

STATE OF NEW MEXICO
CITY OF LAS VEGAS
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022



PATTILLO, BROWN & HILL, LLP

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS

INTRODUCTORY SECTION

CITY OF LAS VEGAS, NEW MEXICO

FISCAL YEAR ENDED JUNE 30, 2022

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

City Commission

Louie A. Trujillo	Mayor
David Ulibarri	Councilor
Michael L. Montoya	Councilor
Barbara Perea Casey	Councilor
David G. Romero	Councilor

Administration

Leo J. Maestas	City Manager
Dominic Chavez	Deputy Finance Director
Casandra Fresquez	City Clerk

FINANCIAL SECTION



Independent Auditor's Report

To Brian S. Colón, Esq.
New Mexico State Auditor

The City of Las Vegas Council
City of Las Vegas

Opinions

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the City of Las Vegas (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the City, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

OFFICE LOCATIONS

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



Auditor’s Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Schedules of the City’s Proportionate Share of the Net Pension Liability and Net OPEB Liability*, and *Schedules of City Contributions* on pages 67 – 75 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.

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprises the City's basic financial statements. The combining and individual fund financial statements, the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the supporting schedules required by 2.2.2 NMAC as noted in the table of contents 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, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and supporting 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 supporting schedules required by 2.2.2 NMAC as noted in the table of contents, are fairly stated, in all material respects, in relation 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 12, 2022 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 12, 2022

STATE OF NEW MEXICO
City of Las Vegas
Statement of Net Position
For the Year Ended June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 17,947,791	25,525,874	43,473,665
Investments	1,619,693	3,380,307	5,000,000
Accounts receivable, net	-	2,340,774	2,340,774
Due from other governments	2,035,255	-	2,035,255
Other receivables	2,244,589	-	2,244,589
Due from other funds	351,655	(351,655)	-
Inventories	138,058	393,281	531,339
Prepays	3,288	-	3,288
Total current assets	<u>24,340,329</u>	<u>31,288,581</u>	<u>55,628,910</u>
Noncurrent assets			
Restricted cash and cash equivalents	-	495,619	495,619
Capital assets:			
Capital assets	77,128,526	87,325,494	164,454,020
Less: accumulated depreciation	(28,636,003)	(26,022,091)	(54,658,094)
Total noncurrent assets	<u>48,492,523</u>	<u>61,799,022</u>	<u>110,291,545</u>
Total assets	<u>72,832,852</u>	<u>93,087,603</u>	<u>165,920,455</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pension related	1,858,506	586,896	2,445,402
Deferred outflows - OPEB related	1,550,486	633,297	2,183,783
Deferred outflows - ARO related	-	226,152	226,152
Total deferred outflows of resources	<u>3,408,992</u>	<u>1,446,345</u>	<u>4,855,337</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, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	1,000,130	857,616	1,857,746
HUD payable (Note 20)	-	183,111	183,111
Accrued payroll	273,175	108,585	381,760
Accrued compensated absences	315,295	124,416	439,711
Meter deposits payable	-	320,551	320,551
Unearned revenue	765,790	113,596	879,386
Accrued interest	11,952	86,165	98,117
Current portion of bonds payable	360,000	-	360,000
Current portion of notes payable	341,203	1,445,744	1,786,947
Total current liabilities	<u>3,067,545</u>	<u>3,239,784</u>	<u>6,307,329</u>
Noncurrent liabilities:			
Compensated absences	135,127	53,321	188,448
Landfill post closure costs	-	1,302,818	1,302,818
HUD payable (Note 20)	-	3,147,450	3,147,450
Bonds payable	3,010,000	-	3,010,000
Notes payable	881,384	8,929,099	9,810,483
Net pension liability	10,767,792	3,400,353	14,168,145
Net OPEB liability	4,585,859	1,873,098	6,458,957
ARO liability	-	252,000	252,000
Total noncurrent liabilities	<u>19,380,162</u>	<u>18,958,139</u>	<u>38,338,301</u>
Total liabilities	<u>22,447,707</u>	<u>22,197,923</u>	<u>44,645,630</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pension related	4,278,498	1,351,104	5,629,602
Deferred inflows - OPEB	3,227,216	1,318,157	4,545,373
Total deferred inflows of resources	<u>7,505,714</u>	<u>2,669,261</u>	<u>10,174,975</u>
NET POSITION			
Net investment in capital assets	43,899,936	50,745,449	94,645,385
Restricted for:			
Capital Projects	7,090,749	-	7,090,749
Debt Service	1,609,729	-	1,609,729
Special Revenue	1,768,723	-	1,768,723
Unrestricted	(8,080,714)	18,921,315	10,840,601
Total net position	<u>46,288,423</u>	<u>69,666,764</u>	<u>115,955,187</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 76,241,844</u>	<u>94,533,948</u>	<u>170,775,792</u>

