plant Generator Rewind Project
RFP2015-1963	Competitive sealed Requests for Proposals (RFP)				Ace Industries, Inc., 6295 McDonough Drive, Norcross GA 30093	N	N	60-Ton Hoist for the El Vado Hydroelectric Plant
RFP2015-1963	Competitive sealed Requests for Proposals (RFP)	Industrial Electric-Automation, Inc	\$164,337		Industrial Electric-Automation, Inc., 501 Kinley NE, Albuquerque, NM 87102	Y	N	60-Ton Hoist for the El Vado Hydroelectric Plant
RFP2015-1964	Competitive sealed Requests for Proposals (RFP)	Atlas Advertising, LLC	\$223,500	\$192,500	Atlas Advertising, 929 Broadway, Denver, CO 80203	N	N	Los Alamos County Brand Logo Design Services and Los Alamos County Brand Implementation Plan Development Services and Los Alamos County Brand Execution Services
RFP2015-1964	Competitive sealed Requests for Proposals (RFP)				Griffin & Associates Marketing, 119 Dartmouth S.E., Albuquerque, NM 87106	Y	N	Los Alamos County Brand Logo Design Services and Los Alamos County Brand Implementation Plan Development Services and Los Alamos County Brand Execution Services
RFP2015-1967	Competitive sealed Requests for Proposals (RFP)				ThyssenKrupp Elevator Corporation, 8500 Washington St. NE, Suite A4, Albuquerque, NM 87113	Y	N	Elevator Inspection and Maintenance
RFP2015-1967	Competitive sealed Requests for Proposals (RFP)	Otis Elevator Company	\$150,000		Otis Elevator Company, 2659 Pan American Frwy NE, Albuquerque, NM 87107	Y	N	Elevator Inspection and Maintenance
RFP2015-1967	Competitive sealed Requests for Proposals (RFP)				American Eagle Elevator, 2 Capitan, Cedar Crest, NM 87008	Y	N	Elevator Inspection and Maintenance

RFP2015-1968	Competitive sealed Requests for Proposals (RFP)				Plante & Moran, PLLC, 27400 Northwestern Hwy, Southfield, MI 48034	N	N	Enterprise Resource Planning
RFP2015-1968	Competitive sealed Requests for Proposals (RFP)				SoftResources, LLC, 11411 NE 124th Street, Suite 270, Kirkland, WA 98034-4341	N	N	Enterprise Resource Planning
RFP2015-1968	Competitive sealed Requests for Proposals (RFP)				Chrysalis Government Solutions, LLC, 11711 N. Meridian Street, Suite 525, Carmel, IN 46032	N	N	Enterprise Resource Planning
RFP2015-1968	Competitive sealed Requests for Proposals (RFP)	Schafer Consulting	\$147,876		Schafer Consulting, 24861 La Plaza #240, Dana Point, CA 92629	N	N	Enterprise Resource Planning
RFP2015-1968	Competitive sealed Requests for Proposals (RFP)				Baker Tilly Virchow Krause, LLP, Ten Terrace CT, PO Box 7398, Madison, WI 53707-7398	N	N	Enterprise Resource Planning
RFP2015-1968	Competitive sealed Requests for Proposals (RFP)				Sciens, LLC, 5900 South Lake Forest Drive, Suite 300, McKinney, Texas 75070	N	N	Enterprise Resource Planning
RFP2015-1969	Competitive sealed Requests for Proposals (RFP)	Daniel B. Stephens & Associates, Inc	\$70,013		Daniel B. Stephens & Associates, Inc., 6020 Academy Road, Suite 100, Albuquerque, NM 87109	Y	N	Long Range Water Supply Plan for Los Alamos County
RFP2015-1971	Competitive sealed Requests for Proposals (RFP)				ALSTOM Power, 7901 South Park Plaza, Suite 110, Littleton, CO 80120	N	N	El Vado Hydroelectric Plant Generator Rewind Project
RFP2015-1971	Competitive sealed Requests for Proposals (RFP)				Andritz Hydro, 10735 David Taylor Drive, Suite 500, Charlotte, NC 28262	N	N	El Vado Hydroelectric Plant Generator Rewind Project
RFP2015-1971	Competitive sealed Requests for Proposals (RFP)	JR Merit, Inc.	\$2,683,628		JR Merit, Inc., 4505 NE 68th DR, Vancouver, WA 98661	N	N	El Vado Hydroelectric Plant Generator Rewind Project
RFP2015-1971	Competitive sealed Requests for Proposals (RFP)				National Electric Coil, 800 King Avenue, Columbus, OH 43212	N	N	El Vado Hydroelectric Plant Generator Rewind Project
RFP2015-1971	Competitive sealed Requests for Proposals (RFP)				Voith Hydro Inc., 1023 Pineville Road, Chattanooga, TN 374405	N	N	El Vado Hydroelectric Plant Generator Rewind Project
RFP2015-1973	Competitive sealed Requests for Proposals (RFP)				Weidlinger - Navarro JV Northern NM, 669 Emory Valley Road, Oakridge, TN 37830	N	N	Engineering Services for Landfill Cap Repair
RFP2015-1973	Competitive sealed Requests for Proposals (RFP)				Cornerstone Environmental Group, 17 W. Wetmore Road, Suite 310, Tucson, AZ 85705	N	N	Engineering Services for Landfill Cap Repair
RFP2015-1973	Competitive sealed Requests for Proposals (RFP)	Geo-Logic Associates	\$62,840		Geo-Logic Associates, Inc., 13949 West Colfax Avenue, Suite 220, Lakewood, CO 80401	N	N	Engineering Services for Landfill Cap Repair
RFP2015-1973	Competitive sealed Requests for Proposals (RFP)				AMEC Environment & Infrastructure, Inc., 8519 Jefferson NE, Albuquerque, NM 87113	Y	N	Engineering Services for Landfill Cap Repair
RFP2015-1975	Competitive sealed Requests for Proposals (RFP)				Atwell-Denver, 143 Union Blvd., Lakewood, CO 80228	N	N	EA4 Feeder Replacement Design
RFP2015-1975	Competitive sealed Requests for Proposals (RFP)	Transmission & Distribution Services LLC	\$69,294		Transmission & Distribution Services LLC, 8909 Adams St. NE, Albuquerque, NM 87113	Y	N	EA4 Feeder Replacement Design

