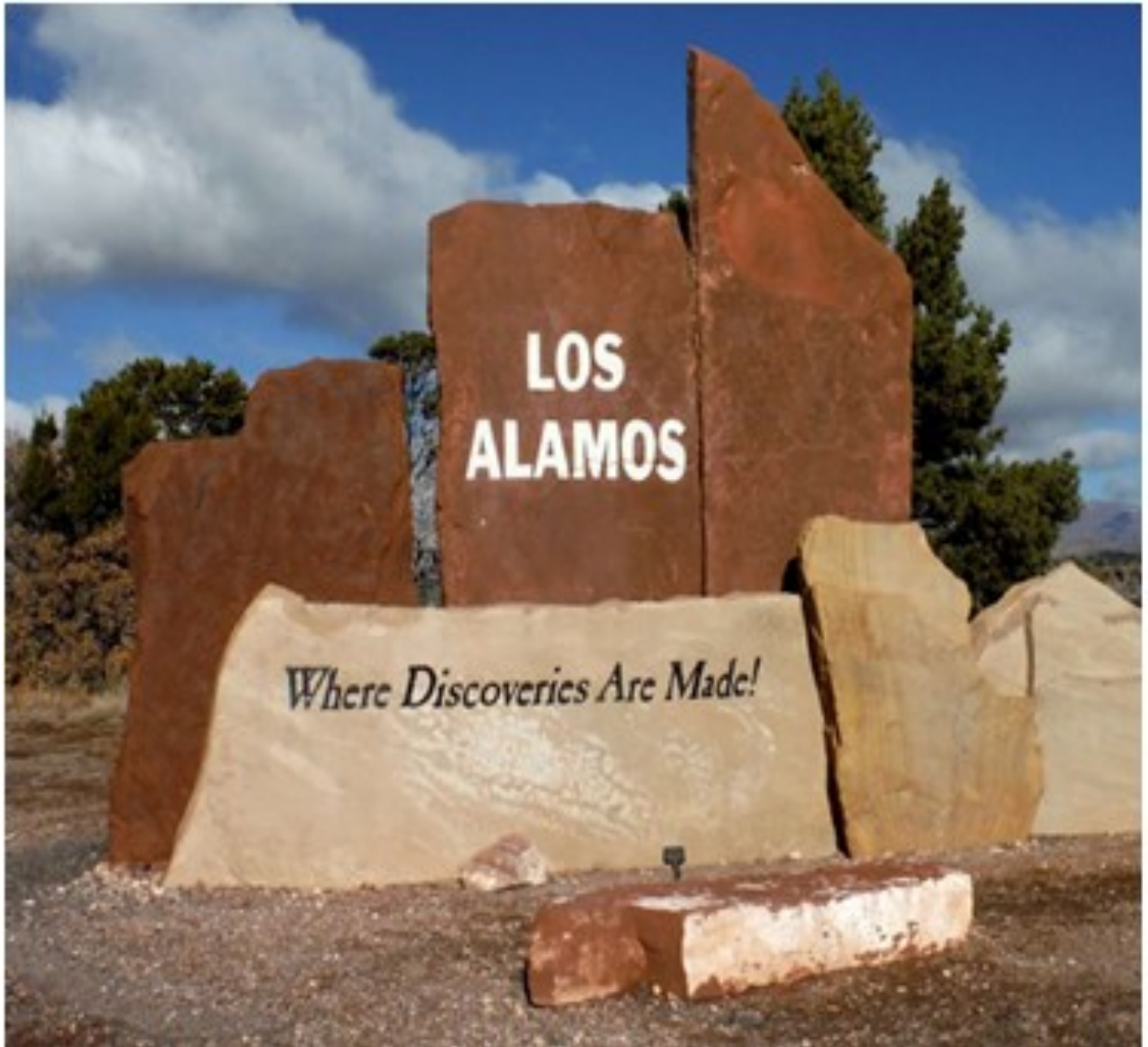


Los Alamos County

1000 Central Ave, Los Alamos, NM 87544



Popular Annual Financial Report

Fiscal Year Ended
June 30, 2024

TABLE OF CONTENTS

County Manager & Chief Financial Officer Message	3
Los Alamos County Council	4
Los Alamos County Organizational Chart	5
GFOA Award—Outstanding Achievement in PAFR	6
Accomplishment Highlights	7
Financial Position—Revenues and Expenditures	9
Financial Position—Assets and Liabilities	10
General Fund Activities	11
Business Type Activities	12
Capital Assets.....	14
Joint Utility Funds.....	15
Government Funds Compared.....	16
Gross Receipts Tax—GRT	17
Property Tax.....	18
Operating Indicators	19

LOS ALAMOS COUNTY

County Manager & ASD Message

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

We are pleased to submit to you this **Popular Annual Financial Report (PAFR)** for fiscal year 2024. Our goal is to ensure that the citizens are kept informed on the state of the County's finances and discover more about their County government's operations. Fiscal Year 2024 (FY2024) began on July 1, 2023 and ended on June 30, 2024.