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, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
General government	\$ 5,021,671	1,982,661	1,823,349	-
Public safety	5,127,118	-	335,073	-
Public works	2,353,342	-	1,751,118	4,093,576
Culture and recreation	3,611,099	-	1,062,968	-
Health and welfare	107,789	-	-	-
Capital Outlay	1	-	-	-
Interest on long-term debt	165,209	-	-	-
Total governmental activities	<u>16,386,229</u>	<u>1,982,661</u>	<u>4,972,508</u>	<u>4,093,576</u>
Business-type activities:				
Wastewater	3,364,215	3,185,800	158,006	-
Natural gas	5,088,320	5,159,896	-	-
Solid Waste	3,717,320	2,995,536	-	-
Water	7,170,392	4,391,179	468,598	-
Housing authority	49,143	-	-	-
Internal service	2,687,252	-	-	-
Total business-type activities	<u>22,076,642</u>	<u>15,732,411</u>	<u>626,604</u>	<u>-</u>
Total primary government	<u>38,462,871</u>	<u>17,715,072</u>	<u>5,599,112</u>	<u>4,093,576</u>

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
(1,215,661)	-	(1,215,661)
(4,792,045)	-	(4,792,045)
3,491,352	-	3,491,352
(2,548,131)	-	(2,548,131)
(107,789)	-	(107,789)
(1)	-	(1)
<u>(165,209)</u>	<u>-</u>	<u>(165,209)</u>
<u>(5,337,484)</u>	<u>-</u>	<u>(5,337,484)</u>
-	(20,409)	(20,409)
-	71,576	71,576
-	(721,784)	(721,784)
-	(2,310,615)	(2,310,615)
-	(49,143)	(49,143)
<u>-</u>	<u>(2,687,252)</u>	<u>(2,687,252)</u>
<u>-</u>	<u>(5,717,627)</u>	<u>(5,717,627)</u>
<u>(5,337,484)</u>	<u>(5,717,627)</u>	<u>(11,055,111)</u>
-	-	-
11,026,108	1,303,635	12,329,743
554,799	-	554,799
204,174	-	204,174
2,810,219	-	2,810,219
245,200	(108,986)	136,214
719,672	266,154	985,826
(85,000)	85,000	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>15,475,172</u>	<u>1,545,803</u>	<u>17,020,975</u>
10,137,688	(4,171,824)	5,965,864
<u>36,141,954</u>	<u>73,838,588</u>	<u>109,980,542</u>
8,781	-	8,781
<u>36,150,735</u>	<u>73,838,588</u>	<u>109,989,323</u>
<u>\$ 46,288,423</u>	<u>\$ 69,666,764</u>	<u>\$ 115,955,187</u>