**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED**

Year ended June 30, 2015

<i>IFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
RFP2015-1975	Competitive sealed Requests for Proposals (RFP)				Elite Power, 6530 Asher Lane - Sacramento, CA 95828	N	N	EA4 Feeder Replacement Design
RFP2015-1975	Competitive sealed Requests for Proposals (RFP)				NEI Electric Power Engineering, 11049 W. 44th Ave., Wheat Ridge, CO 80033	N	N	EA4 Feeder Replacement Design
RFP2015-1979	Competitive sealed Requests for Proposals (RFP)	The Los Alamos Commerce and Development Corporation	\$712,318		LACDC, 109 Central Park Square, Los Alamos, NM 87544	Y	N	Visitor Center Operations and Management
RFP2015-1983	Competitive sealed Requests for Proposals (RFP)	Gordons', LLC dba Gordons' Concerts	\$68,400		Gordon's Concerts, 109 Central Park Square, Los Alamos, NM 87544	Y	N	Special Event/Entertainment Promoter Services
RFP2015-1983	Competitive sealed Requests for Proposals (RFP)				Atomic City Events, LCC, 1952 42nd St. Unit G, Los Alamos, NM 87544	Y	N	Special Event/Entertainment Promoter Services
RFP2015-1985	Competitive sealed Requests for Proposals (RFP)				REDW, LLC, 7425 Jefferson St. NE, Albuquerque, NM 87109	Y	N	Professional Compensation Consulting Services
RFP2015-1985	Competitive sealed Requests for Proposals (RFP)	The Segal Company (Western States), Inc. dba Segal Waters Consulting	\$110,000		Segal Waters Consulting, 1230 West Washington Street, Suite 501, Tempe, AZ 8/5251-1248	N	N	Professional Compensation Consulting Services
RFP2015-1988	Competitive sealed Requests for Proposals (RFP)				MANNM, 3917 West Road Suite A, Los Alamos, NM 87544	Y	N	Occupational Medicine Services
RFP2015-1988	Competitive sealed Requests for Proposals (RFP)	Occupational Health Centers of the Southwest, P.A. d/b/a Concentra Medical Centers	\$200,000		Concentra, 720 St. Michaels Drive Suite C, Santa Fe, NM 87505	Y	N	Occupational Medicine Services
RFP2015-1988	Competitive sealed Requests for Proposals (RFP)				Southwest Drug & Alcohol Compliance, LLC-Santa Fe, 2954 Rodeo Park Dr. West, Santa Fe, NM 87505	Y	N	Occupational Medicine Services
RFP2015-1989	Competitive sealed Requests for Proposals (RFP)				Resource Management Associates, 17037 S. Oak park Ave., Tinley Park, IL 60477	N	N	Public Safety (Entry Level and Promotional) Testing and Assessments
RFP2015-1989	Competitive sealed Requests for Proposals (RFP)	Industrial/Organizational Solutions, Inc	\$701,560		IO Solutions Inc., 1127 South Mannheim Road, Suite 203, Westchester, IL 60154	N	N	Public Safety (Entry Level and Promotional) Testing and Assessments
RFP2015-1990	Competitive sealed Requests for Proposals (RFP)				ActiveNetwork, 717 N. Harwood St. #2500, Dallas, TX 75201	N	N	Software Solutions for Los Alamos County Recreation Registration and Reservation
RFP2015-1990	Competitive sealed Requests for Proposals (RFP)				UseDirect, 2406 Arugula Drive, Northport, FL 34289	N	N	Software Solutions for Los Alamos County Recreation Registration and Reservation

