

**STATE OF NEW MEXICO
CITY OF LAS VEGAS**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021



PATTILLO, BROWN & HILL, LLP

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS

CITY OF LAS VEGAS, NEW MEXICO

FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

**Page
Number**

INTRODUCTORY SECTION

Official Roster	i
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FINANCIAL SECTION

Independent Auditor's Report	1 – 3
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	5 – 6
Statement of Activities	7 – 8
Fund Financial Statements:	
Governmental Funds	
Balance Sheet	9
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures, and Changes in Fund Balances	11
Reconciliation of Revenues, Expenditures and Changes In Fund Balances – Governmental Funds to the Statement of Activities.....	12
Statement of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual – (Non-GAAP Budgetary Basis) General Fund	13
Statement of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual – (Non-GAAP Budgetary Basis) Street Fund	14
Proprietary Funds	
Statement of Net Position	15 - 18
Statement of Revenues, Expenses, and Changes in Fund Net Position	19 - 20
Statement of Cash Flows	21 - 24
Statement of Fiduciary Net Position	25
Statement of Changes in Fiduciary Net Positions	26
Notes to the Financial Statements.....	27 - 59

Required Supplementary Information

Schedule of the City’s Proportionate share of the Net Pension Liability	61 - 63
Schedule of City Contributions – PERA Plan.....	64 - 66
Schedule of the City’s Proportionate Share of the Net OPEB Liability	67
Schedule of City OPEB Contributions.....	68
Notes to Required Supplementary Information	69

Supplementary Information

Nonmajor Governmental Fund Descriptions	71 - 75
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Combining Statements and Individual Fund Statements and Schedules

Combining Balance Sheet – Nonmajor Governmental Funds	76 - 83
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	84 - 91
Combining Statement of Net Position – Internal Service Funds	92
Combining Statement of Revenues, Expenditures, and Changes in Net Position – Internal Service Funds.....	93
Combining Statement of Cash Flows – Internal Service Funds	94 - 95

Supporting Schedules

Schedule of Deposit Accounts	97 - 98
Schedule of Collateral Pledged by Depository for Public funds.....	99

COMPLIANCE SECTION

Independent Auditor’s Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

101 - 102

Independent Auditor’s Report on Compliance for Each Major
Federal and State Program, and Report on Internal Control Over
Compliance in Accordance with the Uniform Guidance

103 - 105

Schedule of Expenditures of Federal Awards.....

106

Notes to Schedule of Expenditure of Federal Awards.....

107

Schedule of Findings and Questioned Costs

108 - 117

Exit Conference.....

118

**STATE OF NEW MEXICO
CITY OF LAS VEGAS**

Official Roster

Year Ended June 30, 2021

City Commission

Louie A. Trujillo	Mayor
David Ulibarri	Councilor
Michael L. Montoya	Councilor
Elanie Rodriguez	Councilor
David G. Rober	Councilor

Administration

William Taylor Ph.D	City Manager
Jesus Baquera	Finance Director
Dominic Chavez	Deputy Finance Director
Cassandra Fresquez	City Clerk
Barbara Padilla	Interim Housing Authority Director

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To Brian S. Colón, Esq.
New Mexico State Auditor
The City of Las Vegas Council
City of Las Vegas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the City of Las Vegas (the "City") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements 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.

Auditor's 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 auditor's 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. An audit also includes evaluating

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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 City, as of June 30, 2021, 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.

Emphasis of Other Matters

As discussed in Note 22. To the financial statements, during the year ended June 30, 2021, The City had a adjustment related to the Debt payable to HUD not properly classified in prior years. Our opinions are not modified with respect to this matter

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of the City's Proportionate Share of the Net Pension Liability, Schedule of City's Contributions, the Schedule of Changes in Net OPEB Liability and Related Ratios, and the Schedule of City's OPEB Contributions on pages 61-68 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 City's financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements 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 as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the other schedules required by 2.2.2 NMAC as noted in the table of contents are also 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 required by 2.2.2 NMAC as noted in the table of contents, 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 auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the other schedules required by 2.2.2 NMAC as noted in the table of contents, are fairly stated, in all material respects, in related to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2021 on our consideration of the City'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 results 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 City's internal control over financial reporting and compliance.

Pattillo, Brown & Hill, LLP

Pattillo, Brown & Hill, L.L.P.
Albuquerque, New Mexico
December 15, 2021

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
City of Las Vegas
Statement of Net Position
For the Year Ended June 30, 2021

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	13,120,994	25,250,356	38,371,350
Investments	1,619,693	3,380,307	5,000,000
Accounts receivable, net	-	3,343,886	3,343,886
Due from other governments	1,486,328	-	1,486,328
Other receivables	1,464,223	-	1,464,223
Due from other funds	1,016,388	148,842	1,165,230
Inventories	143,022	404,235	547,257
Prepays	3,296	-	3,296
Total current assets	<u>18,853,944</u>	<u>32,527,626</u>	<u>51,381,570</u>
Noncurrent assets			
Restricted cash and cash equivalents	-	608,308	608,308
Capital assets:			
Capital assets	78,580,473	90,674,642	169,255,115
Less: accumulated depreciation	<u>(30,854,062)</u>	<u>(26,936,762)</u>	<u>(57,790,824)</u>
Total noncurrent assets	<u>47,726,411</u>	<u>64,346,188</u>	<u>112,072,599</u>
Total assets	<u>66,580,355</u>	<u>96,873,814</u>	<u>163,454,169</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pension related	5,761,158	983,448	6,744,606
Deferred outflows - OPEB related	1,634,953	667,795	2,302,748
Deferred outflows - ARO related	-	232,614	232,614
Total deferred outflows of resources	<u>7,396,111</u>	<u>1,883,857</u>	<u>9,279,968</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Statement of Net Position
For the Year Ended June 30, 2021

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	148,584	390,331	538,915
HUD payable (Note 20)	-	183,111	183,111
Accrued payroll	230,241	99,339	329,580
Accrued compensated absences	297,488	128,601	426,089
Tenant security deposits	-	-	-
Meter deposits payable	-	416,392	416,392
Deferred revenue	1,560,534	113,596	1,674,130
Accrued interest	13,537	86,165	99,702
Current portion of bonds payable	350,000	509,270	859,270
Current portion of notes payable	335,197	879,987	1,215,184
Total current liabilities	2,935,581	2,806,792	5,742,373
Noncurrent liabilities:			
Compensated absences	127,495	57,467	184,962
Landfill post closure costs	-	1,335,780	1,335,780
HUD payable (Note 20)	-	3,297,450	3,297,450
Bonds payable	3,370,000	-	3,370,000
Notes payable	1,222,587	9,835,828	11,058,415
Due to other funds	805,979	359,251	1,165,230
Net pension liability	19,994,353	3,287,169	23,281,522
Net OPEB liability	5,711,728	2,332,960	8,044,688
ARO liability	-	252,000	252,000
Total noncurrent liabilities	31,232,142	20,757,905	51,990,047
Total liabilities	34,167,723	23,564,697	57,732,420
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pension related	659,656	126,120	785,776
Deferred inflows - OPEB	3,007,133	1,228,266	4,235,399
Total deferred inflows of resources	3,666,789	1,354,386	5,021,175
NET POSITION			
Net investment in capital assets	42,448,627	52,329,684	94,778,311
Restricted for:			
Capital Projects	2,675,904	-	2,675,904
Debt Service	1,315,291	-	1,315,291
Special Revenue	3,618,423	-	3,618,423
Unrestricted	(13,916,291)	21,508,904	7,592,613
Total net position	36,141,954	73,838,588	109,980,542
Total liabilities, deferred inflows of resources, and net position	73,976,466	98,757,671	172,734,137

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
General government	\$ 4,388,229	1,627,322	4,633,633	-
Public safety	6,256,554	18,250	506,671	-
Public works	1,967,102	-	734,661	486,065
Culture and recreation	2,824,334	4,200	32,275	-
Health and welfare	128,252	-	-	-
Capital Outlay	3,241,606	-	-	-
Interest on long-term debt	145,623	-	-	-
Total governmental activities	18,951,700	1,649,772	5,907,240	486,065
Business-type activities:				
Wastewater	2,131,761	3,075,812	-	-
Natural gas	4,371,308	5,581,978	-	-
Solid Waste	2,123,036	3,196,634	-	-
Water	3,766,393	5,038,124	-	-
Housing authority	(452,901)	302,969	17,414	-
Internal service	1,886,845	15	-	-
Total business-type activities	13,826,442	17,195,532	17,414	-
Total primary government	32,778,142	18,845,304	5,924,654	486,065

General Revenues, Transfers and Reversions to Other Governments:

Taxes:

Property taxes, levied for general purpose

Gross receipts taxes

Gasoline and motor vehicle taxes

Licenses and fees

Other taxes

Investment income (expense)

Miscellaneous

Transfers

Capital contribution

Total general revenues, transfers and reversions to other governments

Change in net position

Net position, beginning

Prior period adjustment, Note 22

Net position, beginning as restated

Net position, ending

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
1,872,726	-	1,872,725.68
(5,731,633)	-	(5,731,632.68)
(746,376)	-	(746,376.00)
(2,787,859)	-	(2,787,859.00)
(128,252)	-	(128,252.00)
(3,241,606)	-	(3,241,606.00)
(145,623)	-	(145,623.00)
(10,908,623)	-	(10,908,623)
-	944,051	944,051.00
-	1,210,670	1,210,670.00
-	1,073,598	1,073,598.00
-	1,271,731	1,271,731.00
-	773,284	773,284.00
-	(1,886,830)	(1,886,830.00)
-	3,386,504	3,386,504
(10,908,623)	3,386,504	(7,522,119)
-	-	-
10,096,411	1,303,535	11,399,946.00
607,607	-	607,607.00
168,519	-	168,519.00
3,079,234	-	3,079,234.00
23,763	(557,799)	(534,036.00)
491,478	111,367	602,845.00
(287,368)	287,368	-
-	(5,907,926)	(5,907,926.00)
14,179,644	(4,763,455)	9,416,189
3,271,021	(1,376,951)	1,894,070
29,286,933	82,419,211	111,706,144
3,584,000	(7,203,672)	(3,619,672)
32,870,933	75,215,539	108,086,472
\$ 36,141,954	\$ 73,838,588	\$ 109,980,542

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Balance Sheet - Governmental Funds
For the Year Ended June 30, 2021

	General Fund	Street/Coop Projects	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	5,190,712	1,669,420	6,260,862	13,120,994
Investments	1,619,693	-	-	1,619,693
Receivables, net:				
Taxes	-	-	-	-
Due from other governments	1,463,264	-	23,064	1,486,328
Other receivables	68,600	-	1,395,623	1,464,223
Inventory	143,022	-	-	143,022
Prepays	750	-	2,546	3,296
Due from other funds	1,016,388	-	-	1,016,388
Total assets	<u>\$ 9,502,429</u>	<u>1,669,420</u>	<u>7,682,095</u>	<u>18,853,944</u>
LIABILITIES				
Accounts payable	111,999	-	36,585	148,584
Accrued liabilities	199,508	-	30,733	230,241
Due to other funds	404,975	-	401,004	805,979
Unearned revenues	-	1,560,534	-	1,560,534
Total liabilities	<u>716,482</u>	<u>1,560,534</u>	<u>468,322</u>	<u>2,745,338</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	60,137	-	-	60,137
Total deferred inflows of resources	<u>60,137</u>	<u>-</u>	<u>-</u>	<u>60,137</u>
FUND BALANCES				
Nonspendable:				
Inventory	143,022	-	-	143,022
Prepays	750	-	2,546	3,296
Restricted for:				
Future debt service payments			1,315,291	1,315,291
Capital projects		108,886	2,567,018	2,675,904
General government			2,134,055	2,134,055
Public safety			235,503	235,503
Culture and recreation			736,027	736,027
Health and welfare			366,520	366,520
Unassigned (deficit)	8,582,038		(143,187)	8,438,851
Total fund balances	<u>8,725,810</u>	<u>108,886</u>	<u>7,213,773</u>	<u>16,048,469</u>
Total liabilities and fund balances	<u>\$ 9,502,429</u>	<u>\$ 1,669,420</u>	<u>\$ 7,682,095</u>	<u>\$ 18,853,944</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position
For the Year Ended June 30, 2021

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balances - total governmental funds	\$ 16,048,469
Receivables not recognized in the fund balance	-
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	47,726,411
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be revenue in the fund financial statements, but are considered revenue in the Statement of Activities	60,137
Interest on long-term debt is not accrued in the fund financial statements unless it is due and payable:	
Accrued interest	(13,537)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:	5,761,158
Deferred outflows of resources related to employer pension contributions subsequent to the measurement date	1,634,953
Deferred inflows of resources related to pension	(659,656)
Deferred inflows of resources related to OPEB	(3,007,133)
Some liabilities, including bonds payable, notes, accrued compensated absences, and net pension payable are not due and payable in the current period and therefore, are not reported in the funds:	
Accrued compensated absences	(424,983)
HUD payable (Note 20)	-
Bonds and notes payable	(5,277,784)
Net OPEB liability	(19,994,353)
Net pension liability	(5,711,728)
<i>Net Position of Governmental Activities</i>	<u><u>\$ 36,141,954</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2021

	General Fund	Street/Coop Projects	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Gross receipts	\$ 8,137,314	-	1,959,097	10,096,411
Gasoline and motor vehicle	149,634	-	457,973	607,607
Other	2,636,078	-	503,293	3,139,371
Intergovernmental:				
Federal grants	1,019	-	3,941,049	3,942,068
State operating grants	10,548		2,053,546	2,064,094
State capital grants	-	486,065	-	486,065
Charges for services	1,627,322	-	22,450	1,649,772
Licenses and fees	131,483	-	37,036	168,519
Interest income	19,510	-	4,253	23,763
Other	259,529	-	231,949	491,478
Total revenue	12,972,437	486,065	9,210,646	22,669,148
Expenditures				
Current:				
General government	3,162,079	-	693,713	3,855,792
Public safety	5,466,559	-	259,684	5,726,243
Public works	440,244	-	733,028	1,173,272
Culture and recreation	1,218,351	-	1,200,247	2,418,598
Health and welfare	-	-	4,767	4,767
Capital outlay	625,100	1,185,210	2,086,291	3,896,601
Debt service:			-	-
Principal	2,447	-	681,787	684,234
Interest	-	-	174,025	174,025
Total expenditures	10,914,780	1,185,210	5,833,542	17,933,532
<i>Excess (deficiency) of revenues over expenditures</i>	2,057,657	(699,145)	3,377,104	4,735,616
<i>Other financing sources (uses)</i>				
Proceeds from debt	-	-	-	-
Transfers in	500,000	108,000	923,974	1,531,974
Transfers out	(1,166,992)	-	(652,350)	(1,819,342)
<i>Total other financing sources (uses)</i>	(666,992)	108,000	271,624	(287,368)
NET CHANGE IN FUND BALANCES	1,390,665	(591,145)	3,648,728	4,448,248
FUND BALANCES - BEGINNING	7,335,145	700,031	3,565,045	11,600,221
FUND BALANCES - ENDING	\$ 8,725,810	108,886	7,213,773	16,048,469

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO**City of Las Vegas****Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021**

Amounts reported for governmental activities in the the Statement of Activities
are different because:

Net Change in fund balances - total governmental funds	\$	4,448,248
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Governmental funds report capital outlays as expenditure. However, in the
Statement of Activities the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense:

Capital expenditures recorded in capital outlay	653,840
Depreciation expense	(1,764,068)

Revenues in the Statement of Activities that do not provide current financial
resources are not reported as revenue in the funds:

Change in unavailable revenue related to property taxes receivable	60,137
Reimbursement that is not recognized as expense on the fund balances	(219,196)

Governmental funds report City pension contributions as expenditures.
However, in the Statement of Activities, the cost of pension benefits earned
net of employee contributions is reported as pension expense:

Pension expense	(1,194,259)
OPEB expense	630,487

The issuance of long-term debt (e.g. bonds, loans, leases) provide current
financial resources to governmental funds, while the repayment of the
principal of long-term debt consumes the current financial resources of
governmental funds. Neither transaction, however, has any effect on net
position.