The Finance Division of the Administrative Services Department has prepared this summary of the financial activities of Los Alamos County reported in the Annual Comprehensive Financial Report (ACFR). This **PAFR** includes condensed and selected information from the ACFR and therefore, is a non-GAAP (Generally Accepted Accounting Principles) presentation.

The [ACFR](#) outlines the County's financial position at June 30, 2024 and the results of its operations for the fiscal year. The ACFR represents the audited information for last year, is presented in GAAP format, and contains more detailed information. The ACFR is available to all citizens at the Municipal Building (1000 Central Avenue), on the County's website (https://www.losalamosnm.us/government/departments/administrative_services/finance_budget/reports_and_budgets), and also at both the Mesa Public Library and White Rock Branch Library.

Although the County is a relatively small government in terms of resident population served, the numerous direct and indirect relationships with the Department of Energy require levels of service and complexity normally found in large metropolitan areas. We are also unique in that we are classified as a Class H County in the State of New Mexico and we operate as both a City and County government. As always, providing top-notch service is our number one priority. We work for you, the residents of Los Alamos County, and appreciate the high levels of engagement from our community.

Sincerely,

Anne Laurent
County Manager



Helen Perraglio
Administrative Services
Director



COUNCIL



Denise Derkacs

Chair



Theresa Cull

Vice—Chair



Randall Ryti



Melanee Hand



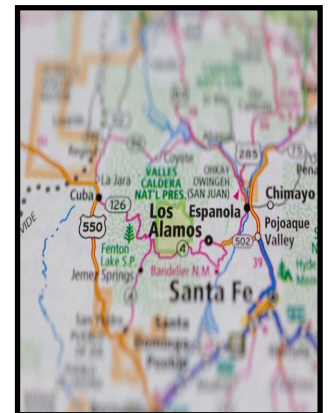
Keith Lepsch



David Reagor



Suzie Havemann



The Council of the Incorporated County of Los Alamos is the governing body of Los Alamos County and was created by the Los Alamos County Charter. The Council consists of seven members elected at large for four-year, staggered terms. Each year the Council elects a Chair and Vice-Chair from within its membership.

An incorporated county is established under a special provision of the state constitution. It has both county and municipal authority and powers. Los Alamos County Council has also adopted a home rule charter which allows the County to depart from certain statutory requirements. under the Charter, the Council is the governing body of the County.

ORGANIZATIONAL CHART



Anne Laurent
County Manager



Linda Matteson
Deputy County Manager



Juan Rael
Acting Deputy County
Manager



Philo Shelton
Dept. Public Utilities Mgr.



Alvin Lephart
County Attorney



Helen Perraglio
Administrative Services
Director



Cory Styron
Community Services
Director



Paul Andrus
Community Development
Director



Troy Hughes
Fire Department



Eric Martinez
Acting Public Works Director



Dino Sgambellone
Police Department

OUTSTANDING ACHIEVEMENT

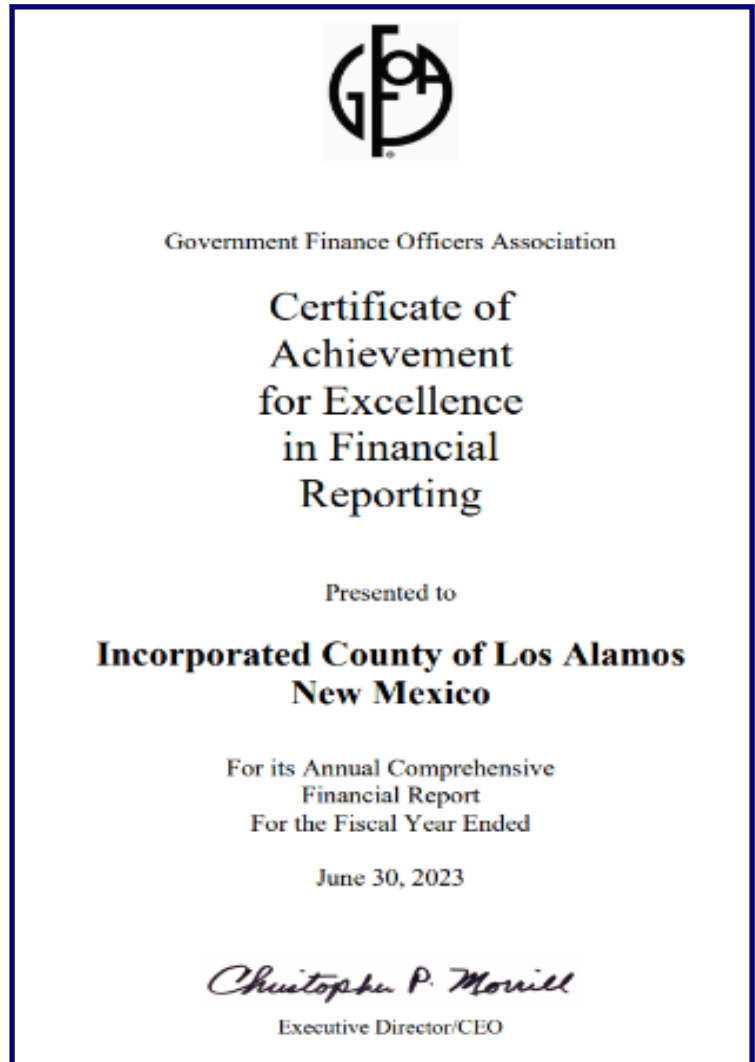
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the County Of Los Alamos for its Popular Annual Financial Report for the fiscal year ended June 30, 2023.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. County of Los Alamos has received a Popular Award for the last eleven consecutive years.