RFP2015-1990	Competitive sealed Requests for Proposals (RFP)	Vermont System, Inc. (VSI)	\$194,762		Vermont Systems, 12 Market Place, Essex Junction, VT 05452	N	N	Software Solutions for Los Alamos County Recreation Registration and Reservation
RFP2015-1991	Sealed Requests for Qualifications (RFQ)	Boutique Air, awarded in FY16	\$1,633,254		Boutique Air, 548 Market St, San Francisco, CA	N	N	Air Service Between LAM and ABQ
RFP2015-1991	Sealed Requests for Qualifications (RFQ)				South Aero, Inc., 2502 Clark Carr Loop SE A2, Albuquerque, NM 87106	N	N	Air Service Between LAM and ABQ
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)				MLG, 60 E Rio Salado Pkwy, STE 600, Tempe, AZ 85281	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)				Lincoln Financial Group, Leslie Sperling, 8101 E Prentice Pl, Ste. 875, Greenwood Village, CO 80111	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)				Sun Life Financial, 1 Sun Life Executive Park, SC 1050, Wellesley, MA 02481	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)				The Standard, 8055 E. Tufts Ave., Ste. 700, Denver, CO 80237	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)				Cigna 584, 8505 E. Orchard Rd., Greenwood Village, CO 80111	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)				Securian Fin Grp/Minnesota Life, 401 N. Robert St., St. Paul, MN 55101	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)	Dearborn National Life Insurance Company	\$72,568		Dearborn National, National Accounts Marketing, 1001 East Lookout Drive, Richardson, TX 75082	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)				Voya Employee Benefits, 8055 E. Tufts Avenue, Denver, CO 80237	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-1999	Competitive sealed Requests for Proposals (RFP)				Prudential – Garden-B, 15301 Ventura Blvd., Sherman Oaks CA 91403	N	N	Basic Life, Accidental Death & Dismemberment (AD&D), and Voluntary Life, Insurance (Ancillary Benefits)
RFP2015-2000	Competitive sealed Requests for Proposals (RFP)	IMS Infrastructure Management Services, LLC	\$199,900		IMS Infrastructure Management Services, LLC, 1820 W Drake Dr., Suite 108 Tempe, AZ 85283	N	N	PAVEMENT AND ASSET MANAGEMENT SYSTEM UPDATE SERVICES
RFP2015-2001	Competitive sealed Requests for Proposals (RFP)	Veolia ES Technical Solutions, L.L.C	\$100,000		Veolia, 9131 E. 96th Ave., Henderson, CO 80640	N	N	Electronic Waste Recycling Services
RFP2015-2001	Competitive sealed Requests for Proposals (RFP)				Natural Evolution, Inc., 815 Berllamah, Ave. NW, Albuquerque, NM 87102	Y	N	Electronic Waste Recycling Services
RFP2015-2004	Competitive sealed Requests for Proposals (RFP)				TLC Plumbing & Utility, 5000 Edith Blvd, NE, Albuquerque, NM 87107	Y	N	On Call Construction Services for Public Works

**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED**

Year ended June 30, 2015

<i>IFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
RFP2015-2004	Competitive sealed Requests for Proposals (RFP)	Century Club Construction, LLC	Multi-Award total \$ 2,000,000 see also GM Emulsion and H.O. Construction		Century Club Construction, LLC, 8201 Golf Course Road, NW, Suite D3-295, Albuquerque, NM 87120	Y	Y	On Call Construction Services for Public Works
RFP2015-2004	Competitive sealed Requests for Proposals (RFP)	GM Emulsion, LLC	Multi-Award total \$ 2,000,000 see also Century Club and H.O. Construction		GM Emulsion LLC, 3607 Constellation Drive #C, Santa Fe, NM 87507	Y	N	On Call Construction Services for Public Works
RFP2015-2004	Competitive sealed Requests for Proposals (RFP)				Allied 360° Construction, 1140 Rancho Vista Street, Espanola, NM 87532	Y	N	On Call Construction Services for Public Works
RFP2015-2004	Competitive sealed Requests for Proposals (RFP)	H.O. Construction, Inc.	Multi-Award total \$ 2,000,000 see also Century Club and GM Emulsion		H.O. Construction, Inc., 4132 Sheldon St. SE, Albuquerque, NM 87105	Y	N	On Call Construction Services for Public Works
RFP2015-2005	Competitive sealed Requests for Proposals (RFP)				New Mexico Business and Community Development Services, LLC, 4131 Barbara Loop SE, Rio Rancho, NM 87124	Y	N	Regional Economic Development Services
RFP2015-2005	Competitive sealed Requests for Proposals (RFP)	Regional Development Corporation of Northern New Mexico (RDC)	\$1,225,000		Reginal Development Corporation, PO Box 2698, Espanola, M 87532	Y	N	Regional Economic Development Services
RFP2015-2006	Competitive sealed Requests for Proposals (RFP)	Los Alamos Housing Partnership, Inc	\$234,600		Los Alamos Housing Partnership Inc., 1475 Central Ave. Suite 210E, Los Alamos, NM 87544	Y	N	Housing Rehabilitation Program
RFP2015-2007	Competitive sealed Requests for Proposals (RFP)	Huitt-Zollars, Inc	Multi-Award total \$750,000 see also Santa Fe Engineering and Parsons Brinkerhoff		Huitt-Zollars, 333 Rio Rancho Dr. NE, Suite 101, Rio Rancho, NM	Y	N	Emergency On Call Engineering Services.
RFP2015-2007	Competitive sealed Requests for Proposals (RFP)	Santa Fe Engineering Consultants, LLC	Multi-Award total \$750,000 see also Huitt-Zollars and Parsons Brinkerhoff		Santa Fe Engineer Consultants, LLC, 1599 St. Francis Dr., Suite B, Santa Fe, NM	Y	N	Emergency On Call Engineering Services.
RFP2015-2007	Competitive sealed Requests for Proposals (RFP)				Advisory Inspection & Operations Co LLC, 460 St. Michaels Dr. Ste. 801, Santa Fe, NM 87544	Y	N	Emergency On Call Engineering Services.
RFP2015-2007	Competitive sealed Requests for Proposals (RFP)				Wilson & Company, 4900 Lang Ave NE, Albuquerque, NM 87109	Y	N	Emergency On Call Engineering Services.
RFP2015-2007	Competitive sealed Requests for Proposals (RFP)				OCCCAM/EC, 994 Old Pecos Trail, Santa Fe, NM 87505	Y	N	Emergency On Call Engineering Services.