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, 2022

	General Fund	American Rescue Plan	Street/Coop Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 7,806,782	737,362	4,218,672	5,184,975	17,947,791
Investments	1,619,693	-	-	-	1,619,693
Receivables, net:					
Due from other governments	2,030,218	-	-	5,037	2,035,255
Other receivables	41,380	-	-	2,203,209	2,244,589
Inventory	138,058	-	-	-	138,058
Prepays	742	-	-	2,546	3,288
Due from other funds	1,541,846	-	-	-	1,541,846
Total assets	<u>\$ 13,178,719</u>	<u>737,362</u>	<u>4,218,672</u>	<u>7,395,767</u>	<u>25,530,520</u>
LIABILITIES					
Accounts payable	\$ 823,327	-	52,421	124,382	1,000,130
Accrued liabilities	246,076	-	-	27,099	273,175
Due to other funds	404,981	-	-	785,210	1,190,191
Unearned revenues	-	737,362	-	28,428	765,790
Total liabilities	<u>1,474,384</u>	<u>737,362</u>	<u>52,421</u>	<u>965,119</u>	<u>3,229,286</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	429,810	-	-	-	429,810
Total deferred inflows of resources	<u>429,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>429,810</u>
FUND BALANCES					
Nonspendable:					
Inventory	138,058	-	-	-	138,058
Prepays	742	-	-	2,546	3,288
Restricted for:					
Future debt service payments	-	-	-	1,609,729	1,609,729
Capital projects	-	-	4,166,251	2,924,498	7,090,749
General government	-	-	-	131,137	131,137
Public safety	-	-	-	268,354	268,354
Culture and recreation	-	-	-	919,787	919,787
Health and welfare	-	-	-	308,099	308,099
Unassigned (deficit)	11,135,725	-	-	266,498	11,402,223
Total fund balances	<u>11,274,525</u>	<u>-</u>	<u>4,166,251</u>	<u>6,430,648</u>	<u>21,871,424</u>
Total liabilities and fund balances	<u>\$ 13,178,719</u>	<u>737,362</u>	<u>4,218,672</u>	<u>7,395,767</u>	<u>25,530,520</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, 2022

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

Fund balances - total governmental funds	\$	21,871,424
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		48,492,523
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		429,810
Interest on long-term debt is not accrued in the fund financial statements unless it is due and payable:		
Accrued interest		(11,952)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:		1,858,506
Deferred outflows of resources related to employer pension contributions subsequent to the measurement date		1,550,486
Deferred inflows of resources related to pension		(4,278,498)
Deferred inflows of resources related to OPEB		(3,227,216)
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		(450,422)
Bonds and notes payable		(4,592,587)
Net OPEB liability		(10,767,792)
Net pension liability		<u>(4,585,859)</u>
<i>Net Position of Governmental Activities</i>	\$	<u><u>46,288,423</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, 2022

	General Fund	American Rescue Plan	Street/Coop Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Gross receipts	\$ 8,755,426	-	-	2,270,682	11,026,108
Gasoline and motor vehicle	15,406	-	-	539,393	554,799
Other	2,651,229	-	-	528,663	3,179,892
Intergovernmental:					
Federal grants	-	857,665	-	857,731	1,715,396
State operating grants	200,816	-	1,442,747	1,497,049	3,140,612
State capital grants	-	-	4,029,230	180,846	4,210,076
Charges for services	1,928,929	-	-	53,732	1,982,661
Licenses and fees	153,193	-	-	50,981	204,174
Interest income	5,136	-	-	240,064	245,200
Other	707,674	-	-	11,998	719,672
Total revenue	<u>14,417,809</u>	<u>857,665</u>	<u>5,471,977</u>	<u>6,231,139</u>	<u>26,978,590</u>
Expenditures					
Current:					
General government	4,969,765	857,665	8,910	491,113	6,327,453
Public safety	5,770,255	-	-	170,812	5,941,067
Public works	502,801	-	-	1,011,145	1,513,946
Culture and recreation	1,679,034	-	-	1,674,352	3,353,386
Health and welfare	-	-	-	66,072	66,072
Capital outlay	440,142	-	1,810,402	776,452	3,026,996
Debt service:					
Principal	-	-	-	685,197	685,197
Interest	-	-	-	165,299	165,299
Total expenditures	<u>13,361,997</u>	<u>857,665</u>	<u>1,819,312</u>	<u>5,040,442</u>	<u>21,079,416</u>
<i>Excess (deficiency) of revenues over expenditures</i>	1,055,812	-	3,652,665	1,190,697	5,899,174
<i>Other financing sources (uses)</i>					
Transfers in	2,580,256	-	404,700	891,951	3,876,907
Transfers out	<u>(1,087,353)</u>	<u>(1,984,570)</u>	<u>-</u>	<u>(889,984)</u>	<u>(3,961,907)</u>
<i>Total other financing sources (uses)</i>	<u>1,492,903</u>	<u>(1,984,570)</u>	<u>404,700</u>	<u>1,967</u>	<u>(85,000)</u>
NET CHANGE IN FUND BALANCES	2,548,715	(1,984,570)	4,057,365	1,192,664	5,814,174
FUND BALANCES - BEGINNING	8,725,810	1,984,570	108,886	5,229,203	16,048,469
Restatement (see Note 22)	-	-	-	8,781	8,781
FUND BALANCES - BEGINNING as Restated	<u>8,725,810</u>	<u>1,984,570</u>	<u>108,886</u>	<u>5,237,984</u>	<u>16,057,250</u>
FUND BALANCES - ENDING	<u>\$ 11,274,525</u>	<u>-</u>	<u>4,166,251</u>	<u>6,430,648</u>	<u>21,871,424</u>