We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, as we prepare for its submission to GFOA.



ACCOMPLISHMENT HIGHLIGHTS

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



Photo © Universal Pictures Melinda Sue Gordon. All Rights Reserved.

* The July 21, 2023, release of the award-winning biopic film “Oppenheimer,” featuring Cillian Murphy, Emily Blunt, Matt Damon, Robert Downey, Jr. and directed by Christopher Nolan, led to an unprecedented increase in visitors to Los Alamos County. At the Los Alamos History Museum and Fuller Lodge, buildings in use during the Manhattan Project that are now owned by the County, visitors increased by 60% over the previous year to about 35,000. And at the Bradbury Science Museum, owned by Los Alamos National Laboratory, visitors increased by 50% over the previous year to about 45,000.

ACCOMPLISHMENT HIGHLIGHTS

- * Received state capital outlay funding of \$7 million for the Jemez Mountain Fire Protection Project with additional FY2025 funding expected (State and FEMA).



A connection between Los Alamos County's water supply system and the water storage tank at Pajarito is necessary for fire protection to enable the delivery of water to the 10-million gallon storage reservoir on top of Pajarito Mountain. This full reservoir of water will benefit not only Pajarito but also surrounding National Forest Service (NFS) and non-NFS lands.

- * Community Services used recommendations from the Integrated Master Plan and the Americans with Disabilities Act (ADA) Audit to prioritize and budget asset maintenance. Projects in progress for FY2025:
 - * Renovation of three athletic fields (Hope, Bomber, Dara Jones).
 - * Renovation of two athletic courts (East Park Basketball, North Mesa Tennis).
 - * Renovation of two playgrounds (Piñon, 37th Street).
- * Started or completed projects in the Capital Plan such as the urban trail and the temporary chiller at the Ice Rink.

A permanent solution for the chiller replacement would not have met the schedule for the 2023-2024 ice skating season, thus the County developed an interim solution. Los Alamos County has contracted with American Arena LLC to install a rented temporary chiller that will enable the ice rink to offer a regular skating season. In March 2024 the temporary chiller will be disconnected and removed from the ice rink, unless the permanent solution requires additional time. The County has the option to rent the chiller for an additional season if required.



FINANCIAL POSITION

Los Alamos County's Changes in Net Position
For Fiscal Year Ended June 30, 2024
(in millions of \$)

	Governmental Activities		Business-type Activities			
	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>
Total Revenue	139.8	118.7	195.9	128.9	335.7	247.6
Total Expenses	89	73.7	129.8	150.1	218.8	223.8
Changes in net position before transfers	50.8	45	66.1	-21.2	116.9	23.8
Transfers	-0.5	-1.1	0.05	1.1	0.0	0.0
Total Change in net position	50.3	43.9	66.6	-20.1	116.9	23.8
Beginning net position	367	325.7	145.6	166.8	512.6	492.5
Prior period adjustment	0.0	-2.6	4	-1.1	4	-3.7
Ending net position	\$ <u>417.3</u>	<u>367</u>	<u>216.2</u>	<u>145.6</u>	<u>633.5</u>	<u>512.6</u>

DID YOU KNOW ?

Governmental activities during the year increased the County's net position by \$50.3 million for fiscal year 2024. Key variances included:

- * Increases to salaries and benefits in Public Safety and Transportation
- * Increase to contractual and professional services in Physical and Economic Environment, Culture and Recreation and Health

NET POSITION

When you look at the County in terms of its financial statements in this way like a balance sheet, you can see that a significant amount of our net worth is invested in capital assets (Our infrastructure, buildings, land, etc.) and restricted for purposes of serving the public.