RFP2015-2007	Competitive sealed Requests for Proposals (RFP)	<i>Parsons Brinckerhoff, Inc</i>	<i>Multi-Award total \$750,000 see also Huit Zollars and Santa Fe Engineering</i>		<i>Parsons Brinckerhoff, 6100 Uptown Blvd, Suite 700, Albuquerque, NM</i>	Y	N	<i>Emergency On Call Engineering Services.</i>
RFP2015-2009	Competitive sealed Requests for Proposals (RFP)				<i>US Ecology, 6212 S. 75th Ave., Suite 4, Laveen AZ 85339</i>	N	N	<i>Household Hazardous Waste Management Services</i>
RFP2015-2009	Competitive sealed Requests for Proposals (RFP)	<i>Advanced Chemical Transport, Inc</i>	<i>Multi-Award total \$100,000 see also Clean Harbors Environmental and Stericycle</i>		<i>ACT, 6137 Edith Blvd. NE, Albuquerque, NM 87107</i>	Y	N	<i>Household Hazardous Waste Management Services</i>
RFP2015-2009	Competitive sealed Requests for Proposals (RFP)	<i>Stericycle Environmental Solutions, Inc</i>	<i>Multi-Award total \$100,000 see also Advanced Chemical Transport and Clean Harbors Environmental Services</i>		<i>Stericycle Environmental Solutions, Inc., 5151 San Felipe, Suite 1000, Houston, TX 77056</i>	N	N	<i>Household Hazardous Waste Management Services</i>
RFP2015-2009	Competitive sealed Requests for Proposals (RFP)	<i>Clean Harbors Environmental Services, Inc</i>	<i>Multi-Award total \$100,000 see also Stericycle and Advanced Chemical Transport</i>		<i>Clean Harbors Environmental Services, Inc., 1340 West Lincoln Street, Phoenix, AZ 85007</i>	N	N	<i>Household Hazardous Waste Management Services</i>
RFP2015-2009	Competitive sealed Requests for Proposals (RFP)				<i>Veolia ES Technical Solutions, LLC , 9131 E 96th Ave, Henderson, CO 80640</i>	N	N	<i>Household Hazardous Waste Management Services</i>
RFP2015-2011	Competitive sealed Requests for Proposals (RFP)	<i>TransIT Solutions, LLC</i>	\$72,200		<i>TransIT Solutions, LLC (TSi), 114 W. Grandview Ave., Zelenople, PA 16063</i>	N	N	<i>Mobile Video Surveillance Equipment, Installation and Maintenance</i>

**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF EXPENDITURES OF STATE AWARDS**

Year ended June 30, 2015

STATE GRANTOR /PROGRAM TITLE	PROGRAM OR AWARD AMOUNT	ACCRUED REIMBURSEMENT (RESERVED BALANCE) JUNE 30, 2014	CASH RECEIVED	OTHER (SEE NOTES)	STATE PARTICIPATING EXPENDITURES	ACCRUED REIMBURSEMENT (RESERVED BALANCE) JUNE 30, 2015
STATE OF NEW MEXICO:						
Fire Marshal's Office:						
Fire Protection Fund Distribution		\$ (271,240)	437,424	5,199 [1]	477,079	(236,784)
Fire Protection Grant		0	96,000	0	95,925	(75)
Total Fire Marshal's Office		<u>(271,240)</u>	<u>533,424</u>	<u>5,199</u>	<u>573,004</u>	<u>(236,859)</u>
Children, Youth and Families Department						
Juvenile Justice Continuum (15-690-00-17338)		0	189,069	0	206,849	17,780
Juvenile Justice Continuum (14-690-16405)		19,338	19,338	0	0	0
Total Children, Youth and Families Department		<u>19,338</u>	<u>208,407</u>	<u>0</u>	<u>206,849</u>	<u>17,780</u>
Department of Finance and Administration:						
LDWI-Local Distribution		0	64,003	(21,355) [2]	42,648	0
DWI Grant (14-D-J-G-16)		16,032	16,032	0	0	0
DWI Grant (15-D-J-G-16)		0	0	0	29,734	29,734
Enhanced E911 (11-E-12)		5,240	5,240	0	0	0
Enhanced E911 (15-E-12)		0	7,749	162,892 [3]	172,267	1,626
County Detention Distribution		0	9,273	0	9,273	0
Law Enforcement Protection Fund Distribution		0	39,800	0	19,237	(20,563)
Total Department of Finance and Administration		<u>21,272</u>	<u>142,097</u>	<u>141,537</u>	<u>273,159</u>	<u>10,797</u>
Department of Health - Public Health Office						
Primary Care and EMS Distribution - Fire		(700)	11,453	0	12,153	0
Los Alamos Community Health Council Pass Through		4,000	7,000	0	6,250	3,250
Total Department of Health		<u>3,300</u>	<u>18,453</u>	<u>0</u>	<u>18,403</u>	<u>3,250</u>
Transportation Department						
Cooperative Agreement SP-5-14 (181)		0	61,656	0	61,656	0
Cooperative Agreement, SB-7803 (100)14		0	69,103	0	69,103	0
Cooperative Agreement, CAP-5-14 (467)		0	21,977	0	21,977	0
Cooperative Agreement, Design Canyon Rim Trail		0	43,274	0	75,327	32,053
Airport Maintenance Program (LAM-15-02)		0	4,404	0	4,404	0
Airport Service Assistance Program (LAM-14-01)		11,877	14,781	0	2,904	0
Airport Service Assistance Program (LAM-14-03)		5,172	12,766	0	7,594	0
Airport Rehabilitate Taxiway "C" and "F" (LAM-15-01)		0	6,218	0	31,696	25,478