Decrease in accrued interest	282
Increase in accrued compensated absences	(46,503)
Principal payments on bonds and notes payable	<u>702,053</u>

<i>Change in Net Position of Governmental Activities</i>	\$	<u><u>3,271,021</u></u>
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STATE OF NEW MEXICO
City of Las Vegas
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property	\$ 1,417,060	\$ 1,674,305	1,702,456	\$ 28,151
Gross receipts	6,180,713	8,077,833	9,477,605	1,399,772
Gasoline and motor vehicle	390,263	362,750	85,168	(277,582)
Franchise	750,000	790,815	790,815	-
Intergovernmental income:				
Federal grants	1,000	1,019	1,019	-
Charges for services	1,387,000	1,386,749	1,628,069	241,320
Licenses and fees	107,000	126,371	131,329	4,958
Interest income	20,000	17,147	19,510	2,363
Other	155,000	173,078	573,047	399,969
Total revenue	10,408,036	12,610,067	14,409,018	1,798,951
Expenditures				
Current:				
General government	3,921,474	3,056,754	3,247,614	(190,860)
Public safety	6,116,656	5,644,430	5,629,926	14,504
Public works	479,693	430,044	440,244	(10,200)
Culture and recreation	773,361	820,437	1,218,351	(397,914)
Capital outlay	1,500	64,373	625,100	(560,727)
Total expenditures	11,292,684	10,016,038	11,161,235	(1,145,197)
Excess (deficiency) of revenues over expenditures	(884,648)	2,594,029	3,247,783	2,944,148
Other financing sources (uses)				
Proceeds from debt				
Transfers in	165,000	165,000	500,000	335,000
Transfers out	(1,159,991)	(1,161,992)	(1,166,992)	(5,000)
Total other financing sources (uses)	(994,991)	(996,992)	(666,992)	330,000
Net change in fund balance	(1,879,639)	1,597,037	2,580,791	3,274,148
Fund balance - beginning of year	-	-		
Fund balance - end of year	(1,879,639)	1,597,037	2,580,791	3,274,148
Net change in fund balance (non-GAAP budgetary basis)			2,580,791	
Adjustments to revenues			(1,436,581)	
Adjustments to expenditures			246,455	
Net change in fund balance (GAAP)			1,390,665	

STATE OF NEW MEXICO
City of Las Vegas
Statement of Revenues, Expenditures and Changes in Fund Balance
Street Fund Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
REVENUES				
Intergovernmental income:				
State operating grants	1,884,309	2,046,599	486,065	(1,560,534)
Total revenue	1,884,309	2,046,599	486,065	(1,560,534)
Expenditures				
Current:				
Capital outlay	2,412,052	760,923	1,185,210	(424,287)
Total expenditures	2,412,052	760,923	1,185,210	(424,287)
<i>Excess (deficiency) of revenues over expenditures</i>	(527,743)	1,285,676	(699,145)	(1,136,247)
<i>Other financing sources (uses)</i>				
Transfers in	-	108,000	108,000	-
<i>Total other financing sources (uses)</i>	-	108,000	108,000	-
<i>Net change in fund balance</i>	(527,743)	1,393,676	(591,145)	(1,136,247)
<i>Fund balance - beginning of year</i>	-	-		
<i>Fund balance - end of year</i>	(527,743)	1,393,676	(591,145)	(1,136,247)
<i>Net change in fund balance (non-GAAP budgetary basis)</i>			(591,145)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP)			(591,145)	

STATE OF NEW MEXICO
City of Las Vegas
Statement of Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds		
	Wastewater	Natural Gas	Solid Waste
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,469,029	6,467,935	3,853,104
Investments	888,738	1,935,412	-
Accounts receivable, net	384,591	643,558	431,848
Due from other funds	-	-	32,302
Inventories	-	154,769	-
Total current assets	3,742,358	9,201,674	4,317,254
Noncurrent assets			
Restricted cash and cash equivalents	109,842	275,394	-
Capital assets:			
Land	113,540	49,800	184,508
Construction in progress	159,102	41,971	-
Water Rights	-	-	-
Infrastructure	23,099,785	79,801	-
Buildings and improvements	1,078,176	124,553	756,663
Machinery and equipment	1,128,779	868,405	724,871
Vehicles	549,935	1,178,967	2,842,075
Water Systems	-	-	-
Less: accumulated depreciation	(7,827,357)	(1,594,254)	(2,873,899)
Total noncurrent assets	18,411,802	1,024,637	1,634,218
Total assets	22,154,160	10,226,311	5,951,472
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pension related	81,954	122,931	163,908
Deferred outflows - OPEB related	46,055	69,082	115,137
Deferred outflows - ARO related	232,614	-	-
Total deferred outflows of resource	360,623	192,013	279,045

The accompanying notes are an integral part of these financial statements.

Business-Type Activites - Enterprise Funds			Proprietary Activities
Water	Public and Indian Housing	Total	Internal Service Funds
11,842,982	203,846	24,836,896	413,460
556,157	-	3,380,307	-
1,883,889	-	3,343,886	-
96,540	-	128,842	20,000
249,466	-	404,235	-
14,629,034	203,846	32,094,166	433,460
223,072	-	608,308	-
844,130	-	1,191,978	-
12,897,635	-	13,098,708	816,845
8,440,682	-	8,440,682	-
22,258,756	-	45,438,342	199,609
4,073,317	-	6,032,709	630,128
1,764,076	-	4,486,131	1,288,859
1,208,854	-	5,779,831	-
3,270,820	-	3,270,820	-
(12,696,363)	-	(24,991,873)	(1,944,889)
42,284,979	-	63,355,636	990,552
56,914,013	203,846	95,449,802	1,424,012
204,885	40,977	614,655	368,793
161,192	46,055	437,521	230,274
-	-	232,614	-
366,077	87,032	1,284,790	599,067

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Statement of Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds		
	Wastewater	Natural Gas	Solid Waste
LIABILITIES			
Current liabilities:			
Accounts payable	30,230	103,115	19,892
Accrued payroll	11,059	10,821	18,910
Accrued compensated absences	11,589	18,789	21,422
Tenant security deposits	-	-	-
Meter deposits payable	-	420,616	-
Deferred revenue	-	-	-
Accrued interest	67,444	-	3,550
Current portion of long-term debt	879,987	-	-
Total current liabilities	<u>1,000,309</u>	<u>553,341</u>	<u>63,774</u>
Noncurrent liabilities:			
Compensated absences	6,496	12,553	9,783
Landfill post closure costs	-	-	1,335,780
HUD payable (Note 20)	-	-	-
Notes payable	5,694,879	-	-
Due to other funds	60,000	-	112,057
Net pension liability	273,931	410,896	547,862
Total OPEB liability	160,894	241,341	402,234
ARO liability	252,000	-	-
Total noncurrent liabilities	<u>6,448,200</u>	<u>664,790</u>	<u>2,407,716</u>
Total liabilities	<u>7,448,509</u>	<u>1,218,131</u>	<u>2,471,490</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pension related	10,510	15,765	21,020
Deferred inflows - OPEB	84,708	127,062	211,770
Total deferred inflows of resources	<u>95,218</u>	<u>142,827</u>	<u>232,790</u>
NET POSITION			
Net investment in capital assets	11,727,094	749,243	1,634,218
Unrestricted	3,243,962	8,308,123	1,892,019
Total net position	<u>14,971,056</u>	<u>9,057,366</u>	<u>3,526,237</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 22,514,783</u>	<u>10,418,324</u>	<u>6,230,517</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activites - Enterprise Funds			Proprietary Activities
Water	Public and Indian Housing	Total	Internal Service Funds
232,073	-	385,310	5,021
22,400	-	63,190	36,149
27,205	-	79,005	49,596
-	-	-	-
(4,224)	-	416,392	-
113,596	-	113,596	-
15,171	-	86,165	-
509,270	183,111	1,572,368	-
915,491	183,111	2,716,026	90,766
12,456	-	41,288	16,179
-	-	1,335,780	-
-	3,297,450	3,297,450	-
4,140,949	-	9,835,828	-
187,194	-	359,251	-
684,827	136,965	2,054,481	1,232,688
563,128	160,894	1,528,491	804,469
-	-	252,000	-
5,588,554	3,595,309	18,704,569	2,053,336
6,504,045	3,778,420	21,420,595	2,144,102
26,275	5,255	78,825	47,295
296,478	84,708	804,726	423,540
322,753	89,963	883,551	470,835
37,411,688	(3,480,561)	51,339,132	990,552
13,041,604	(96,944)	23,091,314	(1,582,410)
50,453,292	(3,577,505)	74,430,446	(591,858)
57,280,090	290,878	96,734,592	2,023,079

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Wastewater	Natural Gas	Solid Waste	Water
OPERATING REVENUES				
Charges for services	3,075,812	5,581,978	3,196,634	5,038,124
Miscellaneous	8,991	19,587	25,394	53,350
Interest and investment revenue	9,093	22,165	(358,116)	61,726
Gross receipts tax	-	-	153,468	1,150,067
Grant revenue	-	-	-	-
Total revenues	<u>3,093,896</u>	<u>5,623,730</u>	<u>3,017,380</u>	<u>6,303,267</u>
OPERATING EXPENSES				
Personnel Services	277,452	130,507	476,986	681,102
Loan Payment	-	-	-	4,583
Utilities	226,508	9,484	73,152	522,216
Contractual services	162,915	78,121	48,343	576,382
Supplies and purchase power	18,604	2,650,220	8,315	29,948
Maintenance and materials	434,781	109,370	169,119	425,789
Depreciation	554,101	105,014	321,289	618,636
Other costs	450,938	1,288,592	1,025,832	907,737
Amortization	6,462	-	-	-
Total operating expenses	<u>2,131,761</u>	<u>4,371,308</u>	<u>2,123,036</u>	<u>3,766,393</u>
Operating income (loss)	<u>962,135</u>	<u>1,252,422</u>	<u>894,344</u>	<u>2,536,874</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	-	-	-	-
Miscellaneous revenue	-	-	-	-
Interest expense	(73,298)	-	(15,245)	(204,345)
Total non-operating revenues (expenses)	<u>(73,298)</u>	<u>-</u>	<u>(15,245)</u>	<u>(204,345)</u>
Income (loss) before and transfers	<u>888,837</u>	<u>1,252,422</u>	<u>879,099</u>	<u>2,332,529</u>
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers in	1,355,677	220,708	1,084,305	1,996,029
Transfers out	<u>(1,540,677)</u>	<u>(725,708)</u>	<u>(1,589,305)</u>	<u>(2,517,029)</u>
CHANGE IN NET POSITION	<u>703,837</u>	<u>747,422</u>	<u>374,099</u>	<u>1,811,529</u>
NET POSITION - BEGINNING	<u>14,267,219</u>	<u>8,309,944</u>	<u>3,152,138</u>	<u>48,641,763</u>
PRIOR PERIOD ADJUSTMENT, NOTE 22	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION, BEGINNING AS RESTATED	<u>14,267,219</u>	<u>8,309,944</u>	<u>3,152,138</u>	<u>48,641,763</u>
NET POSITION - END OF YEAR	<u>14,971,056</u>	<u>9,057,366</u>	<u>3,526,237</u>	<u>50,453,292</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activites - Enterprise Funds		Proprietary Activities
Public and Indian Housing	Total	Internal Service Funds
302,969	17,195,517	15
3,116	110,438	929
221	(264,911)	-
-	1,303,535	-
17,414	17,414	-
323,720	18,361,993	944

(618,174)	947,873	1,289,667
-	4,583	-
(29,248)	802,112	87,345
-	865,761	5,338
7,637	2,714,724	21,661
48,007	1,187,066	319,768
117,044	1,716,084	45,178
21,833	3,694,932	117,888
-	6,462	-
(452,901)	11,939,597	1,886,845
776,621	6,422,396	(1,885,901)

-	-	-
-	-	-
-	(292,888)	-
-	(292,888)	-

776,621	6,129,508	(1,885,901)
(5,907,926)	(5,907,926)	-

366,368	5,023,087	1,832,000
-	(6,372,719)	(195,000)

(4,764,937)	(1,128,050)	(248,901)
-------------	-------------	-----------

8,391,104	82,762,168	(342,957)
(7,203,672)	(7,203,672)	-
1,187,432	75,558,496	(342,957)

(3,577,505)	74,430,446	(591,858)
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The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Wastewater	Natural Gas	Solid Waste	Water
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 3,705,170	\$ 5,742,791	\$ 3,489,474	\$ 7,201,320
Payments to suppliers	(2,345,394)	(4,776,858)	(2,719,676)	(4,536,303)
Payments to employees	-	-	-	-
Net cash provided (used) by operating activities	<u>1,359,776</u>	<u>965,933</u>	<u>769,798</u>	<u>2,665,017</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other funds	1,355,677	220,708	1,084,305	1,996,029
Transfers out to other funds	(1,540,677)	(725,708)	(1,589,305)	(2,517,029)
Net cash provided (used) by noncapital financing activities	<u>(185,000)</u>	<u>(505,000)</u>	<u>(505,000)</u>	<u>(521,000)</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(72,053)	(279,291)	(663,309)	(791,518)
Miscellaneous revenue	-	-	-	-
Principal paid on long-term debt	(650,722)	-	(528,420)	(488,448)
Interest paid on long-term debt	(73,298)	-	(15,245)	(204,345)
Net cash (used) by capital and related financing activities	<u>(796,073)</u>	<u>(279,291)</u>	<u>(1,206,974)</u>	<u>(1,484,311)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	378,703	181,642	(942,176)	659,706
Cash and cash equivalents, beginning	<u>2,200,168</u>	<u>6,561,687</u>	<u>4,795,280</u>	<u>11,406,348</u>
Cash and cash equivalents, ending	<u>\$ 2,578,871</u>	<u>\$ 6,743,329</u>	<u>\$ 3,853,104</u>	<u>\$ 12,066,054</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activites - Enterprise Funds		Proprietary Activities
Public and Indian Housing	Total	Internal Service Funds
\$ 414,712	\$ 20,553,467	\$ 146,205
(1,285,615)	(15,663,846)	(2,100,146)
-	-	-
<u>(870,903)</u>	<u>4,889,621</u>	<u>(1,953,941)</u>
366,368	5,023,087	1,832,000
-	(6,372,719)	(195,000)
<u>366,368</u>	<u>(1,349,632)</u>	<u>1,637,000</u>
-	(1,806,171)	(7,179)
-	-	-
(183,111)	(1,850,701)	-
-	(292,888)	-
<u>(183,111)</u>	<u>(3,949,760)</u>	<u>(7,179)</u>
-	-	-
-	-	-
(687,646)	(409,771)	(324,120)
<u>891,492</u>	<u>25,854,975</u>	<u>737,580</u>
<u>\$ 203,846</u>	<u>\$ 25,445,204</u>	<u>\$ 413,460</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Wastewater	Natural Gas	Solid Waste	Water
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 962,135	\$ 1,252,422	\$ 894,344	\$ 2,536,874
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	554,101	105,014	321,289	618,636
Decrease (increase) in customer receivable	(58,529)	(42,724)	(31,916)	(234,762)
Decrease (increase) in inventory	-	(41,887)	-	(19,785)
Decrease (increase) in ARO	6,462	-	-	-
Increase (decrease) in accounts payable	(13,517)	74,880	(27,665)	46,356
Increase (decrease) in accrued liabilities	2,005	(1,932)	2,414	810
Increase (decrease) in customer deposits	-	(3,202)	-	(30,297)
Increase (decrease) in compensated absences	3,353	(1,953)	(5,627)	7,906
Increase (decrease) in landfill closure costs	-	-	(126,339)	-
Increase (decrease) in due to/from	-	-	-	990
Increase (decrease) in net pension/total OPEB liabilities	7,348	(185,996)	(61,373)	(10,318)
Increase (decrease) in pension related deferred inflows	(31,729)	(106,691)	(51,826)	(50,654)
Increase (decrease) in pension and OPEB related deferred outflows	(71,853)	(81,998)	(143,503)	(200,739)
Net cash provided (used) by operating activities	<u>\$ 1,359,776</u>	<u>\$ 965,933</u>	<u>\$ 769,798</u>	<u>\$ 2,665,017</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activites - Enterprise Funds		Proprietary Activities
Public and Indian Housing	Total	Internal Service Funds
\$ 776,621	\$ 6,422,396	\$ (1,885,901)
117,044	1,716,084	45,176
-	(367,931)	-
-	(61,672)	-
-	6,462	(136)
-	80,054	6,198
-	3,297	-
-	(33,499)	13,247
-	3,679	-
-	(126,339)	-
-	990	-
-	-	-
(1,603,524)	(1,853,863)	285,405
-	-	-
(204,257)	(445,157)	(49,042)
-	-	-
<u>43,213</u>	<u>(454,880)</u>	<u>(368,888)</u>
-	-	-
<u><u>\$ (870,903)</u></u>	<u><u>\$ 4,889,621</u></u>	<u><u>\$ (1,953,941)</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2021

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>74,323</u>
<i>Total assets</i>	\$ <u><u>74,323</u></u>
NET POSITION	
Net position	\$ <u>74,323</u>
<i>Total net position</i>	\$ <u><u>74,323</u></u>

STATE OF NEW MEXICO
CITY OF LAS VEGAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITIONS
FIDUCIARY FUNDS
June 30, 2021

	<u>Custodial Funds</u>
Increases	
Inmate funds received	\$ <u>17,473</u>
<i>Total increases</i>	<u>17,473</u>
 Decreases	
Inmate disbursements	<u>11,037</u>
<i>Total decreases</i>	<u>11,037</u>
 <i>Net increase (decrease) in fiduciary net position</i>	 <u>6,436</u>
 Net positions, beginning	 -
Prior period adjustment (Note 22)	<u>67,887</u>
Net positions, beginning as restated	<u>67,887</u>
 Net positions, ending	 \$ <u><u>74,323</u></u>

CITY OF LAS VEGAS, NEW MEXICO

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

1. Summary of Significant Accounting Policies

The City of Las Vegas (the City) became a charter city upon consolidation of the City of Las Vegas in 1970. The consolidation was effected by a vote of all qualified electors of the Town of Las Vegas and the City of Las Vegas. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, public utilities (water, wastewater, gas and solid waste), health and social services, culture-recreation, education, public improvements, housing, planning and zoning, and general administrative services.

The City of Las Vegas is a body politic and corporate under the name and form of government selected by its qualified electors. The City may:

1. Sue or be sued;
2. Enter into contracts and leases;
3. Acquire and hold property, both real and personal;
4. Have common seal, which may be altered at pleasure;
5. Exercise such other privileges that are incident to corporations of like character or degree that are not inconsistent with the laws of New Mexico;
6. Protect generally the property of its municipality and its inhabitants;
7. Preserve peace and order with the municipality; and
8. Establish rates for services provided by municipal utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

This summary of significant accounting policies of the City is presented to assist in the understanding of City's financial statements. The financial statements and notes are the representation of City's management who is responsible for their integrity and objectivity.

A. Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

During fiscal year 2017, GASB Statement No. 77, Tax Abatement Disclosures, became effective. The City does not have any agreements that require disclosure under the standards.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the City has no component units, and is not a component unit of another governmental agency.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *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.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

In the government-wide Statement of Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes, net of estimated refunds, are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, subject to the availability criterion. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met, subject to the availability criterion. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

General Fund - The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This fund includes state shared gross receipts tax revenues and state shared gas tax revenues.

The City reports the following proprietary funds as major funds:

Wastewater Fund accounts for fees generated from charges for the operation of water treatment facilities.

Natural Gas Fund accounts for fees generated from charges for the distribution of natural gas and related services.

Solid Waste Fund accounts for fees generated from charges for trash collection.

Water Fund accounts for fees generated from charges for the distribution of water.

Public and Indian Housing Fund's overall objective is to provide and operate cost- effective, decent, safe and affordable dwellings for lower income families.

Internal Service Funds account for administrative services in connection with billing, collecting and administering enterprise accounts receivable. Services are provided on a cost reimbursement basis.

Additionally, the government reports the following fund type:

Fiduciary Funds are purely custodial (assets equal liabilities) and do not involve measurement of results of operations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported in the Statement of Activities.

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayer or citizenry, as a whole; program revenues reduce the cost

of the function to be financed from the City's general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of City facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as small cities assistance to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The City does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenue of the City's enterprise fund is charges for services for the City's utilities. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, Deferred Outflows/Inflows and Net Position/Fund Balance

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Fair Value Measurements

The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). As of June 30, 2021, there are no items are required to be valued using valuation techniques.

Receivables and Payables

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources in the event they are not received within 60 days of year end.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded when levied. Property taxes are considered to be 100% collectible.