The presentation of this statement is meant to look at the County as a whole. Unrestricted net position is impacted by required accounting adjustments mainly related to our long-term pension liability for participating in the State Public Employer Retirement Association (PERA)

**Los Alamos County's Net Position
For Fiscal Year Ended June 30, 2024
(in millions of \$)**

	Governmental Activities		Business-type Activities		FY 2024	FY 2023
	FY 2024	FY 2023	FY 2024	FY 2023		
Assets:						
Current and other assets	241.8	202.0	172.8	79.4	384.6	281.4
Capital assets	<u>293.3</u>	<u>280.6</u>	<u>236.3</u>	<u>214.8</u>	<u>529.6</u>	<u>495.4</u>
Total assets	535.1	482.6	379.1	294.2	914.2	776.8
Deferred outflows of resources	18.7	<u>15.1</u>	<u>22.9</u>	<u>17.1</u>	41.6	<u>32.2</u>
Liabilities:						
Current and other liabilities	12.5	9.5	9.5	8.9	22	18.4
Long-term liabilities	<u>93.6</u>	<u>89.1</u>	<u>164.3</u>	<u>142.6</u>	<u>257.9</u>	<u>231.7</u>
Total liabilities	106.1	98.6	173.8	151.5	279.9	250.1
Deferred inflows of resources	<u>30.4</u>	<u>32.1</u>	<u>12.0</u>	<u>14.2</u>	42.4	<u>46.3</u>
Net position:						
Net investment in capital assets	272	257.5	181.9	171.3	453.9	428.8
Restricted	60.9	51.2	16.7	4.8	77.6	56
Unrestricted	84.4	58.3	17.6	-30.5	102	27.8
Total net position	\$ <u>417.3</u>	<u>367.0</u>	<u>216.2</u>	<u>145.6</u>	<u>633.5</u>	<u>512.6</u>

GENERAL FUND ACTIVITIES



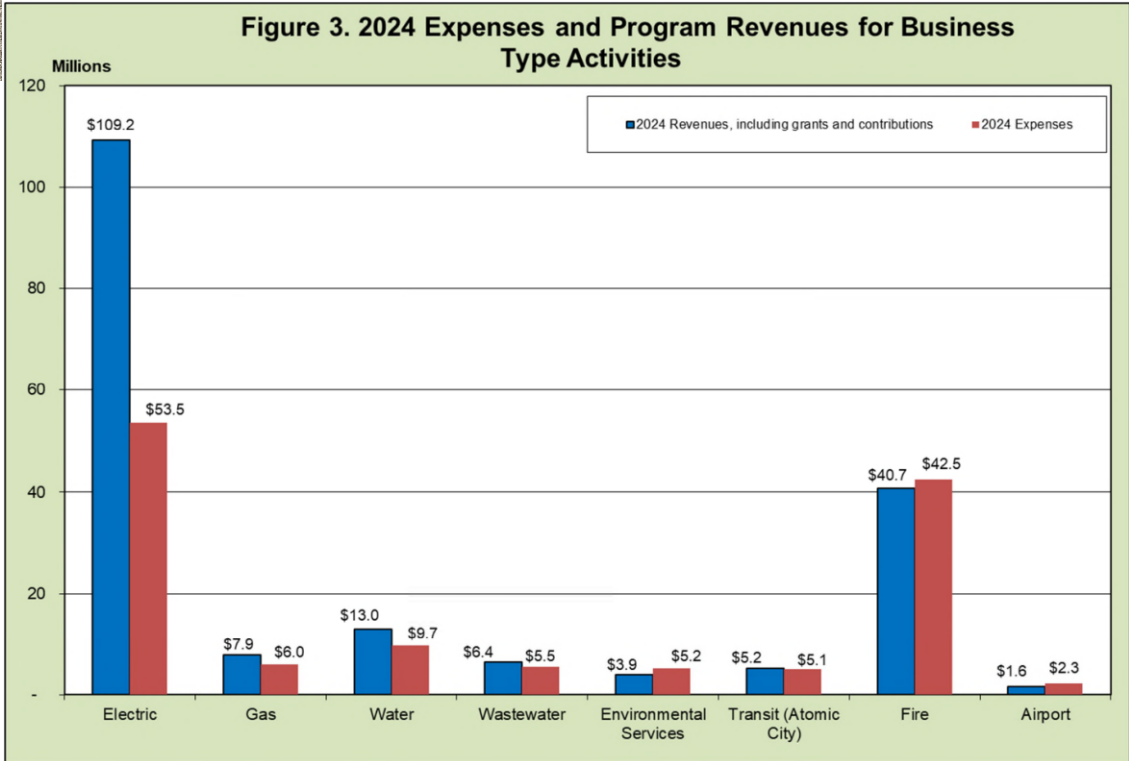
	FY2021	FY2022	FY2023	FY2024
COUNTY COUNCIL	\$ 419,664	\$ 345,534	\$ 382,989	\$ 357,013
MUNICIPAL COURT	533,238	577,306	592,873	673,635
COUNTY MANAGER	3,934,187	4,558,924	5,064,355	6,506,960
COUNTY ASSESSOR	436,040	457,493	542,227	627,108
COUNTY ATTORNEY	910,092	1,833,771	1,122,158	1,403,374
COUNTY CLERK	672,865	713,498	759,949	962,003
COUNTY PROBATE	5,004	5,606	5,973	5,649
COUNTY SHERIFF	8,361	8,804	16,537	16,830
ADMINISTRATIVE SERVICES	7,944,807	8,438,840	9,932,149	12,513,449
PUBLIC WORKS	1,145,425	11,512,218	15,374,404	16,747,439
COMMUNITY DEVELOPMENT	1,940,765	1,952,377	3,162,527	3,557,319
FIRE	7,082,624	7,898,483	8,546,164	9,929,821
POLICE	9,085,545	9,832,690	11,502,382	13,904,548
COMMUNITY SERVICES	10,529,268	11,739,657	12,966,108	14,731,855
TOTAL EXPENDITURES	\$ 44,647,885	\$ 59,875,201	\$ 69,970,795	\$ 81,937,003