Operation Buckledown (FY14)	1,679	2,836	0	1,157	0
Operation Buckledown (FY15)	0	0	0	1,392	1,392
CTAA Scholarship	0	3,789	0	3,789	0
Total Transportation Department	<u>18,728</u>	<u>240,804</u>	<u>0</u>	<u>280,999</u>	<u>58,923</u>
Homeland Security and Emergency Management Department					
Disaster Assistance - FEMA DR 4047	72,410	72,410	0	0	0
Disaster Assistance - FEMA DR 4079	117,633	141,269	0	0	(23,636)
Disaster Assistance - FEMA DR 4152	222,206	453,589	1,566	1,585	(231,364)
Total Homeland Security Department	<u>412,249</u>	<u>667,268</u>	<u>1,566</u>	<u>1,585</u>	<u>(255,000)</u>
Economic Development Department					
MainStreet Grant - Streetscape Improvements	0	70,000	0	70,000	0
Office of Cultural Affairs:					
New Mexico State Library 2010 General Obligation Bond	0	11,400	0	11,400	0
New Mexico State Library Grant - Operations	0	11,670	0	11,670	0
Total Office of Cultural Affairs	<u>0</u>	<u>23,070</u>	<u>0</u>	<u>23,070</u>	<u>0</u>
TOTAL STATE OF NEW MEXICO FINANCIAL ASSISTANCE	\$ <u>203,647</u>	<u>1,903,523</u>	<u>148,302</u>	<u>1,447,069</u>	<u>(401,109)</u>

RELATIONSHIP TO BASIC FINANCIAL STATEMENTS:

State-shared Revenues	15,490,546
Change in reserved balances	(19,716)
Change in Deferred Revenue	<u>363,238</u>

TOTAL INTERGOVERNMENTAL REVENUES - STATE

\$ 17,281,137

NOTES:

- [1] Interest earned on reserved fund balance
- [2] Unspent Balance Reverted back to State
- [3] Grant expenditures made by State on County's behalf
- [4] Prior period adjustment.

INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2015

FEDERAL GRANTOR /PROGRAM TITLE	FEDERAL CFDA NUMBER	ACCRUED REIMBURSEMENT (RESERVED BALANCE) JUNE 30, 2014	CASH RECEIVED	OTHER	FEDERAL PARTICIPATING EXPENDITURES	ACCRUED REIMBURSEMENT (RESERVED BALANCE) JUNE 30, 2015
MAJOR FEDERAL FINANCIAL ASSISTANCE						
United States Department of Energy:						
National Nuclear Security Administration						
Fire protection, emergency medical and rescue services	81.XXX					
Cooperative Agreement ended September 30, 2013	DE-FC52-08NA28090	\$ 1,258,274	775,844	272,575	[1] 0	209,855
Cooperative Agreement begin October 1, 2013	DE-NA0002067/000	3,389,045	19,047,323	2,745,212	[2] 20,033,801	1,630,311
TOTAL MAJOR FEDERAL FINANCIAL ASSISTANCE		4,647,319	19,823,167	3,017,787	20,033,801	1,840,166
NONMAJOR FEDERAL FINANCIAL ASSISTANCE						
United States Department of Agriculture:						
United States National Forest Reserve	10-665 Public Law 106-393	0	4,665	0	4,665	0
United States Department of Homeland Security						
Flow through the New Mexico Department of Homeland Security and Emergency Management						
FEMA 4047, Flood Disaster Declaration, Public Assistance Program	97.036	434,461	434,461	0	0	0
FEMA 4079, Flood Disaster Declaration, Public Assistance Program	97.036	686,215	847,613	0	0	(161,398)
FEMA 4152, Flood Disaster Declaration, Public Assistance Program	97.036	1,321,590	2,721,536	9,392	[4] 9,512	(1,399,826)
Emergency Management Performance Grant (FY 14)	97.042	25,587	25,587	0	0	0
Emergency Management Performance Grant (FY 15)	97.042	0	41,366	0	63,615	22,249
Training Travel and Per Diem (FY 14)	97.067	7,022	7,022	0	0	0
Training Travel and Per Diem (FY 15)	97.067	0	0	0	5,000	5,000
LETPA Bomb Type II Upgrade	97.067	0	72,949	0	72,949	0
Multi-year Full Scale Exercise	97.067	0	8,761	0	48,460	39,699
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	78,643	0	78,643	0
National Park Service						
Cooperative Agreement for Bandelier National Park - Shuttle Service	P12AC00524	0	150,000	0	150,000	0
United States Department of Justice:						
Drug Enforcement Administration-Asset Forfeiture	16.xxx	(225)	0	2	[5] 0	(227)
United States Department of Transportation-Federal Aviation Administration						
Airport Rehabilitate Taxiway "C" and "F" (Construction)	20.106	0	121,839	0	580,442	458,603
United States Department of Transportation-Federal Highway Administration						
Flow through the New Mexico Department of Transportation						
100 Days and Nights of Summer (14-PT-DS-055)	20.600	1,287	7,090	0	5,803	0
100 Days and Nights of Summer (15-DS-PT-056)	20.600	0	0	0	743	743
United States Department of Transportation-Federal Transit Administration						
Flow through the New Mexico Department of Transportation						
Nonurbanized Area Formula Grant Program Section 5311						