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after November 10th and April 10th are considered delinquent and the City may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent. Property taxes are collected by San Miguel City and remitted monthly to the City.

The City estimates the allowance for uncollectible accounts based off the days delinquent. The City has estimated all accounts that are greater than 120 days to be uncollectible.

Restricted Assets

Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be used.

Inventory

Inventories in governmental funds consist of expendable supplies held for consumption, and are valued at cost using a first-in, first-out (FIFO) method. The City's method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer recognition of the expenditures until the period in which the inventories actually are consumed. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis, and consist of operating supplies held for use in operations and are recorded as expenditures when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Library books and periodicals are estimated to have a useful life of less than one year or are under the capitalization threshold and are expensed when purchased.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalize value of the assets constructed. There was no interest expense capitalized by the City during the current fiscal year. No interest was included as part of the cost of capital assets under construction.

Property, plant, and equipment of the primary government are depreciated using the straight-line

method over the following estimated useful lives:

<u>Assets</u>	<u>Use Lives Year)</u>
Infrastructure, water and sewer system, and water line replacements	10 - 50
Buildings	32
Equipment and furniture	30-10
Capital lease equipment	shorter of 5 years or lease term

Deferred Outflows of Resources

In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The City has four types of items that qualify for reporting in this category in both the governmental and business-type activities.

Deferred Inflows of Resources

In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The City has one item which arises under the modified accrual basis of accounting which qualifies for reporting in this category. Accordingly, the item, unavailable revenue - property taxes, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Pensions

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 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's. 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.

Other Post-Employment Benefits

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

Compensated Absences

Regular status employees are entitled to accumulated annual leave according to a graduated leave schedule of twelve days to eighteen days per year, depending on length of service. Employees may accumulate up to 212 hours (26.5 days) of annual leave and carry that leave forward from calendar year to calendar year. Department Directors shall accumulate eighteen days per year, regardless of seniority, and are allowed to accumulate up to 312 hours (39 days) of annual leave. Upon termination, any vacation leave accumulated but not taken at the time of termination shall be paid in full.

Regular status employees and Department Directors are entitled to accumulated sick leave at a rate of twelve days per year and may continuously accumulate sick leave. Employees may convert every accumulated hour of sick leave over 200 hours (25 days) to one half hour of vacation leave. No more than eighty hours of sick leave per year may be converted to vacation leave. Upon termination employees receive no pay for sick time accumulated.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net position.

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. For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Fund Balance Classification Policies and Procedures

In the governmental fund financial statements, fund balance is reported in five classifications:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form; for example, inventories, prepaid amounts, long term amount of loans and note receivable or (b) legally or contractually required to be maintained intact; for example, debt service reserves. The City has \$146,318 in nonspendable fund balance at June 30, 2021.

Restricted - This classification includes amounts that are restricted to a specific purpose. Fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors (such as debt covenants) granters, contributors, or laws or regulations of other governments; (b) enabling legislation, as the term is used authorizes the City to assess, levy, charge, or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. The City has \$7,515,656 in restricted fund balances at June 30, 2021.

Committed - This classification includes amounts that can only be used for specific purposes to constraints imposed by formal action of the City Council, the City's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use by taking the same type of action (for example, resolution or ordinance) it employed to previously commit those amounts. The City holds cash reserves of 1/12th

of the General Fund final budgeted expenditures as required by the DFA- LGD. At June 30, 2021, the City reported \$1,019,506 in minimum fund balance.

Assigned - This classification includes amounts that are constrained by the City's *intent* to be used for specific purposes, but are neither restricted nor committed and should be reported as assigned fund balance. The City Council has delegated the authority to assign amounts to be used for specific purposes to the City Manager and the Finance Director. The City has no assigned fund balances at June 30, 2021.

Unassigned - This classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. The City has \$8,328,758 in unassigned fund balances at June 30, 2021.

Minimum Fund Balance Policy: The City's policy for maintaining a minimum amount of fund balance or operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the City holds cash reserves of 1/12th the General Fund expenditures. The City had minimum fund balance of \$1,019,506 at June 30, 2021.

When expenditures are incurred for purposes for which amounts in any of the spendable fund balance classifications could be used, it is the City's policy to use committed amounts first, followed by assigned amounts and then unassigned amounts.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Net Position: Equity is classified as net position and displayed in three components:

- a. Net Investment in Capital Assets: Net position invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position: Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net Position: All other net position that do not meet the definition of "restricted" or "Net Investment in Capital Assets."

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the City's financial statements include the allowance for uncollectible accounts in the enterprise funds, depreciation on capital assets, net pension liability calculations, the current portion of accrued compensated absences, and the estimate for landfill closure and postclosure costs.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets of the City are prepared prior to June 1 and must be approved by resolution of the City Councilors, and submitted to the Department of Finance and Administration for State approval. Once the budget has been formally approved, any amendments must also be approved by the City Council Members and the Department of Finance and Administration. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total by fund.

Enterprise and internal service fund budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP). All annual appropriations lapse at fiscal year-end and carryover funds must be reappropriated in the budget of the subsequent fiscal year.

Governmental fund budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been properly amended by City Councilors in accordance with the above procedures.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual and Statements of Revenues, Expenses and Changes in Net Position - Budget (NonGAAP Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2021 is presented. Reconciliations between the Non- GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

3. DEPOSITS

Section 22-8-40, NMSA 1978 authorizes the investment of City funds in a wide variety of instruments including certificates of deposit and other similar obligations, the state investment pool, money market accounts, and United States Government obligations. All invested funds of the City properly followed State investment requirements as of June 30, 2021.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks of savings and loan associations within the geographical boundaries of the City. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized by the financial institution as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit. Excess funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

The City's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, is insured by the FDIC up to the Standard Maximum Deposit Insurance Amount of \$250,000.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2021, \$37,713,844 of the City's bank balance of \$38,463,844 was subject to custodial credit risk. \$18,856,922 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the City's name and \$18,856,922 of the City's deposits was uninsured and uncollateralized at June 30, 2021.

	Community First Bank	Southwest Capital Bank	Wells Fargo Bank N.A.	Total
Amount of deposits	\$ 19,744,837	\$ 24,301,337	\$ 1,327,261	\$ 45,373,435
FDIC Coverage	(250,000)	(500,000)	(250,000)	(1,000,000)
Total uninsured public funds	\$ 19,494,837	\$ 23,801,337	\$ 1,077,261	\$ 44,373,435
Collateralized by securities held by pledging institutions or by its trust department or agent in other City's name	\$ 11,217,857	\$ 24,184,000	\$ 1,206,996	\$ 36,608,853
Uninsured and uncollateralized	\$ 8,276,980	\$ (382,663)	\$ (129,735)	\$ 7,764,582
Collateral requirement (50%)	\$ 9,747,419	\$ 11,900,669	\$ 538,631	\$ 22,186,718
Pledged securities	11,217,857	24,184,000	1,206,996	36,608,853
Over (under) collateralized	\$ 1,470,439	\$ 12,283,332	\$ 668,366	\$ 14,422,136

The collateral pledged is listed in page 108 in this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, City or political subdivision of the State of New Mexico.

Reconciliation to the Statement of Net Position

The carrying amount of deposits shown above are included in the City's Statement of Net Position as follows:

Reconciliation to the Statement of Net Positions:

Cash and cash equivalents	\$ 38,371,350
Investments	5,000,000
Restricted cash and cash equivalents	608,308
Agency funds cash and cash equivalents	74,323
Total cash and cash equivalents	\$ 44,053,981

4. RECEIVABLES

Receivables as of June 30, 2021 are as follows:

	General Fund	Nonmajor Governmental	Total
Receivables:			
Property taxes	\$ 88,288	-	88,288
Gross receipts taxes	1,156,059	-	1,156,059
Gasoline and oil taxes	78,637	-	78,637
Franchise and lodgers' taxes	111,396	-	111,396
MVD tax	13,499	-	13,499
Court fees	419,923	-	419,923
Receivable from other government	-	1,418,687	1,418,687
Totals	1,867,802	1,418,687	3,286,489
Less: Allowances	(335,938)		
Net Receivables	\$ 1,531,864	\$ 1,418,687	\$ 3,286,489

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities in the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. The City did not have any unavailable revenue related to property taxes receivable for the year ended June 30, 2021.

Proprietary fund receivables as of June 30, 2021, are as follows:

	Proprietary Funds					
	Wastewater	Natural Gas	Solid Waste	Water	Public and Indian Housing	Total
Utility receivables	\$ 654,114	943,170	708,637	2,689,619	-	4,995,540
Due from other government						
Gross receipts taxes	-	-	4,097	200,478	-	204,575
Total receivables	654,114	943,170	712,734	2,890,097	-	5,200,115
Less: allowances	(269,523)	(299,612)	(280,886)	(1,006,208)	-	(1,856,229)
Totals	\$ 384,591	643,558	431,848	1,883,889	-	3,343,886

5. TRANSFERS AND INTERFUND RECEIVABLES

Net operating transfers, made to close out funds and to supplement other funding sources, were as follows:

Fund	Name	Transfers In	Transfers Out
101	General Fund	\$ 500,000	\$ 1,166,992
202	Lodgers' Tax Promotion	-	40,002.00
203	State Fire Grant	-	11,041.00
214	Street Coop/Projects	108,000.00	-
215	State Law Enforcement	-	26,203.00
216	Street Improvement (PW)	-	123,654.00
220	Capital Improvement	-	401,450.00
231	Transportation Grant #5311	43,957.00	-
252	KAB Grant	16,000.00	-
273	Comprehensive/LEDA Plan	33,000.00	-
280	Recreation Center	-	-
282	Senior Citizen Center	75,000.00	-
288	4th of July Fiestas	25,000.00	-
330	Recreation Center Phase II	-	50,000.00
331	Gasoline Tax Revenue Bonds	324,667.00	-
334	Municipal Pooled GRT Bonds	303,450.00	-
336	Automated System Financing	392,000.00	-
337	NMFA Equipment Loan	26,205.00	-
338	NMFA Fire Equipment Loan	11,041.00	-
433	Rehab Taxiway ABC & Apron	15,654.00	-
435	Mainstreet	-	-
468	Recreation Center Phase II Construction	50,000.00	-
545	Utilities Admin	720,000.00	195,000.00
546	Utilities Service	720,000.00	-
610	Waste Water	1,355,677.00	1,540,677.00
620	Natural Gas	220,708.00	725,708.00
630	Solid Waste	1,084,305.00	1,589,305.00
640	Water	1,996,029.00	2,517,029.00
652	Housing - Low Rent	366,368.00	-
		<u>\$ 8,387,061</u>	<u>\$ 8,387,061</u>

The City records temporary interfund receivables and payables to enable the funds to operate until monies are received. The composition of interfund balances during the year ended June 30, 2021 is as follows:

Fund	Due From	Due To
General Fund	\$ 1,016,388	404,975
Other Governmental Funds	-	401,004
Wastewater	-	60,000
Solid Waste	32,302	112,057
Water	96,540	187,194
Internal Service Fund	20,000	-
Total	<u>\$ 1,165,230</u>	<u>1,165,230</u>

All interfund receivables and payables are required to be paid within one year.

6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2021 follows. Land and construction in progress are not subject to depreciation.

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 19,268,701	-	(1,155)	19,267,546
Construction in progress	43,377	-	-	43,377
Total capital assets not being depreciated	19,312,078	-	(1,155)	19,310,923
Capital assets being depreciated:				
Buildings and improvements	26,206,431	-	-	26,206,431
Vehicles	7,284,857	55,880	-	7,340,737
Machinery and equipment	6,615,115	599,115	-	7,214,230
Infrastructure	18,508,152	-	-	18,508,152
Total assets being depreciated	58,614,555	654,995	-	59,269,550
Total capital assets	77,926,633	654,995	(1,155)	78,580,473
Accumulated depreciation:				
Buildings and improvements	(10,556,113)	(564,502)	-	(11,120,615)
Vehicles	(6,052,774)	(335,173)	-	(6,387,947)
Machinery and equipment	(5,854,605)	(176,407)	-	(6,031,012)
Infrastructure	(6,626,502)	(687,986)	-	(7,314,488)
Total accumulated depreciation	(29,089,994)	(1,764,068)	-	(30,854,062)
Net Capital Assets	\$ 48,836,639	(1,109,073)	(1,155)	47,726,411

Depreciation expense for the year ended June 30, 2021 was charged to governmental activities as follows:

General government	\$ 158,766
Public safety	282,251
Public works	793,830
Culture and recreation	405,736
Health and welfare	123,485
Total	\$ 1,764,068

Business-Type Activities:

	Beginning Balance	Additions	Transfers/ Deletions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,191,978	-	-	1,191,978
Water rights	13,391,292	524,261	-	13,915,553
Construction in progress	8,440,682	-	-	8,440,682
Total capital assets, not being depreciated	23,023,952	524,261	-	23,548,213
Capital assets being depreciated:				
Land improvements	1,187,097	-	-	1,187,097
Buildings and improvements	5,475,740	-	-	5,475,740
Vehicles	4,934,978	844,852	-	5,779,830
Furniture, fixtures and equipment	5,330,754	444,236	-	5,774,990
Water systems	3,270,820	-	-	3,270,820
Infrastructure	45,637,951	-	-	45,637,951
Total assets being depreciated	65,837,340	1,289,088	-	67,126,428
Total capital assets	88,861,292	1,813,349	-	90,674,641
Accumulated depreciation				
Land improvements	(720,079)	(46,811)	-	(766,890)
Buildings and improvements	(4,289,613)	(278,859)	-	(4,568,472)
Vehicles	(4,145,593)	(269,497)	-	(4,415,090)
Furniture, fixtures and equipment	(3,555,745)	(231,152)	-	(3,786,897)
Water systems	(3,159,916)	(205,420)	-	(3,365,336)
Infrastructure	(9,421,600)	(612,479)	-	(10,034,079)
Total accumulated depreciation	(25,292,546)	(1,644,218)	-	(26,936,764)
Net capital assets	\$ 63,568,746	169,131	-	63,737,877

Depreciation expense for the year ended June 30, 2021 was charged to governmental activities as follows:

Internal service	45,178
Wastewater	554,101
Natural gas	105,014
Solid Waste	321,289
Water	<u>618,636</u>
Total	<u>1,644,218</u>

Housing Authority:

	Beginning Balance	Additions	Transfers/ Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 160,150	-	(160,150)	-
Total capital assets not being depreciated	<u>160,150</u>	<u>-</u>	<u>(160,150)</u>	<u>-</u>
Capital assets being depreciated:				
Land improvements	1,335,690	-	(1,335,690)	-
Buildings and improvements	11,213,576	-	(11,213,576)	-
Furniture, fixtures and equipment	391,218	-	(391,218)	-
Vehicles	174,340	-	(174,340)	-
Total assets being depreciated	<u>13,114,824</u>	<u>-</u>	<u>(13,114,824)</u>	<u>-</u>
Total capital assets	<u>13,274,974</u>	<u>-</u>	<u>(13,274,974)</u>	<u>-</u>
Accumulated depreciation:				
Land improvements	(836,719)	(45,647)	882,366	-
Buildings and improvements	(7,533,100)	(37,454)	7,570,554	-
Furniture, fixtures and equipment	(366,192)	(11,704)	377,896	-
Vehicles	(173,869)	(22,238)	196,107	-
Total accumulated depreciation	<u>(8,909,880)</u>	<u>(117,043)</u>	<u>9,026,923</u>	<u>-</u>
Net capital assets	<u>\$ 4,365,094</u>	<u>(117,043)</u>	<u>(4,248,051)</u>	<u>-</u>

Depreciation

Depreciation expense for the year ended June 30, 2021 was charged to housing authority activities as follows:

Public and Indian Housing \$ -

7. LONG-TERM DEBT

Governmental Activities

During the year ended June 30, 2021, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Revenue Bonds					
2012 Series GRT refunding & Improvement Revenue Bonds	\$ 4,065,000	-	(345,000)	3,720,000	350,000
Total Revenue Bonds	<u>4,065,000</u>	<u>-</u>	<u>(345,000)</u>	<u>3,720,000</u>	<u>350,000</u>
Notes Payable					
NMFA #12 Truck Bay	123,006	-	(11,183)	111,823	11,183
NMFA #16 Police Vehicles	28,048	-	(28,048)	-	-
NMFA #30 Abe Montoya Recreation Center	1,544,587	-	(297,556)	1,247,031	302,555
NMFA Fire Equipment PPRF-4952	219,196	-	(20,266)	198,930	21,459
Total Notes Payable	<u>1,914,837</u>	<u>-</u>	<u>(357,053)</u>	<u>1,557,784</u>	<u>335,197</u>
Compensated Absences	378,480	293,267	246,765	424,982	297,488
Total Long-term debt	<u>\$ 6,358,317</u>	<u>293,267</u>	<u>(455,288)</u>	<u>5,702,766</u>	<u>982,685</u>

Bonds

In October 2012, the City issued \$6,640,000 of Series 2012 Gross Receipts Tax Refunding and Improvement Revenue Bonds. The bonds were used to refund its 2002 Series GRT Refunding and Improvement Revenue Fund in the aggregate principal amount of \$2,510,000 and its March 2004 Recreation Center loan from NMFA in the principal amount of \$2,506,975. The bonds mature on June 2032 and have an interest rate of 2% to 4%.

Annual debt service requirements to maturity for the revenue bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2022	\$ 350,000	116,450	466,450
2023	360,000	109,450	469,450
2024	365,000	98,650	463,650
2025	375,000	87,700	462,700
2026	385,000	76,450	461,450
2027-2031	1,785,000	185,650	1,970,650
2032	100,000	3,000	103,000
Totals	\$ 3,720,000	677,350	4,397,350

NMFA Loans

NFMA Loans outstanding at June 2021 are comprised of the following:

	NMFA #12 Truck Bay	NMFA #30 Montoya Recreation Center
Original Issue	\$ 223,300	\$ 2,801,121
Principal	May 1	May 1
Interest	November 1	November 1
	May 1	May 1
Interest Rates	0.19%	2.300%
Maturity Date	May 2031	May 2025
	NMFA PPRF 4952 Fire Apparatus Equipment	
Original Issue	\$ 219,196	
Principal	May 1	
Interest	July 1	
	May 1	
Interest Rates	0.1% - 2.340%	
Maturity Date	May 2030	

The City entered into several loan agreements with the New Mexico Finance Authority, wherein the City pledged revenue derived from New Mexico Fire Protection Allotments to cover debt service. This revenue is subject to intercept agreements.