BUSINESS TYPE ACTIVITIES



	FY2021	FY2022	FY2023	FY2024
ELECTRIC	\$ 47.30	\$ 47.69	\$ 80.72	\$ 53.51
GAS	5.90	8.32	12.97	5.96
WATER	7.40	8.18	9.83	9.66
WASTEWATER	4.50	4.94	5.16	5.48
ENVIRONMENTAL SERVICES	5.10	4.18	5.74	5.22
TRANSIT (ATOMIC CITY)	3.90	4.23	4.42	5.11
FIRE	23.60	27.37	29.14	42.54
AIRPORT	0.80	1.24	2.16	2.35
TOTAL EXPENSES	\$ 98.50	\$ 106.14	\$ 150.14	\$ 129.83

BUSINESS TYPE ACTIVITIES



The Los Alamos Fire Department provides fire protection services to Los Alamos National Laboratory (LANL) under a cooperative agreement. Through this partnership, LANL and the community receives an elevated level of fire protection and ambulance services. The cost of services provided to LANL are reimbursed to the County through monthly billings.

CAPITAL ASSETS

Los Alamos County's Capital Assets, Net of Accumulated Depreciation

As of June 30, 2024 and 2023

(in millions of \$)

	Governmental Activities		Business-type Activities		Total	
	FY 2024	FY2023	FY2024	FY2023	FY2024	FY2023
LAND	40.3	40.3	8.4	8.4	48.7	48.7
RIGHT OF WAY	18	18	0	0	18	18
UTILITY PLANT IN SERVICE	0	0	316.4	296.5	316.4	296.5
BUILDINGS	144.6	144.5	25.1	25.1	169.7	169.6
IMPROVEMENTS OTHER THAN BUILDINGS	42.6	40.2	18.2	18.2	60.8	58.4
MACHINERY AND EQUIPMENT, ART AND HISTORIC TREASURES	28.4	25.3	42	38.3	70.4	63.6
INFRASTRUCTURE	208.5	201.3	0	0	208.5	201.3
LESS ACCUMULATED DEPRECIATION	-210.4	-200	-204.9	-197.1	-415.3	-397.1
CONSTRUCTION IN PROGRESS	15.2	6.7	28.3	24.3	43.5	31
RIGHT TO USE ASSETS						
BUILDINGS - LEASES, NET OF AMORTIZATION	0.2	0.2	0.5	0.7	0.7	0.9
MACHINERY AND EQUIPMENT - LEASES, NET OF AMORTIZATION	0.5	0.7	0	0	0.5	0.7
SUBSCRIPTION BASED IT ARRANGEMENTS, NET OF AMORTIZATION	5.4	3.3	2.3	0.4	7.7	3.7
TOTAL	\$ 293.3	\$ 280.5	\$ 236.3	\$ 214.8	\$ 529.6	\$ 495.3

The County's total investment in capital assets for its governmental and business type activities as of June 30, 2024, was \$529.6 million, net of \$415.3 million in accumulated depreciation. This investment in capital assets includes land,



utility plant, facilities and buildings, machinery and equipment, parks and recreation facilities and improvements and infrastructure such as highways, roads, sidewalks, storm drains, storm inlets, bridges, traffic lights, flasher beacons and streetlights, and a right to use assets, which are building, equipment, and software that the County is leasing. Total capital assets for the County increased by approximately \$34.3 million from 2023 to 2024 or 6.93%. Capital assets associated with governmental activities increased by \$12.8 million mostly due to the \$9.6 million cumulative addition of improvements and infrastructure, \$3. of machinery and equipment, depreciation of \$10.4 million, and the addition of right to use assets of \$2.1 million, net of amortization, due to the implementation of GASB 87 Leases and GASB 96