FY13 Contract MO1185	20.509	223,289	266,584	560	[3]	43,855	0
FY14 Contract MO1286	20.509	306,736	498,035	0		191,299	0
FY15 Contract MO1359	20.509	0	1,071,194	0		1,428,978	357,784
Nonurbanized Area Formula Grant Program Section 5309							
FY15 Contract M01343	20.500	0	0	0		488,000	488,000
New Freedom Program Sections 5317							
FY13 Contract M01184	20.516	108,800	108,800	0		0	0
Nonurbanized Area Formula Grant Program Section 5304							
FY14 Contract M01229	20.515	36,456	92,894	0		56,438	0
Nonurbanized Area Formula Grant Program Section 5310							
FY15 Contract M01358	20.513	0	0	0		31,126	31,126
TOTAL NONMAJOR FEDERAL FINANCIAL ASSISTANCE		<u>3,151,218</u>	<u>6,559,039</u>	<u>9,954</u>		<u>3,259,528</u>	<u>(158,247)</u>
TOTAL MAJOR AND NONMAJOR FEDERAL FINANCIAL ASSISTANCE		<u>\$ 7,798,537</u>	<u>26,382,206</u>	<u>3,027,741</u>		<u>23,293,329</u>	<u>1,681,919</u>
RELATIONSHIP TO BASIC FINANCIAL STATEMENTS:							
Change in deferred inflows - FEMA 4152						1,231,490	
Change in dererred inflows - Other						1,129,971	
Federal Subsidy Build America Bonds						120,049	
Ambulance billing and other receipts DOE Cooperative Agreement for fire services						(411,981)	
County Share of DOE Cooperative Agreement for fire services - DE-NA0002067/000						(2,333,232)	
North Central Regional Transit District revenues						1,361,820	
INTERGOVERNMENTAL REVENUES - FEDERAL						<u>24,391,446</u>	
INTERGOVERNMENTAL REVENUES - STATE						<u>17,281,137</u>	
TOTAL INTERGOVERNMENTAL REVENUES						<u>\$ 41,672,583</u>	
INTERGOVERNMENTAL REVENUES REPORTED IN BASIC FINANCIAL STATEMENTS:							
Governmental funds						\$ 19,881,600	
Proprietary funds							
Operating revenues - intergovernmental revenue						20,167,450	
Other sources and uses - intergovernmental capital revenue						1,623,533	
TOTAL INTERGOVERNMENTAL REVENUES						<u>\$ 41,672,583</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.

Other Notes

- [1] Determined uncollectible in subsequent period
- [2] County's share of NNSA Cooperative agreement expenditures, ambulance billing and other receipts
- [3] Determined uncollectible in subsequent period
- [4] Prior period adjustment.
- [5] Interest earned on fund balance

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

Exhibit 9

June 30, 2015

	<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	\$ 166,867,964	15,307,977	83,748,255	44,466,873	310,391,069
Construction work in progress	5,662,236	20,603	657,610	214,856	6,555,305
Less accumulated depreciation	<u>(98,044,828)</u>	<u>(4,134,391)</u>	<u>(23,638,006)</u>	<u>(10,151,804)</u>	<u>(135,969,029)</u>
NET PLANT IN SERVICE	74,485,372	11,194,189	60,767,859	34,529,925	180,977,345
OTHER PROPERTY AND INVESTMENTS					
Investments and special funds	24,474,264	0	192,838	1,362,985	26,030,087
Nonutility property held for resale	<u>948,236</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>948,236</u>
	25,422,500	0	192,838	1,362,985	26,978,323
CURRENT AND ACCRUED ASSETS					
Cash and short-term investments	(6,495,304)	6,396,757	12,153,535	98,952	12,153,940
Customer accounts receivable	3,680,221	165,324	274,305	318,596	4,438,446
Less provision for uncollectible accounts	(21,728)	(3,720)	(6,163)	(7,168)	(38,779)
Due from associated subfunds (not included in total column)	0	0	141,662	0	0
Fuel stock	471,373	0	0	0	471,373
Materials and supplies	1,149,057	78,837	257,123	19,860	1,504,877
Prepayments	684,392	0	133,755	0	818,147
Accrued utility revenues	<u>617,481</u>	<u>113,463</u>	<u>221,155</u>	<u>190,866</u>	<u>1,142,965</u>
	85,492	6,750,661	13,175,372	621,106	20,490,969
OTHER NONCURRENT ASSETS AND DEFERRALS					
Advances to associated subfunds (not included in total column)	0	0	1,388,553	0	0
Deferred pensions	351,866	88,439	50,866	42,149	533,320
Unamortized deferral on refunding of debt	<u>680,539</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>680,539</u>
	1,032,405	88,439	1,439,419	42,149	1,213,859
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 101,025,769</u>	<u>18,033,289</u>	<u>75,575,488</u>	<u>36,556,165</u>	<u>229,660,496</u>