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, 2022

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

Net Change in fund balances - total governmental funds	\$	5,814,174
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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		3,026,173
Depreciation expense		(2,260,061)

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		369,673
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Governmental funds report City pension contributions as espenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:

Pension expense		1,705,067
OPEB expense		821,319

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		1,585
Increase in accrued compensated absences		(25,439)
Principal payments on bonds and notes payable		<u>685,197</u>

<i>Change in Net Position of Governmental Activities</i>	\$	<u><u>10,137,688</u></u>
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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 Revenues, Expenditures and Changes in Fund Balance
General Fund Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property	1,467,869	1,610,988	1,635,995	25,007
Gross receipts	7,681,125	7,827,825	10,054,496	2,226,671
Gasoline and motor vehicle	600,000	600,000	86,635	(513,365)
Other	750,000	750,000	974,100	224,100
Intergovernmental income:				
State operating grants	(9,495)	9,495	200,816	191,321
Charges for services	1,080,250	1,100,576	1,928,929	828,353
Licenses and fees	349,000	349,000	153,559	(195,441)
Interest income	20,000	20,000	5,136	(14,864)
Other	19,200	410,005	707,674	297,669
Total revenue	<u>11,957,949</u>	<u>12,677,889</u>	<u>15,747,340</u>	<u>3,069,451</u>
Expenditures				
Current:				
General government	4,601,907	7,328,059	4,983,031	2,345,028
Public safety	6,732,279	6,823,605	5,926,414	897,191
Public works	752,780	867,839	510,313	357,526
Culture and recreation	1,124,286	1,297,649	1,685,330	(387,681)
Capital outlay	-	-	440,142	(440,142)
Total expenditures	<u>13,211,252</u>	<u>16,317,152</u>	<u>13,545,230</u>	<u>2,771,922</u>
<i>Excess (deficiency) of revenues over expenditures</i>	(1,253,303)	(3,639,263)	2,202,110	297,529
<i>Other financing sources (uses)</i>				
Proceeds from debt				
Transfers in	165,000	165,000	2,580,256	2,415,256
Transfers out	(1,159,991)	(1,161,992)	(1,087,353)	74,639
Total other financing sources (uses)	<u>(994,991)</u>	<u>(996,992)</u>	<u>1,492,903</u>	<u>2,489,895</u>
<i>Net change in fund balance</i>	<u>(2,248,294)</u>	<u>(4,636,255)</u>	<u>3,695,013</u>	<u>2,787,424</u>
<i>Fund balance - beginning of year</i>	-	-		
<i>Fund balance - end of year</i>	<u>(2,248,294)</u>	<u>(4,636,255)</u>	<u>3,695,013</u>	<u>2,787,424</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>			3,695,013	
Adjustments to revenues			(1,329,531)	
Adjustments to expenditures			<u>183,233</u>	
Net change in fund balance (GAAP)			<u>2,548,715</u>	