Annual debt service requirements to maturity for the NMFA loans are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2022	\$ 335,197	22,995	358,192
2023	341,203	16,989	358,192
2024	347,912	10,280	358,192
2025	355,000	3,191	358,191
2026	33,413	111	33,524
2027-2031	145,059	223	145,282
Totals	\$ 1,557,784	53,789	1,611,573

Compensated Absences- Employees of the City are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2021, compensated absences increased by \$46,502 from the prior year accrual. Compensated absences are liquidated by the respective funds in which they are accrued.

Business-Type Activities

The proprietary funds have incurred various forms of debt which were used for the purposes of constructing, expanding, repairing and making improvements to its property, plant and equipment. The following schedule shows the changes to its various forms of debt during the fiscal year ended June 30, 2021:

Notes Payable	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year
NMED Revolving Fund Program Loan #1438042	\$ 3,661,416	-	(492,504)	3,168,912	502,354
NMFA #13 Effluent Reuse Distribution	27,809	-	(2,497)	25,312	2,503
NMED Wastewater Construction Loan #CWSRF-004	3,215,963	-	(357,330)	2,858,633	357,329
NMED Wastewater Facility Construction Loan #CWSRF-016	320,400	-	(17,800)	302,600	17,800
NMFA #11 Solid Waste Disposal System	528,420	-	(528,420)	-	-
NMFA #14 Water Project Fund	9,029	806	(784)	9,051	811
NMFA #15 Taylor Wells #2 Replacement	18,928	-	(1,703)	17,225	1,703
NMFA #19 Peterson Dam and Reservoir	33,000	3,000	(3,000)	33,000	3,000
NMFA #18 Drinking Water State Revolving Loan	202,525	-	(14,241)	188,284	14,275
NMFA #21 Taylor Well Field Loan	206,137	-	(13,504)	192,633	13,537
NMFA #22 2010 DW Drinking Water	213,067	-	(13,958)	199,109	13,992
NMFA #23 2011 DW Drinking Water	219,231	-	(14,361)	204,870	14,397
NMFA #25 Water Project Fund	54,496	3,561	(10,710)	47,347	3,588
NMFA #27 Rehab 3 City Water Tanks	178,644	-	(10,957)	167,687	10,985
NMFA #28 Water Treatment Plant	34,933	-	(2,143)	32,790	2,148
NMFA #29 Storage, Conveyance, Delivery of Water	66,494	4,334	(4,178)	66,650	4,366
NMFA #31 Storage, Conveyance, Delivery of Water	112,477	6,864	(6,600)	112,741	6,915
NMFA #32 Phase II Water System Improvement	73,506	-	(5,341)	68,165	3,519
NMFA PPRF-4698 Storie Lake Reservoir Water Storage Rights	3,329,916	-	(386,972)	2,942,944	394,015
NMFA #34 Water System Improve-Chico	127,254	-	(5,736)	121,518	7,360
NMFA #35 Water System Improve-Grand Ave & 8th St-Press :	51,478	184	(2,329)	49,333	4,343
NMFA #37 Water System Improvements	207,552	-	(10,680)	196,872	10,316
New Mexico CWSRF	-	219,408	-	219,408	-
Total Notes Payable	12,892,675	238,157	(1,905,748)	11,225,084	1,389,257
Landfill Closure and post closure	1,462,119	-	(126,339)	1,335,780	-
Compensated Absences	153,319	97,880	130,905	120,294	84,206

NMFA Loans

NMFA Loans outstanding at June 30, 2021 are comprised of the following:

	Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
	2022	\$ 1,389,257	136,979	1,526,236
	2023	1,428,564	118,958	1,547,522
	2024	1,447,475	100,101	1,547,576
	2025	1,467,335	80,291	1,547,626
	2026	1,488,197	59,483	1,547,680
	2027-2031	3,314,912	61,420	3,376,332
	2032-2036	602,477	6,750	609,227
	2037-2041	86,867	508	87,375
	Totals	\$ 11,225,084	564,490	11,789,574

	NMED Revolving Fund Program Loan #1438042	NMFA #13 Effluent Reuse Distribution	NMED Wastewater Construction Loan #CWSRF-004	NMED Wastewater Facility Construction Loan #CWSRF-016
Original Issue:	\$ 9,250,450	\$ 50,000	\$ 7,146,582	\$ 356,000
Principal:	September 7	June 1	April 16	July 24
Interest:	September 7	June 1	N/A	N/A
	N/A	N/A	N/A	N/A
Interest Rates:	2.000%	0.250%	N/A	N/A
Maturity Date:	September 2027	June 2031	April 2029	July 2038

	NMFA #14 Water Project Fund	NMFA #15 Taylor Wells #2 Replacement	NMFA #19 Peterson Dam Reservoir	NMFA #18 Drinking Water State Revolving Loan
Original Issue:	\$ 132,000	\$ 618,465	\$ 60,000	\$ 275,000
Principal:	June 1	June 1	June 1	June 1
Interest:	June 1	June 1	N/A	N/A
	N/A	N/A	N/A	N/A
Interest Rates:	0.250%	0.250%	N/A	N/A
Maturity Date:	June 2031	June 2031	June 2032	June 2034

	NMFA #21 Taylor Well Field Loan	NMFA #22 2010 DW Drinking Water	NMFA #23 2011 DW Drinking Water	NMFA #25 Water Project Fund
Original Issue:	\$ 400,000	\$ 305,525	\$ 305,689	\$ 72,200
Principal:	May 1	May 1	May 1	June 1
Interest:	November 1	November 1	November 1	June 1
	May 1	May 1	May 1	N/A
Interest Rates:	0.250%	0.250%	0.250%	0.250%
Maturity Date:	May 2035	May 2035	May 2035	June 2034

	NMFA #27 Rehab 3 City Water Tanks	NMFA #28 Water Treatment Plant	NMFA #29 Storage, Conveyance Delivery of Water	NMFA #31 Storage, Conveyance, Delivery of Water
Original Issue:	\$ 222,300	\$ 43,682	\$ 87,800	\$ 137,096
Principal:	May 1	May 1	June 1	June 1
Interest:	November 1	November 1	N/A	June 1
	May 1	May 1	N/A	N/A
Interest Rates:	0.250%	0.250%	N/A	0.250%
Maturity Date:	May 2036	May 2036	June 2035	June 2036

	NMFA #32 Phase II Water System, Improvements	NMFA PPRF-4698 Storie Lake Reservoir Water Storage Rights	NMFA #34 Water System Improve - Chico Dr & 8th Water Lines	NMFA #35 Water System Improve- Grand Ave & 8th St Press Zone
Original Issue:	\$ 81,694	\$ 4,090,681	\$ 63,260	\$ 51,478
Principal:	May 1	May 1	May 1	May 1
Interest:	November 1	November 1	November 1	November 1
	May 1	May 1	May 1	May 1
Interest Rates:	2.750%	1.470-2.59%	0.250%	0.250%
Maturity Date:	May 2037	May 2028	May 2038	May 2033

	NMFA #37 Water System Improvements	New Mexico CWSRF
Original Issue:	\$ 210,250	\$ 219,408
Principal:	May 1	February 2
Interest:	November 1	N/A
	May 1	N/A
Interest Rates:	0.250%	0.000%
Maturity Date:	May 2039	May 2042

Annual debt service requirements to maturity for the NMFA loans are as follows:

The City of Las Vegas has pledged future revenues from the sewer system, net of operation and maintenance expenses, to repay \$9,250,540 to the New Mexico Environment Department for the Revolving Fund Program Loan #1438042, issued in 2002.

The City of Las Vegas has pledged future revenues from the sewer system, net of operation and maintenance expenses, to repay \$50,000 in Las Vegas NMFA #13 Effluent Reuse Distribution, issued in 2011. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the sewer system, net of operation and maintenance expenses and the distributions to the City of state shared gross receipts tax revenues from the New Mexico Taxation and Revenue Department to repay \$7,146,582 to the New Mexico Environment Department for the Wastewater Construction Loan #CWSRF-004, issued in 2010.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$356,000 NMED #CWSRF-016 Clean Water State Revolving Loan issued in 2012. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$132,000 Las Vegas NMFA #14 Water Project Fund, issued in 2012. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$618,465 Las Vegas NMFA #15 Taylor Wells #2 Replacement, issued in 2012. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$60,000 Las Vegas NMFA #19 Peterson Dam Reservoir, issued in 2013. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$275,000 NMFA #19 Drinking Water State Revolving Loan issued in 2013. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$400,000 NMFA #21 Taylor Well Field Loan issued in 2013. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$305,525 NMFA #22 2010 DW Drinking Water issued in 2013. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$305,689 NMFA #23 2011 DW Drinking Water issued in 2013. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$72,200 NM FA #25 Water Project Fund issued in 2014. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$222,300 NMFA #27 DW Drinking Water issued in 2013 . The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$43,682 NMFA #28 Water Treatment Plant issued in 2015. The City has the option to borrow up to \$43,682, but have only borrowed \$34,933 as of June 30, 2021. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$87,800 NMFA #29 Storage, Conveyance, Delivery of Water issued in 2015. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$137,096 NMFA #31 Water Project Loan issued in 2016. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$81,694 NMFA #32 Phase II Water System Improvement Loan issued in 2018. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$4,090,681 NMFA PPRF-4698 Storie Lake Reservoir Water Storage Rights Loan issued in 2019. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$127,254 NMFA #34 Water System Improve - Chico Dr. & 8th Water Lines Loan issued in 2018. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$51,478 NMFA #35 Water System Improve - Grand Ave & 8th St. - Press Zone Loan issued in 2018. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$210,250 NMFA #37 Water System Improvements Loan issued in 2018. The loan is payable solely from utility customer net revenues.

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$219,408 NMED #CWSRF Clean Water State Revolving Loan issued in 2021. The loan is payable solely from utility customer net revenues.

Compensated Absences- Employees of the City are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2021, compensated absences decreased \$33,025 from the prior year accrual. Compensated absences are liquidated by the respective funds in which they are accrued.

Internal Service Funds:

Compensated Absences- Employees of the City are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2021, compensated absences increased \$13,247 from the prior year accrual. Compensated absences are liquidated by the respective funds in which they are accrued.

	Balance			Balance	Due Within
	June 30, 2020	Additions	Deletions	June 30, 2021	One Year
Compensated Absences	\$ 52,528	60,658	47,411	65,775	49,596
Total Long-term debt	\$ 52,528	60,658	47,411	65,775	49,596

8. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of property, errors and omissions and natural disasters. The City participates in the New Mexico Self- Insurers' Fund risk pool. The New Mexico Self-Insurer's Fund risk pool operates as a common risk management and insurance program for workers compensation and property and casualty coverage.

The City has not filed any claims for which the settlement amount exceeded the insurance coverage during the past three years. However, should a claim be filed against the City which exceeds the insurance coverage, the City would be responsible for a loss in excess of the coverage amounts. As claims are filed, the New Mexico Self-Insurers' Fund assesses and estimates the potential for loss and handles all aspects of the claim.

At June 30, 2021, no unpaid claims have been filed which exceed the policy limits and to the best of management's knowledge and belief all known and unknown claims will be covered by insurance.

9. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

- A. Deficit fund balance of individual funds. The following fund reflected a deficit fund balance as of June 30, 2021:

State Fire Grant	(34,039)
2017 Region IV JAG -Special Revenue Fund	(2,367)
Transportation Grant #5311 - Special Revenue Fund	(17,521)
NM Traffic Safety	(229)
Historic Preservation	(5,000)
4 th of July Fiestas	(6,820)
Enhanced 911 Grant	(4,901)
Legislative Special Appropriation	(69,234)
Gasoline Tax Revenue	(726)
NMFA Fire Equipment	(2,350)

- B. Actual expenditures in excess of amount budgeted at the budgetary authority level. Budgetary legal level of control is at the fund level. There were no funds that exceeded approved budgetary authority for the year ended June 30, 2021.
- C. Designated cash appropriations in excess of available balances: There were no funds that exceeded appropriations for the year ended June 30, 2021.

10. Public Employees Retirement Association

Plan description. The Public Employees Retirement Fund is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Audit Correction Officers, 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), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund, unless specifically excluded.

Benefits provided. Benefits are generally available at age 65 with five years or benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Certain police and fire members may retire at any age with 20 or more years of service for Tier I members. Generally, the amount of retirement pension is based on final average salary, which is defined under Tier I as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service. The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivors' annuities are also available.

TIER II. The retirement age and service credit requirements for normal retirement for PERA state and municipal general members hired increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (Tier II), general members are eligible to retire at any age if the member has at least eight years of service credit and the sum of the member's age and service credit equals at least 85 or at age 67 with 8 or more years of service credit. General members hired on or before June 30, 2013 (Tier I) remain eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in 25-year retirement plans, however, service credit will no longer be enhanced by 20%. All public safety members in Tier II may retire at age 60 with 6 or more years of service credit. Generally, under Tier II pension factors were reduced by .5%, employee contributions increased 1.5 percent and effective July 1, 2014 employer contributions were raised .05 percent. The computation of final average salary increased as the average of salary for 60 consecutive months.

Contributions. See PERA’s comprehensive annual financial report for contribution provided description.

PERA Contribution Rates and Pension Factors in effect during FY20						
	Employee Contribution Percentage		Employer Contribution Percentage	Pension Factor per year of Service		Pension Maximum as a Percentage of the Final Average Salary
	Annual Salary less than \$20,000	Annual Salary greater than \$20,000		TIER 1	TIER 2	
Coverage Plan						
STATE PLAN						
State Plan 3	7.42%	8.92%	17.24%	3.0%	2.5%	90%
MUNICIPAL PLANS 1 - 4						
Municipal Plan 1 (plan open to new employers)	7.0%	8.5%	7.65%	2.0%	2.0%	90%
Municipal Plan 2 (plan open to new employers)	9.15%	10.65%	9.80%	2.5%	2.0%	90%
Municipal Plan 3 (plan closed to new employers 6/95)	13.15%	14.65%	9.80%	3.0%	2.5%	90%
Municipal Plan 4 (plan closed to new employers 6/00)	15.65%	17.15%	12.30%	3.0%	2.5%	90%
MUNICIPAL POLICE PLANS 1 - 5						
Municipal Police Plan 1	7.0%	8.5%	10.70%	2.0%	2.0%	90%
Municipal Police Plan 2	7.0%	8.5%	15.70%	2.5%	2.0%	90%
Municipal Police Plan 3	7.0%	8.5%	19.20%	2.5%	2.0%	90%
Municipal Police Plan 4	12.35%	13.85%	19.20%	3.0%	2.5%	90%
Municipal Police Plan 5	16.30%	17.8%	19.20%	3.5%	3.0%	90%
MUNICIPAL FIRE PLANS 1 - 5						
Municipal Fire Plan 1	8.0%	9.5%	11.650%	2.0%	2.0%	90%
Municipal Fire Plan 2	8.0%	9.5%	18.15%	2.5%	2.0%	90%
Municipal Fire Plan 3	8.0%	9.5%	21.90%	2.5%	2.0%	90%
Municipal Fire Plan 4	12.8%	14.3%	21.90%	3.0%	2.5%	90%
Municipal Fire Plan 5	16.2%	17.7%	21.90%	3.5%	3.0%	90%
MUNICIPAL DETENTION OFFICER PLAN 1						
Municipal Detention Officer Plan 1	16.65%	18.15%	17.05%	3.0%	3.0%	90%
STATE POLICE AND ADULT CORRECTIONAL OFFICER PLANS, ETC.						
State Police and Adult Correctional Officer Plan 1	7.6%	9.1%	25.50%	3.0%	3.0%	90%
State Plan 3 - Peace Officer	7.42%	8.92%	17.24%	3.0%	3.0%	90%
Juvenile Correctional Officer Plan 2	4.78%	6.28%	26.37%	3.0%	3.0%	90%

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the City reported a liability of \$23,281,522 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2020. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2020. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of

contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined.

PERA Fund Municipal General Division. At June 30, 2021, the City reported a liability of \$13,696,546 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2020. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2020, the City's proportion was 0.6773%, which was an increase of 0.028% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense of \$329,180. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 379,564	-
Changes in assumptions	253,414	-
Net difference between projected and actual earnings on pension plan investments	2,504,687	-
Changes in proportion and differences between City's contributions and proportionate share of contributions	322,617	525,497
City's contributions subsequent to the measurement date	<u>637,418</u>	<u>-</u>
Total	\$ <u>4,097,700</u>	<u>525,497</u>

\$637,418 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. 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:	
2021	\$ 749,576
2022	752,387
2023	818,251
2024	614,571
2025	-
Thereafter	-

PERA Fund Municipal Police Division. At June 30, 2021, the City reported a liability of \$5,712,342 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June, 2020. There were no significant events or

changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June, 2020, the City's proportion was 0.6651%, which was a decrease of 0.0356% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense of \$57,740. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 331,950	-
Changes in assumptions	135,272	-
Net difference between projected and actual earnings on pension plan investments	980,479	-
Changes in proportion and differences between City's contributions and proportionate share of contributions	-	240,525
City's contributions subsequent to the measurement date	<u>341,474</u>	<u>-</u>
Total	\$ <u>1,789,175</u>	<u>240,525</u>

\$341,474 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. 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:		
2021	\$	372,541
2022		317,399
2023		276,519
2024		240,717
2025		-
Thereafter		-

PERA Fund Municipal Fire Division. At June 30, 2021, the City reported a liability of \$3,872,634 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June, 2020. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2020, the City's proportion was 0.5120%, which was an increase of 0.0425% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense of \$183,642. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 85,857	-
Changes in assumptions	46,411	-
Net difference between projected and actual earnings on pension plan investments	358,425	-
Changes in proportion and differences between City's contributions and proportionate share of contributions	208,958	19,754
City's contributions subsequent to the measurement date	158,080	-
Total	\$ 857,731	19,754

\$158,080 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. 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:		
2021	\$	212,046
2022		210,038
2023		169,807
2024		88,006
2025		-
Thereafter		-

Actuarial assumptions. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry age normal
Amortization period	Level Percentage of Pay
Asset valuation method	Solved for based on statutory rates
Actuarial assumptions	
Investment rate of return	7.25% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll growth	3.00%
Projected salary increases	3.25% to 13.50% annual rate
Includes inflation at	2.50%
	2.75% all other years
Mortality assumption	The mortality assumptions are based on the RPD-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generationally. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups.