LIABILITIES AND OTHER CREDITS

EQUITY						
Retained earnings	\$	51,305,959	16,423,423	71,800,542	22,468,488	161,998,412
LONG-TERM DEBT						
Bonds		27,830,723	0	1,559,278	0	29,390,001
Plus unamortized premium on long-term debt		1,047,176	0	20,196	0	1,067,372
Contracts and intergovernmental debt payable		500,000	0	955,783	10,935,665	12,391,448
		<u>29,377,899</u>	<u>0</u>	<u>2,535,257</u>	<u>10,935,665</u>	<u>42,848,821</u>
OTHER NONCURRENT LIABILITIES AND DEFERRALS						
Accumulated provision for benefits		169,592	74,889	51,191	29,564	325,236
Advances from associated subfunds (not included in total column)		0	0	0	1,388,553	0
Asset retirement obligations		7,891,690	0	0	0	7,891,690
Pension liability		3,669,236	922,237	530,431	439,524	5,561,428
Deferred pensions		1,437,988	361,429	207,878	172,251	2,179,546
		<u>13,168,506</u>	<u>1,358,555</u>	<u>789,500</u>	<u>2,029,892</u>	<u>15,957,900</u>
CURRENT AND ACCRUED LIABILITIES						
Accounts payable		3,782,731	92,953	186,413	173,181	4,235,278
Customer deposits		76,613	51,902	46,105	0	174,620
Tax collections payable		64,059	15,194	20,680	18,310	118,243
Current portion of revenue bonds payable		2,635,728	0	44,272	0	2,680,000
Current portion of contracts and other debt		0	0	61,014	622,569	683,583
Interest accrued		97,109	0	9,088	79,535	185,732
Due to associated subfunds (not included in total column)		0	0	0	141,662	0
Miscellaneous current and accrued liabilities		517,165	91,262	82,617	86,863	777,907
		<u>7,173,405</u>	<u>251,311</u>	<u>450,189</u>	<u>1,122,120</u>	<u>8,855,363</u>
TOTAL LIABILITIES AND OTHER CREDITS	\$	<u>101,025,769</u>	<u>18,033,289</u>	<u>75,575,488</u>	<u>36,556,165</u>	<u>229,660,496</u>

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

Exhibit 10

SUPPLEMENTAL COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN PROPRIETARY CAPITAL - INDUSTRY FORMAT
Year ended June 30, 2015

	ELECTRIC	GAS	WATER	WASTEWATER	TOTAL
UTILITY OPERATING REVENUES					
Sales for resale	\$ 29,056,585	0	0	0	29,056,585
Residential	6,203,978	4,150,915	3,010,161	4,276,791	17,641,845
Commercial and industrial	4,286,822	786,424	459,151	0	5,532,397
Sale to public authorities	1,872,317	406,946	1,109,686	0	3,388,949
Street lighting	67,436	0	0	0	67,436
Other operating revenues	249,001	38,974	61,381	9,250	358,606
TOTAL OPERATING REVENUES	41,736,139	5,383,259	4,640,379	4,286,041	56,045,818
OPERATING EXPENSES					
Purchased power or natural gas	14,031,069	2,410,445	0	0	16,441,514
Distribution	441,028	430,335	960,869	1,505,265	3,337,497
Administrative and general	2,668,276	834,929	1,614,210	917,798	6,035,213
Steam power generation	9,360,546	0	0	0	9,360,546
Transmission	3,165,784	0	0	0	3,165,784
Other production expenses	1,670,813	0	0	0	1,670,813
Hydraulic power generation	573,119	0	0	0	573,119
	31,910,635	3,675,709	2,575,079	2,423,063	40,584,486
MAINTENANCE EXPENSES					
Distribution	988,559	142,435	1,845,258	618,710	3,594,962
Steam power generation	1,078,289	0	0	0	1,078,289
Hydraulic power generation	338,216	0	0	0	338,216
Transmission	229,848	0	0	0	229,848
	2,634,912	142,435	1,845,258	618,710	5,241,315
DEPRECIATION AND AMORTIZATION EXPENSE	10,842,260	381,968	2,024,249	808,816	14,057,293
TAXES	799,013	184,222	29,237	0	1,012,472
TOTAL UTILITY OPERATING EXPENSES	46,186,820	4,384,334	6,473,823	3,850,589	60,895,566

UTILITY OPERATING INCOME	<u>(4,450,681)</u>	<u>998,925</u>	<u>(1,833,444)</u>	<u>435,452</u>	<u>(4,849,748)</u>
Other income (investment loss)	(127,818)	70,386	174,525	12,738	129,831
Other deductions	<u>(585,295)</u>	<u>(318,092)</u>	<u>(409,730)</u>	<u>(22,913)</u>	<u>(1,336,030)</u>
UTILITY INCOME	<u>(5,163,794)</u>	<u>751,219</u>	<u>(2,068,649)</u>	<u>425,277</u>	<u>(6,055,947)</u>
Interest on long-term debt	<u>(1,128,201)</u>	<u>0</u>	<u>(89,436)</u>	<u>(359,557)</u>	<u>(1,577,194)</u>
INCOME BEFORE EXTRAORDINARY ITEMS	<u>(6,291,995)</u>	<u>751,219</u>	<u>(2,158,085)</u>	<u>65,720</u>	<u>(7,633,141)</u>
Proprietary capital, beginning of year	62,607,849	16,652,464	74,246,794	22,696,044	176,203,151
Prior year restatement - GASB Statement 68	(4,954,144)	(1,245,190)	(716,179)	(593,438)	(7,508,951)
Capital asset transfers (to) from proprietary funds	(135,751)	0	0	(72,876)	(208,627)
Contributed capital - outside sources	0	206,980	338,330	315,870	861,180
Contributed capital - governmental entities	<u>80,000</u>	<u>57,950</u>	<u>89,682</u>	<u>57,168</u>	<u>284,800</u>
PROPRIETARY CAPITAL, END OF FISCAL YEAR	<u>\$ 51,305,959</u>	<u>16,423,423</u>	<u>71,800,542</u>	<u>22,468,488</u>	<u>161,998,412</u>