STATE OF NEW MEXICO
City of Las Vegas
Statement of Revenues, Expenditures and Changes in Fund Balance
American Rescue Plan Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
REVENUES				
Federal grants	\$ 1,947,510	1,595,027	1,595,027	-
Total revenue	<u>1,947,510</u>	<u>1,595,027</u>	<u>1,595,027</u>	<u>-</u>
Expenditures				
Current:				
General government	1,947,510	1,595,027	857,665	737,362
Total expenditures	<u>1,947,510</u>	<u>1,595,027</u>	<u>857,665</u>	<u>737,362</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	737,362	(737,362)
<i>Other financing sources (uses)</i>				
Proceeds from debt				
Transfers in	-	-	-	-
Transfers out	-	-	(1,984,570)	(1,984,570)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1,984,570)</u>	<u>(1,984,570)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(1,247,208)</u>	<u>(2,721,932)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>		
<i>Fund balance - end of year</i>	<u>-</u>	<u>-</u>	<u>(1,247,208)</u>	<u>(2,721,932)</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>			(1,247,208)	
Adjustments to revenues			(737,362)	
Adjustments to expenditures			<u>-</u>	
<i>Net change in fund balance (GAAP)</i>			<u>(1,984,570)</u>	

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, 2022

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
REVENUES				
Intergovernmental income:				
State operating grants	1,659,170	5,570,613	1,442,747	(4,127,866)
State capital grants	-	-	4,029,230	4,029,230
Total revenue	1,659,170	5,570,613	5,471,977	(98,636)
Expenditures				
Current:				
General government	-	-	8,910	(8,910)
Capital outlay	1,380,306	5,291,749	1,810,402	3,481,347
Total expenditures	1,380,306	5,291,749	1,819,312	3,472,437
<i>Excess (deficiency) of revenues over expenditures</i>	278,864	278,864	3,652,665	(3,571,073)
<i>Other financing sources (uses)</i>				
Transfers in	-	108,000	404,700	296,700
<i>Total other financing sources (uses)</i>	-	108,000	404,700	296,700
<i>Net change in fund balance</i>	278,864	386,864	4,057,365	(3,274,373)
<i>Fund balance - beginning of year</i>	-	-		
<i>Fund balance - end of year</i>	278,864	386,864	4,057,365	(3,274,373)
<i>Net change in fund balance (non-GAAP budgetary basis)</i>			4,057,365	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP)			4,057,365	

STATE OF NEW MEXICO
City of Las Vegas
Statement of Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type			
	Activities - Enterprise Funds			
	Wastewater	Natural Gas	Solid Waste	Water
ASSETS				
Current assets				
Cash and cash equivalents	\$ 2,743,110	6,917,640	3,677,454	11,493,517
Investments	888,738	1,935,412	-	556,157
Accounts receivable, net	270,978	248,090	250,255	1,571,451
Due from other funds	-	-	32,302	96,540
Inventories	-	123,996	-	269,285
Total current assets	<u>3,902,826</u>	<u>9,225,138</u>	<u>3,960,011</u>	<u>13,986,950</u>
Noncurrent assets				
Restricted cash and cash equivalents	111,061	245,573	-	138,985
Capital assets:				
Land	117,717	49,800	184,508	844,130
Construction in progress	159,102	41,971	-	12,897,635
Water Rights	-	-	-	8,440,682
Infrastructure	23,099,785	79,801	-	21,637,610
Buildings and improvements	87,199	17,849	756,663	3,744,475
Machinery and equipment	1,128,779	860,658	625,030	1,907,286
Vehicles	667,640	749,801	2,672,408	974,013
Water Systems	-	-	-	3,270,820
Less: accumulated depreciation	<u>(7,496,553)</u>	<u>(1,175,500)</u>	<u>(2,950,724)</u>	<u>(13,023,661)</u>
Total noncurrent assets	<u>17,874,730</u>	<u>869,953</u>	<u>1,287,885</u>	<u>40,831,975</u>
Total assets	<u>21,777,556</u>	<u>10,095,091</u>	<u>5,247,896</u>	<u>54,818,925</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pension related	48,908	73,362	97,816	122,270
Deferred outflows - OPEB related	43,676	65,513	109,189	152,865
Deferred outflows - ARO related	<u>226,152</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>318,736</u>	<u>138,875</u>	<u>207,005</u>	<u>275,135</u>