Experience study dates

July 1, 2008 to June 30, 2017 (demographic) and
July 1, 2010 through June 20, 2017 (economic)

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2020. These assumptions were adopted by the Board use in the June 30, 2019 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method 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 allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.50%	5.90%
Risk Reduction & Mitigation	19.50%	1.00%
Credit Oriented Fixed Income	15.00%	4.20%
Real Assets	20.00%	6.00%
Multi-Risk Allocation	10.00%	6.40%
Total	<u>100.00%</u>	

Discount rate. A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2020. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

PERA Fund Municipal General Division

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability	\$ 19,609,890	13,696,546	8,793,192

PERA Fund Municipal Police Division

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability	\$ 8,197,761	5,712,342	3,678,159

PERA Fund Municipal Fire Division

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability	\$ 5,011,693	3,872,634	2,936,415

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERA's financial reports.

Payables to the pension plan: At June 30, 2021 the City had no outstanding contributions to the pension plan and therefore, had no payables reported as of June 30, 2021.

11. Post-Employment Benefits – State Retiree Health Care Plan

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

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

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

Employees covered by benefit terms – At June 30, 2020, the Fund's measurement date, the following employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	52,179
Inactive and eligible for deferred benefit	10,916
Current active members	<u>91,082</u>
	<u>154,177</u>
Active membership	
State general	17,097
State police and corrections	1,830
Municipal general	17,538
Municipal police	3,159
Municipal fire	1,966
Educational Retirement Board	<u>49,492</u>
	<u>91,082</u>

Contributions – Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the City were \$812,453 for the year ended June 30, 2021.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - At June 30, 2021, the City reported a liability of \$8,044,688 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The City's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2020. At June 30, 2020, the City's proportion was 0.19159 percent.

For the year ended June 30, 2021, the City recognized OPEB income of \$658,747. At June 30, 2021 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	1,428,521
Changes in assumptions	1,579,230	1,428,682
Net difference between projected and actual earnings on pension plan investments	43,869	-
Changes in proportion and differences between City's contributions and proportionate share of contributions	492,200	1,378,196
City's contributions subsequent to the measurement date	<u>187,449</u>	<u>-</u>
Total	\$ <u>2,302,748</u>	<u>4,235,399</u>

Deferred outflows of resources totaling \$187,449 represent City contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:		
2022	\$	(979,636)
2023		(855,075)
2024		(517,115)
2025		(128,641)
2026		<u>360,367</u>
Total		<u>(2,120,100)</u>

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions:

Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Inflation	2.50% for ERB members; 2.25% for PERA members
Projected payroll increases	3.25% to 13.50%, based on years of service, including inflation
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs
Mortality	ERB member: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females). PERA members: RP-2014 Combined Healthy Mortality.

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

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

Asset Class	Long-Term Rate of Return
U.S. core fixed income	2.1%
U.S. equity - large cap	7.1%
Non U.S. - emerging markets	10.2%
Non U.S. - developed equities	7.8%
Private equity	11.8%
Credit and structured finance	5.3%
Real estate	4.9%
Absolute return	4.1%
U.S. equity - small/mid cap	7.1%

Discount Rate – The discount rate used to measure the Fund’s total OPEB liability is 2.86% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2023. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2040. The index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher was used beyond 2041, resulting in a blended discount rate of 2.86%.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.86 percent) or 1-percentage-point higher (3.86 percent) than the current discount rate:

	1% Decrease (1.86%)	Current Discount Rate (2.86%)	1% Increase (3.86%)
\$	9,999,580	8,044,688	6,533,758

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

	1% Decrease	Current Discount Rate	1% Increase
\$	6,603,184	8,044,688	9,138,107

OPEB plan fiduciary net position. Detailed information about the OPEB plan’s fiduciary net position is available in NMRHCA’s audited financial statements for the year ended June 30, 2020.

Payables changes in the net OPEB liability. At June 30, 2021, the City did not accrue any payables for OPEB.

12. CONTINGENT LIABILITIES

The City is party to various claims and lawsuits arising in the normal course of business. The City is insured through the New Mexico Self Insurers Fund. The maximum exposure of the City is not estimable as of June 30, 2021 in the remaining cases.

13. FEDERAL AND STATE GRANTS

In the normal course of operations, the City receives grant funds from various federal and state agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

14. LANDFILL CLOSURE AND POST CLOSURE CARE COSTS

The City reports a liability for post closure care costs in connection with its closed and inactive landfill. The City did not use the landfill for the year ending June 30, 2021. The City's waste is currently hauled to Wagon Mound and the City pays tipping fees. In 2021, the City obtained an updated Closure and Post Closure Care plan and the City obtains a current estimate of the closure costs each year. The total estimate of the landfill closure liability is \$1,335,780 at June 30, 2021. The City has no other responsibility for landfill activity.

As outlined in 20 NMAC 9.1 502.B, post closure maintenance activities will continue for a period of 30 years after original closure of the landfill. Inspection and maintenance reports will be compiled by the City of Las Vegas and submitted to the NMED in the annual monitoring reports. Periodically, the City will obtain an updated Closure and Post Closure Care plan in which the estimated liability has the potential to change due to inflation or deflation, technology, or applicable laws or regulations.

15. ASSET RETIREMENT OBLIGATIONS

The City accounts for certain costs associated with the future dismantling and removal of the Waste Water Treatment Plant in accordance with GASB Statement No. 83, Certain Asset Retirement Obligations. Under Statement No. 83, the act of placing the plant into operation required the City to recognize a liability and corresponding deferred outflow of resources equal to the estimated current cost of activities that state law requires the City to perform upon future retirement of the plant. The plant currently has an estimated 39-year remaining life.

The \$252,000 reported as a liability and \$232,614 as deferred outflow of resources at June 30, 2021 were determined based on probability-weighted engineering estimates of what it would cost to perform all dismantling and removal tasks. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

16. SUBSEQUENT EVENTS

Effective January 1, 2021, the City of Las Vegas will be transferring the Housing Department to Northern Regional Housing Authority.

17. RESTRICTED NET POSITION

The government-wide statement of net position reports \$7,609,618 of restricted net position, all of which is restricted by enabling legislation.

18. CONCENTRATIONS

The City depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the City is subject to changes in the specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

19. COMMITMENTS

The City has various construction and purchase commitments as of June 30, 2021. The funding to cover the various commitments was grant funding, bond and/or note proceeds, including bonds, grants, and cash reserves.

20. HUD REPAYMENT AGREEMENT

The City entered into a Repayment Agreement with US Department of Housing and Urban Development (HUD) as a result of certain number of units sold to ineligible families and to Region III Housing Authority back in 2004 under the Homeownership Program. Under the terms of the agreement, the City agreed to repay a total of \$3,584,000 to Las Vegas Housing Authority (subsequently merged to Northern Regional Housing Authority). The City is required to pay a minimum of \$150,000 starting June 30, 2021, through maturity date of June 30, 2046.

21. RISK AND ECONOMIC UNCERTAINTIES

On March 11, 2020, the World Health Organization characterized coronavirus (COVID-19) as a pandemic, and on March 13, the President of the United States declared a national emergency relating to the disease. In addition to the President's declaration, state and local authorities have recommended social distancing and have imposed quarantine and isolation measures on large portions of the population, including mandatory business closures. These measures are designed to protect the overall public health, however are expected to impact domestic and foreign economies. These events have had an impact on the City's employees and the community members that the City serves. While the disruption is expected to be temporary, there is considerable uncertainty regarding the duration and ultimate financial impact. The City management is unable to estimate the financial impact the pandemic will have on operations.

22. PRIOR PERIOD RESTATEMENT

The City's housing department did not recognize a due to HUD at June 30, 2020 in the amount of \$3,663,672. The City recorded a due to the Housing fund in the government wide financial statements and a receivable in the Housing Fund Statements of \$3,540,000.

The implementation of GASB Statement No. 84, relating to the presentation of fiduciary activities, the City adjusted the beginning net position of the custodial fund. The beginning balance of the custodial funds was established to be \$67,887, being presented as a prior period adjustment in the Statement of Changes in Fiduciary Net Position.

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MUNICIPAL GENERAL DIVISION
JUNE 30, 2021

Pension Liability
For Last 10 Fiscal Years*
General, Police and Fire Divisions Combined Summary
(Dollars in Thousands)

Fiscal Year Measurement Date	30-Jun						
	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
City's Proportion of the Net Pension Liability (Asset)	0.677%	0.6493%	0.7214%	0.7391%	0.7649%	0.7782%	0.8226%
City's Proportionate Share of Net Pension Liability (Asset)	\$ 13,696,546	11,240,028	11,501,786	10,155,859	12,220,530	7,934,423	6,573,184
City's Covered-Employee Payroll	\$ 4,411,598	6,412,924	4,819,057	6,084,603	6,369,110	6,521,974	6,553,874
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	310.47%	175.27%	238.67%	166.91%	191.87%	121.66%	100.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the City is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MUNICIPAL POLICE DIVISION
JUNE 30, 2021

Pension Liability
For Last 10 Fiscal Years*
General, Police and Fire Divisions Combined Summary
(Dollars in Thousands)

Fiscal Year Measurement Date	30-Jun						
	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
City's Proportion of the Net Pension Liability (Asset)	0.665%	0.7000%	0.7097%	0.7361%	0.6723%	0.7347%	0.7773%
City's Proportionate Share of Net Pension Liability (Asset)	\$ 5,712,342	5,175,854	4,842,313	4,089,518	4,960,430	3,532,849	2,533,913
City's Covered-Employee Payroll	\$ 2,363,356	1,571,135	2,028,848	1,499,466	1,565,066	1,452,646	1,465,270
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	241.70%	329.43%	238.67%	272.73%	316.95%	243.20%	172.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the City is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MUNICIPAL FIRE DIVISION
JUNE 30, 2021

Pension Liability
For Last 10 Fiscal Years*
General, Police and Fire Divisions Combined Summary
(Dollars in Thousands)

Fiscal Year Measurement Date	30-Jun						
	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
City's Proportion of the Net Pension Liability (Asset)	0.512%	0.4695%	0.4698%	0.4826%	0.4670%	0.5339%	0.5892%
City's Proportionate Share of Net Pension Liability (Asset)	\$ 3,872,634	3,226,577	3,007,015	2,761,169	3,115,365	2,755,555	2,459,317
City's Covered-Employee Payroll	\$ 1,102,900	714,955	1,259,889	596,995	627,227	607,950	644,152
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	351.13%	451.30%	238.67%	462.51%	496.69%	453.25%	381.79%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the City is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF CITY CONTRIBUTIONS
JUNE 30, 2021

Last Ten Fiscal Years*
General, Police and Fire Divisions Combined Summary
(Dollars in Thousands)

	2021	2020	2019	2018	2017	2016	2015
Statutory Required	\$ 637,418	635,486	569,118	584,385	624,696	608,250	622,849
Contributions in Relation to the Statutory	637,418	635,486	569,118	584,385	624,696	608,250	622,849
Annual Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the city is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF CITY CONTRIBUTIONS
MUNICIPAL POLICE DIVISION
JUNE 30, 2021

Last Ten Fiscal Years*
Police Division
(Dollars in Thousands)

	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 341,474	334,967	328,375	315,698	352,690	310,170	274,550
Contributions in Relation to the Contractually	341,474	334,967	328,375	315,698	352,690	310,170	274,550
Annual Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the City is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF CITY CONTRIBUTIONS
MUNICIPAL FIRE DIVISION
JUNE 30, 2021

Last Ten Fiscal Years*
FIRE DIVISION
(Dollars in Thousands)

	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 158,080	156,513	135,255	129,249	132,198	135,795	131,621
Contributions in Relation to the Contractually	158,080	156,513	135,255	129,249	132,198	135,795	131,621
Annual Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the City is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
June 30, 2021

New Mexico Retiree Health Care Authority
For Last 10 Fiscal Years*

	Fiscal Year Measurement Date	30-Jun			
		2021 2020	2020 2019	2019 2018	2018 2017
City's Proportion of the Net OPEB liability (Asset)		0.191590%	0.18008%	0.21772%	0.21957%
City's Proportionate Share of Net OPEB Liability (Asset)		\$ 8,044,688	5,838,894	9,467,238	9,950,194
City's Covered-Employee Payroll		\$ 8,234,761	7,514,610	9,341,531	9,146,512
City's Proportionate Share of the Net OPEB Liability (Asset) as a		97.69%	77.70%	101.35%	108.79%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		16.50%	18.92%	13.14%	11.34%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for available years.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF CITY OPEB CONTRIBUTIONS
JUNE 30, 2021

	Last Ten Fiscal Years*			
	2021	2020	2019	2018
Contractually Required Contribution	\$ 187,449	159,400	340,224	697,238
Contributions in Relation to the Contractually Required Contribution	<u>187,449</u>	<u>159,400</u>	<u>336,070</u>	<u>349,936</u>
Annual Contribution Deficiency (Excess)*	\$ <u>-</u>	<u>-</u>	<u>4,154</u>	<u>347,302</u>
City of Las Vegas' covered payroll	\$ 9,602,130	7,514,610	9,341,531	9,146,512
Contribution as a percentage of covered-employee payroll	1.95%	2.12%	3.60%	3.83%

*Governmental Accounting Standards Board Statement 75 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the City is not available prior to fiscal year 2015, the year the statement's requirements became effective.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO PENSION AND OPEB REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Changes of Benefit Terms. The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA's CFAR. <https://www.saonm.org>

Assumptions: The Public Employees Retirement Association of New Mexico Annual Actuarial Valuations as of June 2020 report is available at: <http://www.nmpera.org/>

Retiree Health Care Authority (RHCA). In the June 30, 2019 actuarial valuation rolled forward to the measurement date of June 30, 2020, , changes in assumptions and differences between expected and actual experience include adjustments resulting from a decrease in the discount rate from 4.16% to 2.86%, changes in medical carrier election assumptions based on recent enrollment, and updated Medicare Advantage trends to reflect 2020 and 2021 premiums.

SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUNDS

Sick leave Contingency (102) - This fund was created to account for funds for the payment of early retirement leave. The authority for creation of this fund is the City Council.

Corrections (201) - This fund was created to receive correction fees imposed pursuant to Section 35-14-11, NMSA 1978, which provides that every municipality shall enact an ordinance requiring the assessment of correction fees to be collected as court costs." This section goes on to impose a correction fee of \$20.00 and restricts the use of correction fees for: municipal jailer or juvenile detention officer training; the construction planning, construction, operation and maintenance of a municipal jail or juvenile detention facility; paying the cost of housing municipal prisoners in a county jail or detention facility or housing juveniles in a detention facility; complying with match or contribution requirements for the receipt of federal funds relating to jails or juvenile detention facilities; providing inpatient treatment or other substance abuse programs in conjunction with or as an alternative to jail sentencing; defraying the cost of transporting prisoners to jails or juveniles to juvenile detention facilities; or providing electronic monitoring systems.

Lodgers' Tax Promotion (202) - This fund was created to receive the proceeds of the Lodgers' Tax, which is imposed pursuant to the "Lodgers' Tax Act" (Sections 3-38-13 through 3-13-24, NMSA 1978). The Lodgers' Tax is 5% of the gross taxable rent. Section 3-38-1S(E) provides that the City shall use "not less than ½ of the proceeds of such tax for the purpose of advertising, publishing, and promoting facilities."

State Fire Grant (203) - This fund is used to account for the operation and maintenance of the Fire Department. Financing is provided by an allocation of State Funds "State Fire Allotment" as determined under the State Fire Marshall Code. Personnel services are financed and accounted for in the General Fund. This fund was authorized by Section 59A-53-2 enabling legislation.

Emergency Medical Services (206) - This fund was created to receive and account for funds allotted to the City under the Emergency Medical Service Fund Act, Section 24-10A-1, NMSA 1978 Compilation and EMS Fund Regulation 94-11.

State Library Grant (213) - To account for a grant received from the State Library of New Mexico, Laws of NM 2002, Chapter 93. The funding may be used for the purchase of library materials or equipment to provide access to information resources for the City's use.

State law Enforcement (215) - To account for a State grant restricted to equipment purchases for use in law enforcement training and planning. The fund was created under the Authority of Section 29-13-4, NMSA 1978 Compilation.

Special legislative Appropriations (217) - To account for funds provided in connection with special legislative appropriations, including domestic violence. This fund is authorized by City Council approval.

SPECIAL REVENUE FUNDS (CONTINUED)

Historical Preservation (218) - To account for funds received from U.S. Department of the Interior, National Park Service, pursuant to the National Historic Preservation Act of 1986, as amended, 16 U.S.C.470 et. Seq. and the required local match. Federal funds flow through State of New Mexico Historic Preservation Division.

2017 Region IV JAG (219) - To account for a federal grant received from the Edward Byrne Justice Assistance Grant (JAG) to investigate narcotics related crimes and execute impact operations in increasing officer presence in neighborhoods and through interstate corridors. The authority for creation of this fund is the New Mexico Department of Public Safety on behalf of the Region IV Multi-Jurisdictional Task Force.

Transportation Grant #5311 (231) -To account for funds received from the U.S. Department of Transportation pursuant to 49 U.S.C. Section 5311 for assistance in operating a rural bus service. Funds accounted for include locally generated fares as well as a required local match. The authority for creation of this fund is the New Mexico Department of Transportation, Transit and Rail Division.

NM Tourism Coop Grant (232) - To account for a grant from the State of New Mexico Tourism Department for the purpose of promoting tourism in the City of Las Vegas and surrounding area. The authority for creation of this fund is the New Mexico Tourism Department.

Transportation Center (235) - To account for expenditures associated to the maintenance of the City of Las Vegas Transportation Center. The authority for creation of this fund is the City Council.

JAG (240) - To account for a federal grant received from the Justice Assistance Grant (JAG) to investigate narcotics related crimes and execute impact operations in increasing officer presence in neighborhoods.

Seizure (241) - The fund was established for the purpose of accounting for the revenues and expenditures derived from confiscation of property or money in drug raids conducted by the Region IV Narcotics Division. The authority for creation of this fund is State of New Mexico Public Safety Department.

Juvenile Justice Grant (247) - To account for a grant received from the State of New Mexico Children, Youth & Family Department to provide a continuum of graduated sanction services and alternative to detention services to juvenile offenders and youth at risk. The authority for creation of this fund is State of New Mexico Children, Youth and Families Department.