CliftonLarsonAllen LLP
500 Marquette NW, Suite 800
Albuquerque, NM 87102
505-842-8290 | fax 505-842-1568
www.CLAconnect.com

**INDEPENDENT AUDITORS' 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**

Ms. Kristin Henderson, Chair, County Council
Members of the Council, and Harry Burgess, County Administrator
Los Alamos, New Mexico 87544 and
Timothy Keller, 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 of the general fund and major special revenue fund, of the County as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds and related budgetary comparisons of the County, presented as supplementary information and have issued our report thereon dated November 25, 2015.

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 opinion 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.

Ms. Kristin Henderson, Chair, County Council
Members of the Council, and Harry Burgess, County Administrator
Los Alamos, New Mexico 87544 and
Timothy Keller, State Auditor

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2015-001.

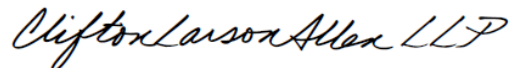
Response to Finding

The County's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result 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.

CliftonLarsonAllen LLP

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

Albuquerque, New Mexico
November 25, 2015



CliftonLarsonAllen LLP
500 Marquette NW, Suite 800
Albuquerque, NM 87102
505-842-8290 | fax 505-842-1568
www.CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Ms. Kristin Henderson, Chair, County Council
Members of the Council, and Harry Burgess, County Administrator
Los Alamos, New Mexico 87544 and
Timothy Keller, State Auditor

Report on Compliance for Each Major Federal Program

We have audited the Incorporated County of Los Alamos's (County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended June 30, 2015. The County's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Ms. Kristin Henderson, Chair, County Council
Members of the Council, and Harry Burgess, County Administrator
Los Alamos, New Mexico 87544 and
Timothy Keller, State Auditor

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

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 its major federal program for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

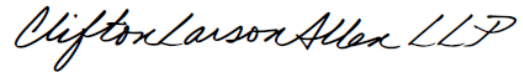
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Ms. Kristin Henderson, Chair, County Council
Members of the Council, and Harry Burgess, County Administrator
Los Alamos, New Mexico 87544 and
Timothy Keller, State Auditor

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 result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

Albuquerque, New Mexico
November 25, 2015



**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported
- Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs: Unmodified

- Material weakness(es) identified? yes no
- Significant deficiencies identified that are not considered to be material weakness(es)? yes none reported

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

Any audit findings, disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? yes no

Identification of major programs:

CFDA Numbers

81.XXX

Name of Federal Program

Fire protection, emergency medical and rescue services – Cooperative agreement

Dollar threshold used to distinguish between Type A and Type B programs:

\$698,800

Auditee qualified as low-risk auditee? yes no

**INCORPORATED COUNTY OF LOS ALAMOS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

Section II – Findings Related to Financial Statements

2015-001 Procurement (Noncompliance)

Condition: During our procurement testwork, we identified 1 out of 10 contracts selected in which the disbursements exceeded the purchase order amount. Although there was email documentation to increase the purchase order, this email occurred three days after the transaction was executed.

Criteria: In accordance with the County's Procurement Code (Chapter 31) purchases orders are to be established and in place before transactions are incurred.

Cause: Lack of tracking disbursements associated with this particular purchase order.

Effect: Purchase was incurred without a valid purchase order in place.

Recommendation: We recommend the County remind employees of the County's procurement policy to ensure purchases incurred have an approved purchase order.

Management's Response: The County agrees with this comment and recommendation. The purchase order in question was an open purchase, which establishes a not-to-exceed threshold for small transactions with frequently used vendors. The Fleet Division did, in fact, exceed the approved threshold before working with Procurement to request an increase. Procurement staff responded by: working with Fleet to correct the issue, reminding County-wide staff of the requirements of the Procurement Code, including stressing the importance of monitoring open purchase order balances in training materials, and increasing the frequency that Procurement staff run diagnostic reports to identify open purchase orders whose spending is approaching the set limit.

Section III – Federal Award Findings and Questioned Costs

There were no findings for the year end June 30, 2015

**INCORPORATED COUNTY OF LOS ALAMOS
EXIT CONFERENCE
June 30, 2015**

An exit conference was held on Tuesday, November 24, 2015. The conference was held at the offices of the County in Los Alamos, New Mexico. 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:

Steven Girrens, County Councilor
Susan O'Leary, County Councilor
Pete Sheehey, County Councilor
David Powell, Utility Board
Steven Lynne, Deputy County Administrator/Chief Financial Officer
Robert Westervelt, Deputy Utilities Manager - Finance & Administration

County Staff:

Joseph D'Anna, Deputy Chief Financial Officer

CLIFTONLARSONALLEN LLP

Georgie Ortiz, Managing Principal-New Mexico
Laura Beltran-Schmitz,