JOINT UTILITY FUNDS



Combining Statement of Revenues, Expenses, and Changes in Net Position

	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
Total Revenue	50,999,380	7,925,207	12,983,669	6,440,913	78,349,169
Total Expenses	52,826,400	5,889,639	9,279,130	5,451,037	73,446,206
Changes in net position before transfers	(1,827,020)	2,035,568	3,704,539	989,876	4,902,963
Nonoperating Revenues (Expenses)	58,658,672	(80,993)	153,265	118,796	58,849,740
Total Change in net position	56,831,652	1,954,575	3,857,804	1,108,672	63,752,703
Transfers and Contributions	56,385,618	1,637,770	5,369,657	1,066,162	64,459,207
Beginning net position	31,619,762	8,490,446	71,071,586	34,117,689	145,299,483
Prior period adjustment	1,328,740	978,632	1,592,846	122,893	4,023,111
Ending net position	\$ 89,334,120	11,106,848	78,034,089	35,306,744	213,781,801

GOVERNMENTAL FUNDS COMPARED

GOVERNMENTAL FUNDS REVENUES	FY2021	FY2022	FY2023	FY2024
Taxes and special assessments	43,857,792	53,606,223	67,727,046	75,266,832
Licenses and permits	560,069	310,007	359,897	340,521
Intergovernmental	34,384,924	30,460,894	40,573,124	45,248,871
Fines forfeitures and penalties	112,718	94,880	62,836	66,018
Charges for services	1,385,207	1,431,273	1,448,207	1,514,854
Interfund/Interdepartmental charges	8,004,968	8,826,224	9,313,081	12,426,680
Investment Income	14,620,287	(13,043,668)	7,086,363	14,235,288
Other revenues	3,262,980	12,566,699	1,648,712	3,225,760
TOTAL REVENUES	106,188,945	94,252,532	128,219,266	152,324,824

GOVERNMENTAL FUNDS EXPENDITURES	FY2021	FY2022	FY2023	FY2024
General government	22,088,973	24,224,186	29,496,510	32,471,422
Public safety	17,989,556	17,954,063	20,312,319	24,325,246
Physical and economic environment	4,079,822	5,543,713	3,997,229	4,315,628
Transportation	3,957,613	3,673,960	4,654,156	6,101,937
Health and welfare	4,883,588	5,347,004	5,500,430	7,144,282
Culture and recreation	8,491,488	9,294,639	10,009,084	11,721,383
Capital Projects/Outlay	11,153,948	11,841,718	14,392,552	25,277,452
Debt service	4,552,159	4,556,409	4,552,409	4,550,159
TOTAL EXPENDITURES	77,197,147	82,435,692	92,914,689	115,907,509
SURPLUS (deficit)	28,991,798	11,816,840	35,304,577	36,417,315

This comparison shows the combined governmental fund totals by revenue type and expenditure category, over the past 3 years. A surplus increases fund balance reserves, and deficit indicates the potential need for tapping into those reserves.



The County maintains separate funds for its governmental activities to properly account for those revenues and expenditures that are restricted for special purposes, or to provide general services to the community that are funded by taxes.

GRT

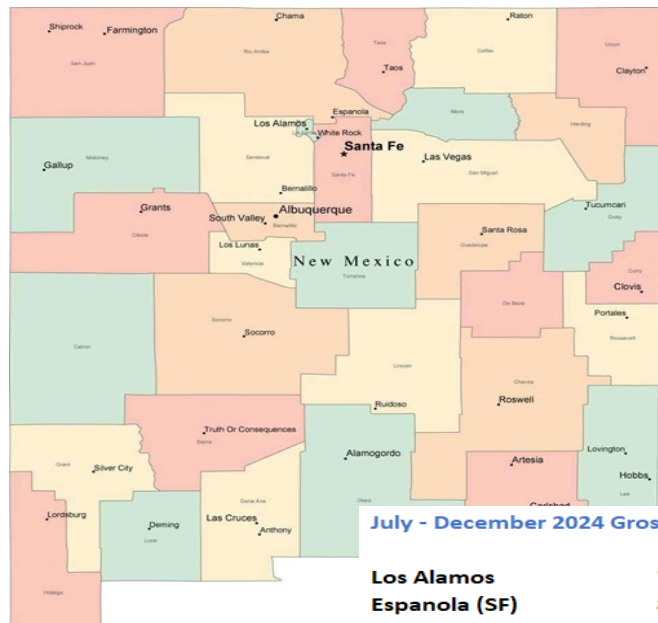
GRT—What is it?

Gross Receipts Tax, or GRT is a tax imposed by the State and the County for selling goods; performing services; leasing or licensing property; granting a right to use a franchise; and selling research and development services. GRT is New Mexico’s version of a sales tax.