KAB Grant (252) - To account for the expenditures of funds received pursuant to the New Mexico Litter Control and Beautification Act (Section 67-16-1 to 67-16-14, as amended). The funds are received from the New Mexico State Highway and Transportation Department for the purpose of helping continue local Keep America Beautiful programs and establish a summer youth employment program to help with litter control projects, as required by the Act.

NM Traffic Safety (253) - This fund was created to receive and account for funds allotted to the City of Las Vegas by the New Mexico State Highway and Transportation Department Traffic Safety Bureau for the purpose of enforcing DWI laws within the City's jurisdiction. NMSA 1978 11-6A-1 to 6.

SPECIAL REVENUE FUNDS (CONTINUED)

Waste Isolation Pilot Project (260) - This fund was created to account for a Joint Powers Agreement with the State Fire Marshall's Office to address emergency response preparedness as it pertains to the transport of hazardous materials under the Waste Isolation Plant (WIPP) Project.

2011 Bulletproof Vest PTR (261) - The fund was created for the purpose of accounting for the revenues and expenditures derived from the Bureau of Justice Assistance Bullet Proof Vest Partnership for the purpose of purchasing police equipment.

San Miguel County DWI Program (271) - The fund was established for the purpose of accounting for the revenues and expenditures derived from San Miguel County DWI Planning Council for the purpose of police overtime. The authority for creation of this fund is the City Council.

Senior Citizens Center (282) - The fund was created to account for the operation of a senior citizen center located in San Miguel County for the purpose of providing meals and social activities for senior citizens. The authority for creation of this fund is State of New Mexico Department of Aging and Long Term Services.

Las Vegas PD Awards (283) - This fund was established to receive and account for funds awarded to the City of Las Vegas Police Department for awards for meritorious exceptional lifesaving and honorable acts on duty officers' awards. The authority for creation of this fund is the City Council.

Veterans' Memorial (284) - This fund was created to account for contributions, rental of office space, activities and expenditures of the Veterans' Committee. The authority for creation of this fund is the City Council.

4th of July Fiestas (288) - This fund was created to account for the activities and expenditures for the 4th of July Fiestas. The authority for creation of this fund is the City Council.

JAG DCE/SP (297) - The fund was created to account for federal funds received from the Department of Justice for the purpose of a DOMESTIC CANNABIS ERADICATION SUPPRESSION PROGRAM. The authority for creation of this fund is the Department of Justice.

Seizure and Donations 2010 (293) - This fund was established for the purpose of accounting for the expenditures and revenues derived from confiscation of property or money in drug raids conducted by the Region IV Narcotics Division (NMSA, 1978 30-31-34).

Enhanced 911 Grant (294) - To account for resources received from the State E-911 Fund for acquisition and maintenance of equipment necessary to provide 911 services to the community. The authority for creation of this fund is Section 63-9D-3 through 63-9D-20 NMSA 1978.

Fire Prevention (764) - To account for the contributions, activities and expenditures related to the Fire Districts. The authority for creation of this fund is the City Council.

CAPITAL PROJECTS FUNDS

Street Co-Op Projects (214) - To account for funds provided for street co-op projects.

Street Improvement (216) - To account for the costs of paving the streets in certain areas (districts) within the City. Financing is provided by gasoline taxes and a 1/4% local option gross receipts tax authorized by City Ordinance #73-23 and NMSA 1978 7-1-6.9 and 7-24A 10 to 12.

Capital Improvement (220) - This fund was created pursuant to Ordinance #73-8 adopted on August 8, 1984, dedicating the proceeds of a ¼ cent local option gross receipts tax. The effective date of this tax was January 1, 1985. The ordinance commits these tax revenues to be used for the repair and replacement of infrastructure improvements. Specifically, sanitary sewer lines, storm sewers and other drainage improvements, streets and alley, and acquisition of rights of way and related facilities within the municipality or within the extraterritorial zone of the municipality. NMSA 1978 7-19-12 to 7-19-17.1.

Comprehensive/LEDA Plan (273) - This fund was established for the purpose of addressing land use, transportation and storm drainage, economic development facilities and parks, utilities, greenhouse gas emissions, hazards mitigation and implementation.

Rehab Taxiway ABC & Apron (433) - This fund was established for the purpose of accounting for a grant from the Federal Aviation Administration FAA for the rehabilitation of Taxiways A, B, C and the Apron, and the design of a snow removal equipment building at the Municipal Airport in Las Vegas, New Mexico.

The Recreation Center Phase II Construction Capital Projects Fund (468) - Pursuant to Ordinance No. 12-15, this fund is used to accumulate monies for payment of the October 31, 2012 New Mexico Gross Receipts Tax Refunding and Improvement Revenue Bonds. Financing is provided by a 1/8% local option gross receipts tax authorized by City Ordinance #01-18, pursuant to Section 7-19D-11 (D) NMSA 1978.

La Plaza League (470) - This fund was established to receive and account for funds for the little league project. Funding is provided through a grant by PNM.

DEBT SERVICE FUNDS

The Recreation Center Phase II (330) - Pursuant to Ordinance No. 12-15, is used to accumulate monies for payment of the October 31, 2012 New Mexico Gross Receipts Tax Refunding and Improvement Revenue Bonds. Financing is provided by a 1/8% local option gross receipts tax authorized by City Ordinance #01-18, pursuant to Section 7-19D-11 (D) NMSA 1978.

Gasoline Tax Revenue Bonds (331) - To accumulate monies for payment of the 1990 \$1,130,000 Gas Tax Revenue Bonds for the purpose of laying off, opening, constructing, reconstructing, resurfacing, maintaining, acquiring rights-of-way, repairing and otherwise improving alleys, streets, public roads and bridges for any combination of the forgoing. Funding is provided by transfers of a portion of the gas tax collection which are receipted in the Street Improvement Fund and transfers from the Gas Utility Fund.

STATE OF NEW MEXICO
CITY OF LAS VEGAS
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
June 30, 2021

DEBT SERVICE FUNDS (CONTINUED)

Municipal Pooled GRT Bonds (334) - Pursuant to Ordinance No. 12-15, to accumulate monies for payment of the October 31, 2012 New Mexico Gross Receipts Tax and Improvement Revenue Bonds issued for the purpose of refunding, refinancing, discharging and paying the City's Gross Receipts Tax Revenue Bonds. Funding is provided by transfers of a portion of the ¼% gross receipted tax collected under Authority of Ordinance 73-23, which is receipted in the Capital Improvement Fund.

NMFA Equipment Loan (337) - To accumulate monies for the payment of a loan entered into to purchase equipment citywide. The loan is payable to New Mexico Finance Authority and is subject to an intercept agreement out of state share gross receipts taxes. **NMFA Fire Equipment Loan (338)** - To accumulate monies for the payment of a loan entered into to purchase fire equipment. The loan is payable to New Mexico Finance Authority and is subject to an intercept agreement from the annual State Fire Allotment.

STATE OF NEW MEXICO
City of Las Vegas
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds					
	Sick Leave Contingency 102	Corrections 201	Lodgers' Tax Promotion 202	State Fire Grant 203	Emergency Medical Services 206	State Grant 213
ASSETS						
Cash and cash equivalents	97,808	100,238	655,995	-	31,344	-
Receivables, net:						
Due from other governments	-	-	-	-	-	13,308
Other receivables	-	-	54,604	-	-	-
Inventory	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ 97,808</u>	<u>\$ 100,238</u>	<u>\$ 710,599</u>	<u>\$ -</u>	<u>\$ 31,344</u>	<u>\$ 13,308</u>
LIABILITIES						
Accounts payable	-	-	122	935	-	-
Accrued liabilities	-	-	-	-	-	-
Due to other funds	20,000	28,710	-	33,104	-	13,299
Unearned revenues	-	-	-	-	-	-
Total liabilities	<u>20,000</u>	<u>28,710</u>	<u>122</u>	<u>34,039</u>	<u>-</u>	<u>13,299</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue						
Total deferred inflows of resources						
FUND BALANCES						
Nonspendable:						
Inventory	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
Restricted for:						
Future debt service payments	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
General government	77,808	-	-	-	-	-
Public safety	-	71,528	-	-	-	-
Culture and recreation	-	-	710,477	-	-	9
Health and welfare	-	-	-	-	31,344	-
Unassigned (deficit)	-	-	-	(34,039)	-	-
Total fund balances	<u>77,808</u>	<u>71,528</u>	<u>710,477</u>	<u>(34,039)</u>	<u>31,344</u>	<u>9</u>
Total liabilities and fund balances	<u>\$ 97,808</u>	<u>\$ 100,238</u>	<u>\$ 710,599</u>	<u>\$ -</u>	<u>\$ 31,344</u>	<u>\$ 13,308</u>

Special Revenue Funds				
State Law Enforcement 215	State Improvement (PW) 216	Historical Preservation 218	2017 Region IV JAG 219	Transportation Grant #5311 231
838	1,036,011	15,851	-	4,318
-	-	-	-	-
-	228,478	-	53,215	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 838</u>	<u>\$ 1,264,489</u>	<u>\$ 15,851</u>	<u>\$ 53,215</u>	<u>\$ 4,318</u>
-	7,362	-	-	16,154
-	10,981	-	-	5,685
-	(45)	-	55,582	-
-	-	-	-	-
<u>-</u>	<u>18,298</u>	<u>-</u>	<u>55,582</u>	<u>21,839</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,246,191	-	-	-
-	-	15,851	-	-
838	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	(2,367)	(17,521)
<u>838</u>	<u>1,246,191</u>	<u>15,851</u>	<u>(2,367)</u>	<u>(17,521)</u>
<u>\$ 838</u>	<u>\$ 1,264,489</u>	<u>\$ 15,851</u>	<u>\$ 53,215</u>	<u>\$ 4,318</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds				
	NM Tourism Coop Grant 232	Transportation Center 235	JAG 240	Seizure 241	KAB Grant 252
ASSETS					
Cash and cash equivalents	1,406	11,856	-	58,224	9,564
Receivables, net:					
Due from other governments	-	-	-	-	-
Other receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 1,406</u>	<u>\$ 11,856</u>	<u>\$ -</u>	<u>\$ 58,224</u>	<u>\$ 9,564</u>
LIABILITIES					
Accounts payable	-	-	-	-	-
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue					
Total deferred inflows of resources					
FUND BALANCES					
Nonspendable:					
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted for:					
Future debt service payments	-	-	-	-	-
Capital projects	-	-	-	-	-
General government	1,406	11,856	-	-	9,564
Public safety	-	-	-	58,224	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	<u>1,406</u>	<u>11,856</u>	<u>-</u>	<u>58,224</u>	<u>9,564</u>
Total liabilities and fund balances	<u>\$ 1,406</u>	<u>\$ 11,856</u>	<u>\$ -</u>	<u>\$ 58,224</u>	<u>\$ 9,564</u>

Special Revenue Funds					
NM Traffic Safety 253	Waste Isolation Pilot Project 260	2011 Bulletproof Vest Partn. 261	Clean and Beautiful Grant 266	Historic Preservation 268	San Miguel County DWI 271
-	-	-	-	-	702
-	-	-	9,756	-	-
1,231	-	1,599	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,231</u>	<u>\$ -</u>	<u>\$ 1,599</u>	<u>\$ 9,756</u>	<u>\$ -</u>	<u>\$ 702</u>
-	-	-	-	-	-
-	-	-	-	-	-
1,460	-	1,595	9,335	5,000	-
-	-	-	-	-	-
<u>1,460</u>	<u>-</u>	<u>1,595</u>	<u>9,335</u>	<u>5,000</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4	-	-	702
-	-	-	421	-	-
-	-	-	-	-	-
(229)	-	-	-	(5,000)	-
<u>(229)</u>	<u>-</u>	<u>4</u>	<u>421</u>	<u>(5,000)</u>	<u>702</u>
<u>\$ 1,231</u>	<u>\$ -</u>	<u>\$ 1,599</u>	<u>\$ 9,756</u>	<u>\$ -</u>	<u>\$ 702</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds				
	Comprehensive LEDA Plan 273	Senior Citizens Center 282	Las Vegas PD Awards 283	Veterans' Memorial 284	4th of July Fiestas 288
ASSETS					
Cash and cash equivalents	33,000	139,576	2,162	25,120	-
Receivables, net:					
Due from other governments	-	-	-	-	-
Other receivables	-	218,614	-	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 33,000</u>	<u>\$ 358,190</u>	<u>\$ 2,162</u>	<u>\$ 25,120</u>	<u>\$ -</u>
LIABILITIES					
Accounts payable	-	8,947	-	-	-
Accrued liabilities	-	14,067	-	-	-
Due to other funds	-	-	-	-	6,820
Unearned revenues	-	-	-	-	-
Total liabilities	<u>-</u>	<u>23,014</u>	<u>-</u>	<u>-</u>	<u>6,820</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue					
Total deferred inflows of resources					
FUND BALANCES					
Nonspendable:					
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted for:					
Future debt service payments	-	-	-	-	-
Capital projects	-	-	-	-	-
General government	33,000	-	-	-	-
Public safety	-	-	2,162	-	-
Culture and recreation	-	-	-	25,120	-
Health and welfare	-	335,176	-	-	-
Unassigned (deficit)	-	-	-	-	(6,820)
Total fund balances	<u>33,000</u>	<u>335,176</u>	<u>2,162</u>	<u>25,120</u>	<u>(6,820)</u>
Total liabilities and fund balances	<u>\$ 33,000</u>	<u>\$ 358,190</u>	<u>\$ 2,162</u>	<u>\$ 25,120</u>	<u>\$ -</u>

Special Revenue Funds					
Seizures Donations 2010 293	Enhanced 911 Grant 294	JAG DCE/SP 297	Fire Protection 764	CARES Muni. 771	CARES Small Bus. 772
5,650	-	112	96,283	1,984,570	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 5,650</u>	<u>\$ -</u>	<u>\$ 112</u>	<u>\$ 96,283</u>	<u>\$ 1,984,570</u>	<u>\$ -</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	4,901	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>4,901</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,650	-	112	96,283	1,984,570	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(4,901)	-	-	-	-
<u>5,650</u>	<u>(4,901)</u>	<u>112</u>	<u>96,283</u>	<u>1,984,570</u>	<u>-</u>
<u>\$ 5,650</u>	<u>\$ -</u>	<u>\$ 112</u>	<u>\$ 96,283</u>	<u>\$ 1,984,570</u>	<u>\$ -</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Capital Projects				
	Special Legislative Appropriations 217	Capital Improvement 220	Rehab Taxiway ABC & Apron 433	Recreation Center Phase II Construction 468	LA Plaza League 470
ASSETS					
Cash and cash equivalents	-	437,139	167,146	72,799	1
Receivables, net:					
Due from other governments	-	-	-	-	-
Other receivables	112,944	646,807	-	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 112,944</u>	<u>1,083,946</u>	<u>\$ 167,146</u>	<u>\$ 72,799</u>	<u>\$ 1</u>
LIABILITIES					
Accounts payable	-	3,065	-	-	-
Accrued liabilities	-	-	-	-	-
Due to other funds	182,178	-	-	-	-
Unearned revenues	-	-	-	-	-
Total liabilities	<u>182,178</u>	<u>3,065</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue					
Total deferred inflows of resources					
FUND BALANCES					
Nonspendable:					
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted for:					
Future debt service payments	-	-	-	-	-
Capital projects	-	1,080,881	167,146	72,799	1
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Unassigned (deficit)	(69,234)	-	-	-	-
Total fund balances	<u>(69,234)</u>	<u>1,080,881</u>	<u>167,146</u>	<u>72,799</u>	<u>1</u>
Total liabilities and fund balances	<u>\$ 112,944</u>	<u>\$ 1,083,946</u>	<u>\$ 167,146</u>	<u>\$ 72,799</u>	<u>\$ 1</u>

Capital Projects					Total Nonmajor Governmental Funds
Recreation Canter Phase II 330	Gasoline Tax Revenue Bonds 331	Municipal Pooled GRT Bonds 334	NMFA Equipment Loan 337	NMFA Fire Equipment Loan 338	
1,015,098	38,339	185,193	36,869	(2,350)	6,260,862
-	-	-	-	-	23,064
78,131	-	-	-	-	1,395,623
-	-	-	-	-	-
-	-	-	-	2,546	2,546
-	-	-	-	-	-
<u>\$ 1,093,229</u>	<u>\$ 38,339</u>	<u>\$ 185,193</u>	<u>\$ 36,869</u>	<u>\$ 196</u>	<u>7,682,095</u>
-	-	-	-	-	36,585
-	-	-	-	-	30,733
-	39,065	-	-	-	401,004
-	-	-	-	-	-
<u>-</u>	<u>39,065</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>468,322</u>
-	-	-	-	-	-
-	-	-	-	2,546	2,546
1,093,229	-	185,193	36,869	-	1,315,291
-	-	-	-	-	2,567,018
-	-	-	-	-	2,134,055
-	-	-	-	-	235,503
-	-	-	-	-	736,027
-	-	-	-	-	366,520
-	(726)	-	-	(2,350)	(143,187)
<u>1,093,229</u>	<u>(726)</u>	<u>185,193</u>	<u>36,869</u>	<u>196</u>	<u>7,213,773</u>
<u>\$ 1,093,229</u>	<u>\$ 38,339</u>	<u>\$ 185,193</u>	<u>\$ 36,869</u>	<u>\$ 196</u>	<u>\$ 7,682,095</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds				
	Sick Leave Contingency 102	Corrections 201	Lodgers' Tax Promotion 202	State Fire Grant 203	Emergency Medical Services 206
REVENUES					
Taxes:					
Gross receipts	\$ -	-	-	-	-
Gasoline and motor vehicle	-	-	-	-	-
Other	-	-	503,293	-	-
Intergovernmental:					
Federal grants	-	-	-	-	-
State operating grants	-	-	-	391,579	27,707
State capital grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Licenses and fees	-	37,036	-	-	-
Interest income	-	-	-	23,571	-
Other	-	-	-	-	-
Total revenue	-	37,036	503,293	415,150	27,707
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	6,360	-	188,816	2,307
Public works	-	-	-	-	-
Culture and recreation	-	-	80,508	-	-
Health and welfare	-	-	-	-	4,767
Capital outlay	-	-	-	255,537	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	22,079	-
Total expenditures	-	6,360	80,508	466,432	7,074
<i>Excess (deficiency) of revenues over expenditures</i>	-	30,676	422,785	(51,282)	20,633
<i>Other financing sources (uses)</i>					
Proceeds from debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	(40,002)	(11,041)	-
<i>Total other financing sources (uses)</i>	-	-	(40,002)	(11,041)	-
NET CHANGE IN FUND BALANCES	-	30,676	382,783	(62,323)	20,633
FUND BALANCES - BEGINNING	77,808	40,852	327,694	28,284	10,711
FUND BALANCES - ENDING	\$ 77,808	71,528	710,477	(34,039)	31,344

Special Revenue Funds					
State Grant 213	State Law Enforcement 215	State Improvement (PW) 216	Historical Preservation 218	2017 Region IV JAG 219	Transportation Grant #5311 231
-	-	796,793	-	-	-
-	-	457,973	-	-	-
-	-	-	-	-	-
-	-	-	-	5,600	213,063
24,917	38,600	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	126,175	-	-	-
24,917	38,600	1,380,941	-	5,600	213,063
-	-	-	-	-	266,085
-	12,097	-	-	5,724	-
-	-	716,481	-	-	-
19,193	-	-	2,182	-	-
-	-	-	-	-	-
5,723	-	252,410	-	-	3,030
-	-	-	-	-	-
-	-	-	-	-	-
24,916	12,097	968,891	2,182	5,724	269,115
1	26,503	412,050	(2,182)	(124)	(56,052)
-	-	-	-	-	-
-	-	-	-	-	43,957
-	(26,203)	(123,654)	-	-	-
-	(26,203)	(123,654)	-	-	43,957
1	300	288,396	(2,182)	(124)	(12,095)
8	538	957,795	18,033	(2,243)	(5,426)
9	838	1,246,191	15,851	(2,367)	(17,521)

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds				
	NM Tourism Coop Grant 232	Transportation Center 235	JAG 240	Seizure 241	KAB Grant 252
REVENUES					
Taxes:					
Gross receipts	\$ -	-	-	-	-
Gasoline and motor vehicle	-	-	-	-	-
Other	-	-	-	-	-
Intergovernmental:					
Federal operating grants	-	-	1,751	-	-
State operating grants	-	-	-	-	-
State capital grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Licenses and fees	-	-	-	-	-
Interest income	-	-	-	-	-
Other	-	-	-	67,075	-
Total revenue	-	-	1,751	67,075	-
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	1,751	2,654	16,460
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	6,601	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	-	-	1,751	9,255	16,460
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	57,820	(16,460)
<i>Other financing sources (uses)</i>					
Proceeds from debt	-	-	-	-	-
Transfers in	-	-	-	-	16,000
Transfers out	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	16,000
NET CHANGE IN FUND BALANCES	-	-	-	57,820	(460)
FUND BALANCES - BEGINNING	1,406	11,856	-	404	10,024
FUND BALANCES - ENDING	\$ 1,406	11,856	-	58,224	9,564

Special Revenue Funds					
NM Traffic Safety 253	Waste Isolation Pilot Project 260	2011 Bulletproof Vest Partn. 261	Clean and Beautiful Grant 266	Historic Preservation 268	San Miguel County DWI 271
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,625	6,000	719	32,275	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,625	6,000	719	32,275	-	-
-	-	-	-	-	-
11,854	-	1,439	-	-	-
-	-	-	-	-	-
-	-	-	27,504	-	-
-	-	-	-	-	-
-	-	-	4,350	5,000	-
-	-	-	-	-	-
-	-	-	-	-	-
11,854	-	1,439	31,854	5,000	-
(229)	6,000	(720)	421	(5,000)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(229)	6,000	(720)	421	(5,000)	-
-	(6,000)	724	-	-	702
(229)	-	4	421	(5,000)	702

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds				
	Comprehensive	Senior	Las Vegas PD	Veterans'	4th of July
	LEDA	Citizens	Las Vegas PD	Veterans'	4th of July
	Plan	Center	Awards	Memorial	Fiestas
	273	282	283	284	288
REVENUES					
Taxes:					
Gross receipts	\$ -	-	-	-	-
Gasoline and motor vehicle	-	-	-	-	-
Other	-	-	-	-	-
Intergovernmental:					
Federal operating grants	-	479,674	-	-	-
State operating grants	48,788	642,633	-	-	-
State capital grants	-	-	-	-	-
Charges for services	-	-	-	4,200	-
Licenses and fees	-	-	-	-	-
Interest income	-	-	-	-	-
Other	-	5,040	1,040	-	-
Total revenue	48,788	1,127,347	1,040	4,200	-
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	1,066,943	-	-	3,917
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	-	1,066,943	-	-	3,917
Excess (deficiency) of revenues over expenditures	48,788	60,404	1,040	4,200	(3,917)
Other financing sources (uses)					
Proceeds from debt	-	-	-	-	-
Transfers in	33,000	75,000	-	-	25,000
Transfers out	-	-	-	-	-
Total other financing sources (uses)	33,000	75,000	-	-	25,000
NET CHANGE IN FUND BALANCES	81,788	135,404	1,040	4,200	21,083
FUND BALANCES - BEGINNING	(48,788)	199,772	1,122	20,920	(27,903)
FUND BALANCES - ENDING	\$ 33,000	335,176	2,162	25,120	(6,820)

Special Revenue Funds					
Seizures Donations 2010 293	Enhanced 911 Grant 294	JAG DCE/SP 297	Fire Protection 764	CARES Muni. 771	CARES Small Bus. 772
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,401,443	323,920
-	4,173	-	-	-	-
-	-	-	-	-	-
-	-	-	18,250	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	8,311	-	-
-	4,173	-	26,561	2,401,443	323,920
-	-	-	-	101,404	323,920
-	9,076	-	1,146	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,114	315,469	-
-	-	-	-	-	-
-	-	-	-	-	-
-	9,076	-	6,260	416,873	323,920
-	(4,903)	-	20,301	1,984,570	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(4,903)	-	20,301	1,984,570	-
5,650	2	112	75,982	-	-
5,650	(4,901)	112	96,283	1,984,570	-

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Capital Projects				
	Special Legislative Appropriations 217	Capital Improvement 220	Rehab Taxiway ABC & Apron 433	Recreation Center Phase II Construction 468	LA Plaza League 470
REVENUES					
Taxes:					
Gross receipts	\$ -	863,064	-	-	-
Gasoline and motor vehicle	-	-	-	-	-
Other	-	-	-	-	-
Intergovernmental:					
Federal operating grants	-	-	515,598	-	-
State operating grants	824,530	-	-	-	-
State capital grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Licenses and fees	-	-	-	-	-
Interest income	-	-	-	44	-
Other	-	-	-	-	-
Total revenue	824,530	863,064	515,598	44	-
Expenditures					
Current:					
General government	-	2,304	-	-	-
Public safety	-	-	-	-	-
Public works	-	16,547	-	-	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	715,754	248,586	268,717	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	715,754	267,437	268,717	-	-
Excess (deficiency) of revenues over expenditures	108,776	595,627	246,881	44	-
Other financing sources (uses)					
Proceeds from debt	-	-	-	-	-
Transfers in	-	-	15,654	50,000	-
Transfers out	-	(401,450)	-	-	-
Total other financing sources (uses)	-	(401,450)	15,654	50,000	-
NET CHANGE IN FUND BALANCES	108,776	194,177	262,535	50,044	-
FUND BALANCES - BEGINNING	(178,010)	886,704	(95,389)	22,755	1
FUND BALANCES - ENDING	\$ (69,234)	1,080,881	167,146	72,799	1

Capital Projects					
Recreation Canter Phase II 330	Gasoline Tax Revenue Bonds 331	Municipal Pooled GRT Bonds 334	NMFA Equipment Loan 337	NMFA Fire Equipment Loan 338	Total Nonmajor Governmental Funds
299,240	-	-	-	-	1,959,097
-	-	-	-	-	457,973
-	-	-	-	-	503,293
-	-	-	-	-	3,941,049
-	-	-	-	-	2,053,546
-	-	-	-	-	-
-	-	-	-	-	22,450
-	-	-	-	-	37,036
1,071	3,665	30	(24,128)	-	4,253
-	-	-	24,308	-	231,949
300,311	3,665	30	180	-	9,210,646
-	-	-	-	-	693,713
-	-	-	-	-	259,684
-	-	-	-	-	733,028
-	-	-	-	-	1,200,247
-	-	-	-	-	4,767
-	-	-	-	-	2,086,291
130,000	297,556	215,000	28,048	11,183	681,787
39,100	27,110	84,250	-	1,486	174,025
169,100	324,666	299,250	28,048	12,669	5,833,542
131,211	(321,001)	(299,220)	(27,868)	(12,669)	3,377,104
-	-	-	-	-	-
-	324,667	303,450	26,205	11,041	923,974
(50,000)	-	-	-	-	(652,350)
(50,000)	324,667	303,450	26,205	11,041	271,624
81,211	3,666	4,230	(1,663)	(1,628)	3,648,728
1,012,018	(4,392)	180,963	38,532	1,824	3,565,045
1,093,229	(726)	185,193	36,869	196	7,213,773

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Net Position
Internal Service Funds
For the Year Ended June 30, 2021

	Automated System Financing	Utilities Administration	Utilities Service	Total
ASSETS				
Current assets				
Cash and cash equivalents	35,579	(142,598)	520,479	413,460
Due from other funds	-	20,000	-	20,000
Total current assets	<u>35,579</u>	<u>(122,598)</u>	<u>520,479</u>	<u>433,460</u>
Noncurrent assets				
Capital assets:				
Land	-	-	-	-
Construction in progress	-	816,845	-	816,845
Infrastructure	-	199,609	-	199,609
Buildings and improvements	-	602,681	27,447	630,128
Machinery and equipment	1,159,788	26,635	102,436	1,288,859
Less: accumulated depreciation	(1,067,404)	(760,540)	(116,945)	(1,944,889)
Total noncurrent assets	<u>92,384</u>	<u>885,230</u>	<u>12,938</u>	<u>990,552</u>
Total assets	<u>127,963</u>	<u>762,632</u>	<u>533,417</u>	<u>1,424,012</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pension related	40,977	204,885	122,931	368,793
Deferred outflows - OPEB related	23,027	138,165	69,082	230,274
Total deferred outflows of resources	<u>64,004</u>	<u>343,050</u>	<u>192,013</u>	<u>599,067</u>
LIABILITIES				
Current liabilities:				
Accounts payable	70	4,117	834	5,021
Accrued payroll	4,215	19,169	12,765	36,149
Accrued compensated absences	6,332	25,540	17,724	49,596
Total current liabilities	<u>10,617</u>	<u>48,826</u>	<u>31,323</u>	<u>90,766</u>
Noncurrent liabilities:				
Compensated absences	1,782	11,097	3,300	16,179
Net pension liability	136,965	684,827	410,896	1,232,688
Total OPEB liability	80,447	482,681	241,341	804,469
Total noncurrent liabilities	<u>219,194</u>	<u>1,178,605</u>	<u>655,537</u>	<u>2,053,336</u>
Total liabilities	<u>229,811</u>	<u>1,227,431</u>	<u>686,860</u>	<u>2,144,102</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension related	5,255	26,275	15,765	47,295
Deferred inflows - OPEB	42,354	254,124	127,062	423,540
Total deferred inflows of resources	<u>47,609</u>	<u>280,399</u>	<u>142,827</u>	<u>470,835</u>
NET POSITION				
Net investment in capital assets	92,384	885,230	12,938	990,552
Unrestricted	(177,837)	(1,287,378)	(117,195)	(1,582,410)
Total net position	<u>\$ (85,453)</u>	<u>(402,148)</u>	<u>(104,257)</u>	<u>(591,858)</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2021

	Automated System Financing	Utilities Administration	Utilities Service	Total
OPERATING REVENUES				
Miscellaneous	\$ -	15	-	15
Interest and investment revenue	18	139	772	929
Total revenues	<u>18</u>	<u>154</u>	<u>772</u>	<u>944</u>
OPERATING EXPENSES				
Personnel Services	127,798	888,510	273,359	1,289,667
Utilities	-	82,743	4,602	87,345
Contractual services	-	5,338	-	5,338
Supplies and purchase power	-	8,590	13,071	21,661
Maintenance and materials	280,230	27,625	11,913	319,768
Depreciation	19,481	20,866	4,831	45,178
Other costs	2,548	8,410	106,930	117,888
Total operating expenses	<u>430,057</u>	<u>1,042,082</u>	<u>414,706</u>	<u>1,886,845</u>
Operating income (loss)	<u>(430,039)</u>	<u>(1,041,928)</u>	<u>(413,934)</u>	<u>(1,885,901)</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	-	-	-	-
Miscellaneous revenue	-	-	-	-
Interest expense	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before and transfers	(430,039)	(1,041,928)	(413,934)	(1,885,901)
Transfers in	392,000	720,000	720,000	1,832,000
Transfers out	<u>-</u>	<u>(195,000)</u>	<u>-</u>	<u>(195,000)</u>
CHANGE IN NET POSITION	(38,039)	(516,928)	306,066	(248,901)
NET POSITION - BEGINNING	(47,414)	114,780	(410,323)	(342,957)
NET POSITION - END OF YEAR	<u>\$ (85,453)</u>	<u>(402,148)</u>	<u>(104,257)</u>	<u>(591,858)</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021

	Automated System Financing	Utilities Administration	Utilities Service	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,799	\$ 260,872	\$(116,466)	\$ 146,205
Payments to suppliers	(462,424)	(1,115,498)	(522,224)	\$(2,100,146)
Payments to employees	-	-	-	-
Net cash provided (used) by operating activities	(460,625)	(854,626)	(638,690)	(1,953,941)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other funds	392,000	720,000	720,000	1,832,000
Transfers out to other funds	-	(195,000)	-	(195,000)
Net cash provided (used) by noncapital financing activities	392,000	525,000	720,000	1,637,000
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	-	(7,179)	(7,179)
Miscellaneous revenue	-	-	-	-
Principal paid on long-term debt	-	-	-	-
Interest paid on long-term debt	-	-	-	-
Net cash (used) by capital and related financing activities	-	-	(7,179)	(7,179)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	-	-	-
Net cash provided by investing activities	-	-	-	-
Net (decrease) increase in cash and cash equivalents	(68,625)	(329,626)	74,131	(324,120)
Cash and cash equivalents, beginning	104,204	187,028	446,348	737,580
Cash and cash equivalents, ending	\$ 35,579	\$(142,598)	\$ 520,479	\$ 413,460

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021

	Automated System Financing	Utilities Administration	Utilities Service	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$(430,039)	\$(1,041,928)	\$(413,934)	\$(1,885,901)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	19,480	20,865	4,831	45,176
Decrease (increase) in customer receivable				
Decrease (increase) in inventory				
Increase (decrease) in accounts payable	(1,685)	944	605	(136)
Increase (decrease) in accrued liabilities	(287)	6,199	286	6,198
Increase (decrease) in customer deposits	-	-	-	-
Increase (decrease) in compensated absences	2,256	11,746	(755)	13,247
Increase (decrease) in net pension/total OPEB liabilities	1,711	346,049	(62,355)	285,405
Increase (decrease) in pension related deferred inflows	(16,401)	36,610	(69,251)	(49,042)
Increase (decrease) in pension and OPEB related deferred outflows	(35,660)	(235,111)	(98,117)	(368,888)
Net cash provided (used) by operating activities	<u>\$(460,625)</u>	<u>\$(854,626)</u>	<u>\$(638,690)</u>	<u>\$(1,953,941)</u>

The accompanying notes are an integral part of these financial statements.

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF CASH AND INVESTMENT ACCOUNTS
Year Ended June 30, 2021

Bank Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Totals
Community First Bank					
ENTERPRISE POOL	Demand Account	\$ 18,756,571	623,819	1,193,862	18,217,869
LIBRARY SPECIAL	Demand Account	10,146	-	-	10,146
RECREATION CENTER PHASE II	Demand Account	669,535	-	-	669,535
GAS METER DEPOSIT	Demand Account	308,585	600	33,791	275,394
<i>Total Community Bank</i>		<u>19,744,837</u>	<u>624,419</u>	<u>1,227,653</u>	<u>19,172,944</u>
Southwest Capital Bank					
GENERAL FUND	Demand Account	\$ 12,720,227	742,299	1,638,968	11,823,559
NATURAL GAS UB	Demand Account	204,332	-	-	204,332
WATER CONSTRUCTION PROJECT	Demand Account	1,343,188	-	33,435	1,309,753
WATER METER DEPOSIT	Demand Account	103,573	-	144,718	(41,145)
HOUSING AUTHORITY	Demand Account	204,933	-	1,087	203,846
PD SAFE KEEPING	Demand Account	41,332	-	-	41,332
BOND TRUST	Demand Account	24,805	681	1,276	24,210
PAYROLL	Demand Account	233,018	-	230,758	2,261
CAPITAL IMPROVEMENT	Demand Account	72,800	-	-	72,800
WATER PROJECTS	Demand Account	4,353,129	-	49,003	4,304,126
CERTIFICATE OF DEPOSIT	Time Deposit	5,000,000	-	-	5,000,000
<i>Total Southwest Capital Bank</i>		<u>24,301,337</u>	<u>742,980</u>	<u>2,099,245</u>	<u>22,945,072</u>
Wells Fargo Bank					
GROSS RECEIPTS TAX BONDS	Demand Account	\$ 185,193	-	-	185,193
WATER RESERVE	Savings Account	1,142,068	-	-	1,142,068
<i>Total Wells Fargo Bank</i>		<u>1,327,261</u>	<u>-</u>	<u>-</u>	<u>1,327,261</u>

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF CASH AND INVESTMENT ACCOUNTS
Year Ended June 30, 2021