	FY2021	FY2022	FY2023	FY2024
General Fund				
Local - Municipal	25,515,658	26,335,767	36,456,655	45,413,670
Local - County	6,878,560	7,099,647	9,828,055	15,440,592
State Shared	23,179,890	23,930,588	33,123,880	37,283,003
Subtotal	\$ 55,574,108	\$ 57,366,002	\$ 79,408,590	\$ 98,137,265
Fire Protection Excise Tax	2,292,854	2,366,549	1,638,009	3,687,510
Health Care Assistance Fund	2,292,853	2,366,549	3,276,018	3,687,477
Environmental Services Fund	1,146,427	1,183,275	3,276,049	1,843,739
TOTAL GRT Revenues	\$ 61,306,243	\$ 63,282,375	\$ 87,598,666	\$ 107,355,991

HOW DOES IT WORK?

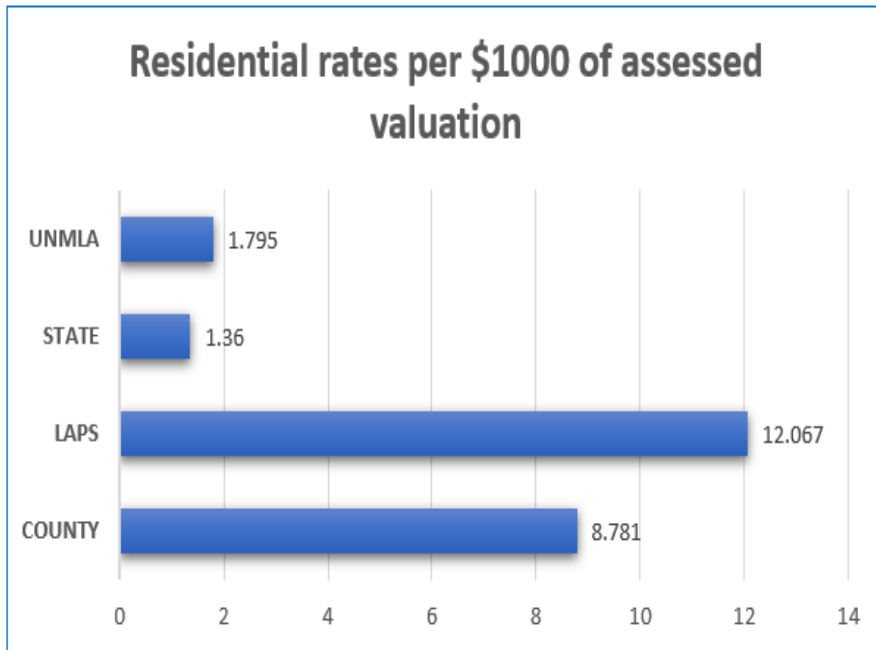
The County adopts tax rates in increments for general or special purposes. Every time you pay GRT on a transaction, the local business collects the tax and remits it to the State of New Mexico through CRS-1 reporting. The state retains a portion of the tax and then distributes the remainder to the individual county or municipality. Los Alamos County is unique in that we can implement both City and County increments since we’re one in the same. GRT makes up 73.6% of our revenue to provide services to the community. Our single largest contributor is LANL.



July - December 2024 Gross Receipts

Los Alamos	7.1875%
Espanola (SF)	8.8125%
Espanola (RA)	8.6875%
Taos	9.1750%
Santa Fe	8.1875%
Rio Rancho (BC)	7.8750%

PROPERTY TAXES



There are many factors that go into the Property Tax Rate determined by the NM Department of Finance and Administration (DFA). The Total Net Taxable Value of the County, Total New Construction in the County, additional or expired voter imposed General Obligation Bonds, and the amount of mill rate imposed by the specific entities all play a role in the calculation of the Property Tax Rates. The residential tax rate in Los Alamos County is 24.003 mills. The non-residential tax rate is 28.714.

TOP PRINCIPAL PROPERTY TAX PAYERS

PHC - Los Alamos Inc
 Central Park Square LLC
 Topvalco, Inc.
 Oppenheimer Place Condo Assoc Inc
 Los Alamos Commerce and Development Corp
 PC Canyon Village LLC
 Enterprise Bank & Trust
 Site A-19-A-1 Acquisition Group LLC
 Los Alamos NM | SGF
 Pebble Labs Inc