Bank Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Totals
NMFA					
NMFA #12 Truck Bay	NMFA Cash	\$ 4	-	-	4
NMFA #16 Police Vehicles	NMFA Cash	24,308	-	-	24,308
NMFA #30 Abe Montoya Recreation Center	NMFA Cash	69,515	-	-	69,515
NMFA #30 Abe Montoya Recreation Center	NMFA Cash	294,855	-	-	294,855
NMFA #18 Drinking Water State Revolving Loan	NMFA Cash	1,280	-	-	1,280
NMFA #21 Taylor Well Field Loan	NMFA Cash	3,511	-	-	3,511
NMFA #22 2010 DW Drinking Water	NMFA Cash	3,629	-	-	3,629
NMFA #23 2011 DW Drinking Water	NMFA Cash	3,734	-	-	3,734
NMFA #27 Rehab 3 City Water Tanks	NMFA Cash	2,857	-	-	2,857
NMFA #28 Water Treatment Plant	NMFA Cash	559	-	-	559
NMFA #31 WTB	NMFA Cash	113,596	-	-	113,596
NMFA #32 Phase II Water System Improvement	NMFA Cash	1,090	-	-	1,090
NMFA PPRF-4698 Storie Lake Reservoir Water Storage Rights	NMFA Cash	82,794	-	-	82,794
NMFA PPRF-4698 Storie Lake Reservoir Water Storage Rights	NMFA Cash	423	-	-	423
NMFA #34 Water System Improve-Chico	NMFA Cash	1,642	-	-	1,642
NMFA #35 Water System Improve-Grand Ave & 8th St-Press Zone	NMFA Cash	2,103	-	-	2,103
NMFA #37 Water System Improvements	NMFA Cash	2,805	-	-	2,805
<i>Total NMFA</i>		<u>608,704</u>	<u>-</u>	<u>-</u>	<u>608,704</u>
<i>Total Deposits</i>		<u>\$ 45,982,139</u>	<u>1,367,399</u>	<u>3,227,670</u>	<u>44,053,981</u>
Less: Restricted Cash and Cash Equivalents per the Statement of Net Position					(608,308)
Less: Investments per the Statement of Net Position					(5,000,000)
Less: Custodial Cash					(74,323)
<i>Total Unrestricted Cash and Cash Equivalents per the Statement of Net Position</i>					<u>\$ 38,371,350</u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF PLEDGED COLLATERAL
Year Ended June 30, 2021**

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value at June 30, 2021	Location of Safekeeper
Community First Bank					
	FNMA Fixed Rate Note	10/8/2027	3135G05Y5	\$ 4,881,810	Kansas City, MO
	US Treasury Note	11/30/2023	91282BU57	312,984	Kansas City, MO
	US Treasury Note	11/30/2023	912828U57	104,328	Kansas City, MO
	US Treasury Note	11/30/2023	912828U57	208,656	Kansas City, MO
	US Treasury Note	11/30/2023	912828U57	1,043,281	Kansas City, MO
	US Treasury Note	5/15/2025	912828XB1	528,047	Kansas City, MO
	US Treasury Note	10/31/2026	912828YQ7	4,138,750	Kansas City, MO
	<i>Total Community First Bank</i>			<u>11,217,857</u>	
Southwest Capital Bank					
	FHLB-LOC 3544000001		LOC	24,184,000	Irving, TX
	<i>Total Southwest Capital Bank</i>			<u>24,184,000</u>	
Wells Fargo Bank					
	FMAC FEPC	6/1/2042	31329JPQ4	270,575	New York, NY
	FMAC FEPC	5/1/2036	31329KVC5	223,059	New York, NY
	FMAC FEPC	10/1/2045	3132A5EE1	131,487	New York, NY
	FMAC FEPC	9/1/2047	3132A5HL2	86,386	New York, NY
	FNMA FNMS	12/1/2046	3140F5DA8	79,947	New York, NY
	FNMA FNMS	6/1/2047	31418CLG7	186,723	New York, NY
	FNMA FNMS	3/1/2048	31418CU77	228,819	New York, NY
	<i>Total Wells Fargo Bank</i>			<u>1,206,996</u>	
	<i>Total Pledged Collateral</i>			<u>\$ 36,608,853</u>	

COMPLIANCE SECTION

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

To Brian S. Colón, Esq.
New Mexico State Auditor
The City of Las Vegas Council
City of Las Vegas

We have audited, 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, the financial statements of the governmental activities, business type activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue funds of the City of Las Vegas (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 15, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the Schedule of Findings and Questioned Costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2021-005 to be material weaknesses.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

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. Given these limitations, during our audit we did not identify any deficiencies in internal controls that we consider to be significant deficiencies. However, significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2021-001, 2021-002, 2021-003, 2021-004, 2021-006, 2021-007.

City's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, LLP

Pattillo, Brown & Hill, LLP
Albuquerque New Mexico
December 15, 2021

FEDERAL FINANCIAL ASSISTANCE



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To Brian S. Colòn, Esq.
New Mexico State Auditor
The City of Las Vegas Council
City of Las Vegas

Report on Compliance for Each Major Federal Program

We have audited the City of Las Vegas's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque



Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed one instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and is listed as finding 2021-006 in the schedule of findings and questioned costs. Our opinion on each major federal program is not modified with respect to these matters.

The City's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City 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 City'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 the Uniform Guidance, 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 City'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 were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown & Hill, LLP

Pattillo, Brown & Hill, LLP
Albuquerque, New Mexico
December 15, 2021

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021**

Funding Source/Grant of Contract Name	Assistance Listing Number	Pass-through Grant Number	Federal Expenditures
U.S. Department of Justice			
<i>Direct Funding</i>			
Joint Law Enforcement Operations	16.111		1,107
Bulletproof Vest Partnership Program	16.607		719
<i>Pass-Through Programs from NM Department of Public Safety</i>			
Edward Byrne Memorial Justice Assistant Grant (JAG)	16.804		19,331
Total U.S. Department of Justice			21,157
U.S. Department of Transportation			
<i>Pass-Through Programs from NM Department of Transportation</i>			
Airport Improvement Program	20.106		166,841
Formula Grants for Other Than Urbanized Areas	20.509		183,677
Total U.S. Department of Transportation			350,518
U.S. Department of Housing and Urban Development			
<i>Direct Funding</i>			
Public and Indian Housing	14.85		-
Public Housing Capital Fund	14.872		-
Total U.S. Department of Housing and Urban Development			-
U.S. Department of Health and Human Services			
<i>Passed through from the Northern NM Economic Division District</i>			
Aging Cluster - Nutrition Services Incentive Program	93.053		77,544
Aging Cluster - Title IIIB	93.044		43,367
Aging Cluster - Title IIIC1 and Title IIIC2	93.045		102,798
Special Programs for the Aging - Title IIID	93.764		45,519
Total U.S. Department of Health and Human Services			269,229
U.S. Environmental Protection Agency			
<i>Passed through from the New Mexico Finance Authority</i>			
Capitalized Grants for Drinking Water State Revolving Funds	* 66.468	3622	-
Capitalized Grants for Drinking Water State Revolving Funds	* 66.468	3623	-
Capitalized Grants for Drinking Water State Revolving Funds	* 66.468	3624	-
Total U.S. Environmental Protection Agency			-
Cares Act Funding			
<i>Passed through from the New Mexico Department of Finance</i>			
Coronavirus Relief Fund - COVID-19	21.019	CARES-12001-CLV	2,401,443
Total Federal Financial Assistance			\$ 3,042,347

(*) Denotes Major Program

STATE OF NEW MEXICO
CITY OF LAS VEGAS
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2021

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the City of Las Vegas (the City) and is presented on a modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements except for the proprietary funds. The information in this Schedule is presented in accordance with the requirements of *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

2. Loans

The City didn't expended any federal awards in the form of loans during the year ended June 30, 2021.

3. 10% de minimus Indirect Cost Rate

The City did not elect to use the allowed 10% indirect cost rate.

4. Federally Funded Insurance

The City has no federally funded insurance.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$	3,042,347
Total expenditures funded by other sources		<u>29,735,795</u>
<i>Total expenditures</i>	\$	<u><u>32,778,142</u></u>

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of Auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting: Material Weakness reported?	Yes
Significant deficiencies reported not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs: Material weaknesses reported?	No
Significant deficiencies reported not considered to be material weaknesses?	None
Type of auditor’s report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs: Coronavirus Relief Fund – Assistance Listing #21.019	
Dollar threshold used to distinguish Between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

SECTION II – FINDINGS – FINANCIAL STATEMENT AUDIT

2021-001 [Previously 2019-001] IT General Controls (Other Matters)

CONDITION: During our walkthrough of the City's IT general controls as it relates to financial systems, we noted the following:

- Lack of vulnerability assessment or penetration test on network and application.
- IT policies and procedures are still in development. For instances, information classification policy and incident response plan are not in place.
- IT disaster recovery plan is still in draft form and not finalized.
- No fire suppression system in place for both server rooms.

The City did not make progress for the year ended June 30, 2021.

CRITERIA: IT, including systems and infrastructure are essential and integral part to the efficiency of the City's operations. IT general controls are essential in maintaining confidentiality, integrity, and availability of data. IT internal controls are as important as the internal controls that surround the input of financial transactions into the City's general ledger.

In accordance with ISACA's Control Objectives for Information and related Technology (COBIT) framework (DS4, Continuous Service), a Disaster Recovery Plan needs to be developed and tested to reduce impact of a major disruption on key business functions and processes. Framework DS5 (Ensure System Security) provides the need to maintain integrity of information and protect IT assets requires a security management process. This process includes establishing and maintain IT security and roles and responsibilities, policies, standards, and procedures. Security management also includes performing security monitoring and periodic testing and implementing corrective actions for identified security weakness or incidents.

EFFECT: The absence of a formal Disaster Recovery Plan may pose question as to the City's ability to respond and recover its critical data and applications on a reasonable time period in the event of unforeseen disaster.

Without strong internal controls over the City's IT infrastructure and applications, there is a potential for the confidentiality, integrity, and or availability of data to be compromised.

CAUSE: The City's IT Department does not have enough personnel to handle day to day functions including IT security.

AUDITOR'S RECOMMENDATION: We recommend the following:

- Consider having a third party perform a penetration or vulnerability assessment. In additions, the City should be more proactive in dealing with its security incidents.
- Update policies and procedures in line with current network and application structure. In addition, the City needs to cover the areas such as IT Security, change management, remote access, incident response plan and information classification policy.
- Develop a formal IT Disaster Recovery Plan to address recovery issues in event of disaster.
- Consider installing a fire suppression system in both computer rooms to avoid equipment and data loss in case of fire.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021**

MANAGEMENT RESPONSE: The City of Las Vegas has developed Information Technology (IT) general controls. The general controls have been developed and are in the process of review by various departments. The general controls will include the financial systems, IT disaster recovery plan, and any other security controls that may need to be addressed. The general controls will be submitted to Mayor and Council for their final recommendations and approvals/disapproval. The City obtained quotes for fire suppression system, but implementation was delayed due to Covid-19.

RESPONSIBLE PARTY: IT Department

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

2021-002 Controls Surrounding Payroll Disbursements (Other Non-Compliance)

CONDITION: During our test of controls over payroll disbursements, we noted the following:

- One of twenty-five employees' personnel files selected for testing, the Form I-9 could not be located. For three of twenty-five employees' personnel files selected for testing, the Form I-9 was not properly signed by employee and employer.
- One of twenty-five employees selected for testing did not have their personnel action form approved.

CRITERIA: Per the City's finance policies and procedures, all personnel action forms are to be approved. A complete and accurate Form I-9 is required for all new hires.

EFFECT: The City is not in compliance with their internal control policies which could lead to over/under payment of employees due to incorrect rate being used. The City is not in compliance with their internal control policies which could leave to employees not eligible to work in the United States receiving payment.

CAUSE: The City is not reviewing personnel files to make sure they are up to date with required payroll information.

AUDITOR'S RECOMMENDATION: We recommend that the City review all personnel files to ensure that the appropriate documentation is being maintained.

MANAGEMENT RESPONSE: The City Manager has given directive for HR to perform a 100% audit of active personnel files to verify I-9 forms and PAF's.

RESPONSIBLE PARTY: HR Department

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021**

2021-003 Fuel Cards (Other Non-Compliance)

CONDITION: During our testing of fuel cards, we noted the following:

- One of fifteen fuel transactions selected for testing did not have the appropriate fuel receipt in the amount of \$28.44.

CRITERIA: Per NMAC 1.5.4.12, the State of New Mexico credit cards shall be used only for the official business and only to furnish state-owned vehicles with regular gasoline, unleaded gasoline, diesel fuel, lubrication, motor oil, car wash, and emergency purchases not exceeding \$100 in total.

EFFECT: Improper use of fuel cards reduces available public monies to be allocated to support the function of the City.

CAUSE: The City is not reviewing fuel card transactions to make sure they are properly supported by a fuel receipt.

AUDITOR'S RECOMMENDATION: It is recommended that the City implement procedures from which they can evaluate fuel card activity to ensure that any fuel card purchase is used for the intended purpose and is properly supported.

MANAGEMENT RESPONSE: The City is preparing a lost receipt affidavit plus ensuring each vehicle has a gas log in its glove box. The driver will be required to fill out the gas log.

RESPONSIBLE PARTY: Finance Department and City Manager

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021**

2021-004 Conflict of Interest (Other Non-Compliance)

CONDITION: During our testing it was noted that the City entered into a contract with Mainstreet of Las Vegas in FY21. Under Mainstreet of Las Vegas contract, multiple projects were funded where Mainstreet of Las Vegas board members benefited financially causing a conflict of interest. The City's Community Development Department is responsible for this contract and on notifying the City of these conflicts prior to funding being awarded.

CRITERIA: Pursuant to Section 10-16-8 (A) NMSA 1978, Contracts involving former public officers or employees, a state agency shall not enter into contract with, or take any action favorably affecting, any person or business that is: (1) represented personally in the matter by a person who has been a public officer or employee of the state within the preceding year if the value of the contract or action is in excess of one thousand dollars (\$1,000) and the contract is a direct result of an office act by the public officer or employee.

EFFECT: Inadequate internal control oversight and accounting practices can heighten the potential for fraud or misappropriation of public funds. State funds were used to supplement the production of the Mainstreet of Las Vegas contract. State regulations and Department policies were violated.

CAUSE: The City did not have a system on adequate internal controls in place to track the Mainstreet of Las Vegas contract and those board members benefiting financially from this contract.

AUDITOR'S RECOMMENDATION: We recommend the City implement a system of internal controls to appropriately track and review future contracts with businesses to ensure that there does not exist a conflict of interest.

MANAGEMENT RESPONSE: The City of Las Vegas will require any recipient of funds to provide a complete expenditure accounting report (EAR) to the City Council, City Manager and the City's Finance Department with such EAR being signed and submitted under penalty of perjury by the recipient. The City will ensure that any recipient of funds knows that Section 10-16-8 (A) NMSA 1978 requires that any board member of said recipient exclude themselves from voting on actions that constitute a conflict of interest.

RESPONSIBLE PARTY: Finance Department and City Manager

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

2021-005 Prior Period Adjustment (Material Weakness)

CONDITION: The City had understated long-term debt payable to the HUD and overstated fund balance by \$7,168,000 in the 2020 financial statements which resulted in prior period adjustment in the current year.

CRITERIA: In accordance with generally accepted accounting principles, all revenue and expense transactions should be properly recorded and recognized.

EFFECT: The City's did not correctly recognize long-term debt which resulted in a material misstatement in the financial statements.

CAUSE: In prior year the City recorded a receivable and payable for the long-term HUD payable resulting in the HUD payable being incorrectly stated.

AUDITOR'S RECOMMENDATION: We recommend that the City review all payable transactions prior to posting to ensure that they are valid. We recommend that the City reconcile outstanding payables at year end to the financial statements to ensure transactions are properly recorded.

MANAGEMENT RESPONSE: The City agrees with the adjustment. This fiscal year 2021 Housing is no longer an entity under the City's finance. The City established a payable to HUD in the amount of \$3,584,000.

RESPONSIBLE PARTY: Finance Department and City Manager

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

**SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

2021-006 Allowable Costs (Other Non-Compliance)

Assistance Listing Number	21.019
Federal Agency	Department of Treasury
Program Name	Coronavirus Relief Fund
Award Number	Multiple
Award Year	2020-2021
Question Costs	None

CONDITION: During our testing for allowable costs, we noted the following:

- Money was being disbursed to small business that applied for the funding prior to application being properly approved by the City.

CRITERIA: Per 2 CFR Section 200.514 Subpart E (Cost Principles) the entity is responsible for the efficient and effective administration of the federal award through the application of sound management practices and for administering federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the federal award.

EFFECT: The City is not in compliance with federal requirements because the expenditure was still reflected as being paid by the federal grant.

CAUSE: Lack of oversight of federal requirements related to allowability may have contributed to this finding.

AUDITOR'S RECOMMENDATION: We recommend that the City follow established policies and procedures to ensure efficient and effective administration of the federal awards.

MANAGEMENT RESPONSE: The City will develop policies and procedures to ensure that approvals happen in a chronological order.

RESPONSIBLE PARTY: Finance Department and City Manager

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022

SECTION IV – Other Findings, AS REQUIRED BY NEW MEXICO STATE STATUTE, SECTION 12-6-5, NMSA 1978

2021-007 Procurement Code (Other Non-Compliance)

CONDITION: During our testing of procurement, we noted the following:

- Services performed were not within scope of the contract. Contract was amended after the services were performed.

CRITERIA: Per Section 13-1-105 bids shall be unconditionally accepted for consideration for award without alteration or correction, except as authorized in the Procurement Code [13-1-28 NMSA 1978]. In addition to the requirement for the prime contractor and subcontractors to be registered as provided in Section 13-4-13.1 NMSA 1978, bids shall be evaluated based on the requirements set forth in the invitation for bids, which requirements may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose.

EFFECT: The City is not in compliance with its internal policies over procurement. Additionally, if the City procurement policies are not followed, the State Purchasing Act could be violated.

CAUSE: The City had services performed which were not in the scope of the agreed upon contract.

AUDITOR'S RECOMMENDATION: We recommended that the City ensure that all contracts accepted are performed as outlined and any additional work needed to be done go through the procurement process.

MANAGEMENT RESPONSE: The City will ensure that any amendments go through the procurement process.

RESPONSIBLE PARTY: Finance Department and City Manager

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022

STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

Description	Status
<u>Financial Statement Findings</u>	
2019-001 IT General Controls (Other Matters)	Repeated
2020-001 PERA/RHCA Remittance – Other Non-Compliance	Resolved
2020-002 Adjustment to Client Provided Information – Significant Deficiency	Resolved

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
EXIT CONFERENCE
YEAR ENDED JUNE 30, 2021**

Exit Conference

An exit conference was held on December 10, 2021 which was attended by the following:

City of Las Vegas

Louie A. Trujillo, Mayor
Leo J. Maesta, City Manager
Jesus Baquera, Finance Director
Dominic Chavez, Deputy Finance Director
David G. Romero, Counciler

Pattillo, Brown, & Hill LLP

Chris Garner, CPA, Partner

Financial Statement Presentation

The financial statements were prepared from the original books and records of the City of Las Vegas as of June 30, 2021 by Pattillo, Brown, & Hill, LLP. However, the contents of the financial statements remain the responsibility of management.