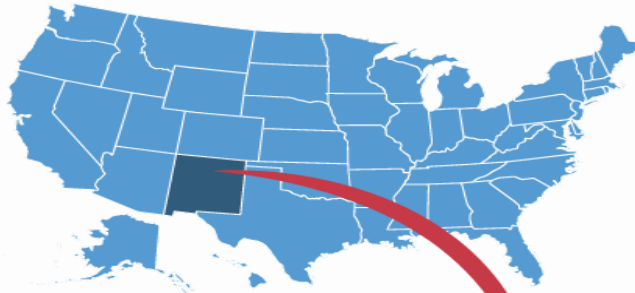


LOS ALAMOS

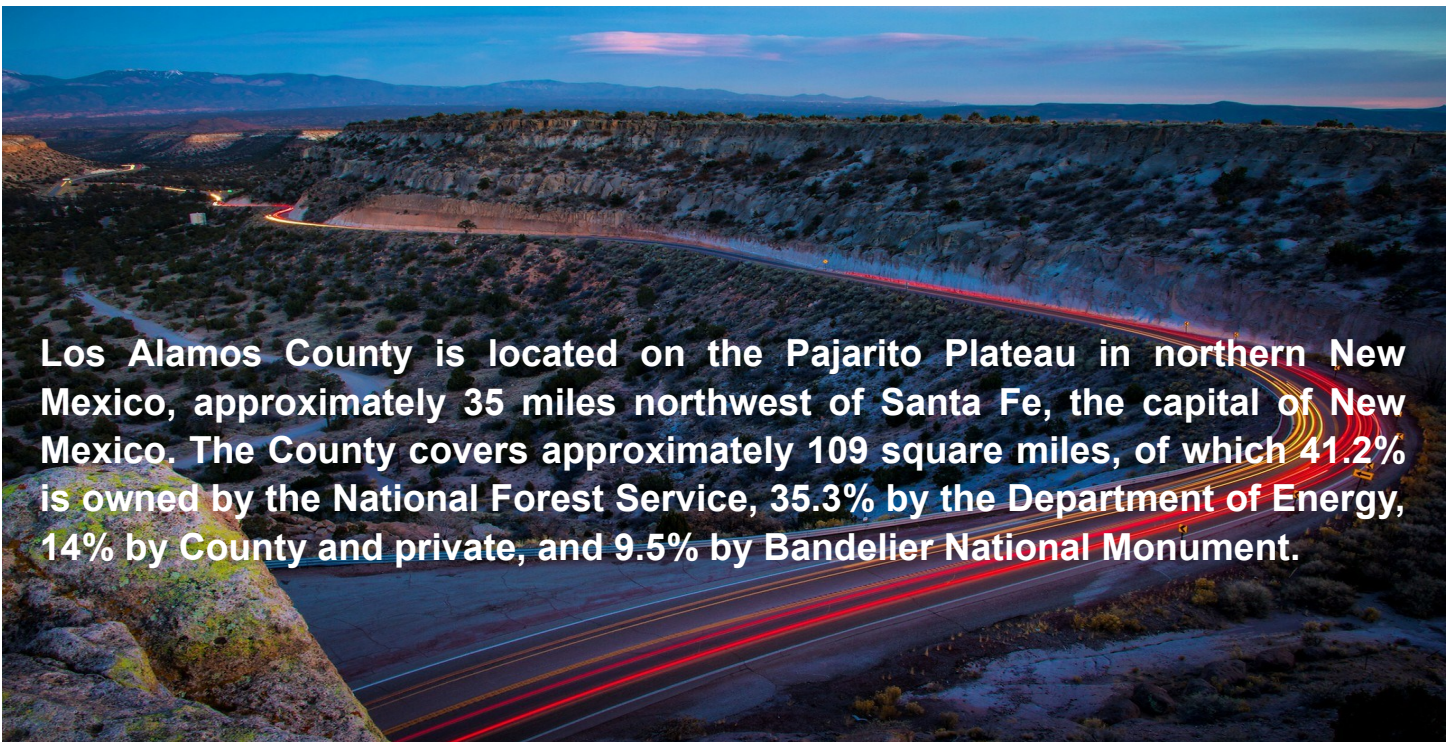
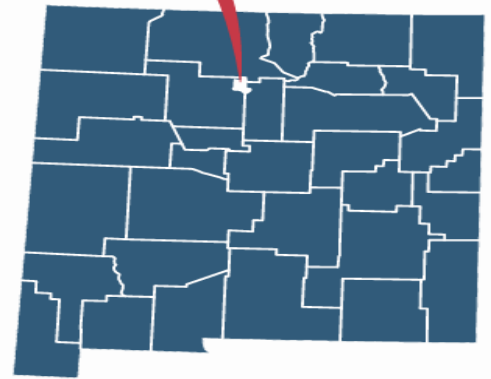
OPERATING INDICATORS

Top Los Alamos County Employers

- Los Alamos Ntl Laboratory —17,240
- Los Alamos County — 721
- N3B Los Alamos — 700
- Los Alamos Public Schools —671



	Population	Per Capita Income	Median Household
Los Alamos	19,444	\$86,598	\$143,188
Santa Fe	155,956	\$77,717	\$77,324
Rio Arriba	39,876	\$27,878	\$53,901
Taos	34,405	\$40,018	\$58,908



Los Alamos County is located on the Pajarito Plateau in northern New Mexico, approximately 35 miles northwest of Santa Fe, the capital of New Mexico. The County covers approximately 109 square miles, of which 41.2% is owned by the National Forest Service, 35.3% by the Department of Energy, 14% by County and private, and 9.5% by Bandelier National Monument.

Contact Us

Los Alamos County

Administrative Offices

1000 Central Avenue

Los Alamos, NM 87544, USA



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#LOVELOSALAMOSNM



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