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

Business-Type Activities - Enterprise Funds		Internal Service Activities			
Public and Indian Housing	Total	Utilities Administration	Utilities Service	Nonmajor Internal Service	Total
203,900	25,035,621	100	490,153	-	490,253
-	3,380,307	-	-	-	-
-	2,340,774	-	-	-	-
-	128,842	20,000	-	-	20,000
-	393,281	-	-	-	-
<u>203,900</u>	<u>31,278,825</u>	<u>20,100</u>	<u>490,153</u>	<u>-</u>	<u>510,253</u>
-	495,619	-	-	-	-
-	1,196,155	-	-	-	-
-	13,098,708	816,845	-	-	816,845
-	8,440,682	-	-	-	-
-	44,817,196	199,609	-	-	199,609
-	4,606,186	5,635	10,623	-	16,258
-	4,521,753	26,635	90,997	1,159,788	1,277,420
-	5,063,862	-	-	-	-
-	3,270,820	-	-	-	-
-	(24,646,438)	(192,805)	(91,242)	(1,091,606)	(1,375,653)
-	60,864,543	855,919	10,378	68,182	934,479
<u>203,900</u>	<u>92,143,368</u>	<u>876,019</u>	<u>500,531</u>	<u>68,182</u>	<u>1,444,732</u>
24,454	366,810	122,270	73,362	24,454	220,086
43,676	414,919	131,027	65,513	21,838	218,378
-	226,152	-	-	-	-
<u>68,130</u>	<u>1,007,881</u>	<u>253,297</u>	<u>138,875</u>	<u>46,292</u>	<u>438,464</u>

STATE OF NEW MEXICO
City of Las Vegas
Statement of Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds			
	Wastewater	Natural Gas	Solid Waste	Water
LIABILITIES				
Current liabilities:				
Accounts payable	126,832	215,361	173,816	286,690
HUD payable (Note 20)	-	-	-	-
Accrued payroll	10,000	14,394	20,336	23,572
Accrued compensated absences	7,198	20,623	22,044	27,810
Bonds payable	-	-	-	-
Tenant security deposits	-	-	-	-
Meter deposits payable	-	389,439	-	(68,888)
Deferred revenue	-	-	-	113,596
Accrued interest	67,444	-	3,550	15,171
Current portion of long-term debt	928,455	-	-	517,289
Total current liabilities	<u>1,139,929</u>	<u>639,817</u>	<u>219,746</u>	<u>915,240</u>
Noncurrent liabilities:				
Compensated absences	3,085	8,839	9,448	11,918
Landfill post closure costs	-	-	1,302,818	-
HUD payable (Note 20)	-	-	-	-
Bonds payable	-	-	-	-
Notes payable	5,315,287	-	-	3,613,812
Due to other funds	60,000	-	112,057	187,149
Net pension liability	283,363	425,044	566,726	708,407
Total OPEB liability	129,179	193,769	322,948	452,127
ARO liability	252,000	-	-	-
Total noncurrent liabilities	<u>6,042,914</u>	<u>627,652</u>	<u>2,313,997</u>	<u>4,973,413</u>
Total liabilities	<u>7,182,843</u>	<u>1,267,469</u>	<u>2,533,743</u>	<u>5,888,653</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension related	112,592	168,888	225,184	281,480
Deferred inflows - OPEB	90,907	136,361	227,269	318,176
Total deferred inflows of resources	<u>203,499</u>	<u>305,249</u>	<u>452,453</u>	<u>599,656</u>
NET POSITION				
Net investment in capital assets	11,519,927	624,380	1,287,885	36,561,889
Unrestricted	3,190,023	8,036,868	1,180,820	12,043,862
Total net position	<u>14,709,950</u>	<u>8,661,248</u>	<u>2,468,705</u>	<u>48,605,751</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 22,096,292</u>	<u>10,233,966</u>	<u>5,454,901</u>	<u>55,094,060</u>

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

Business-Type Activities - Enterprise Funds		Proprietary Activities			
Public and Indian Housing	Total	Utilities Administration	Utilities Service	Nonmajor Internal Service	Internal Service Total
-	802,699	616	3,500	50,801	54,917
183,111	183,111	-	-	-	-
-	68,302	18,787	17,908	3,588	40,283
-	77,675	26,952	15,625	4,164	46,741
-	-	-	-	-	-
-	-	-	-	-	-
-	320,551	-	-	-	-
-	113,596	-	-	-	-
-	86,165	-	-	-	-
-	1,445,744	-	-	-	-
183,111	3,097,843	46,355	37,033	58,553	141,941
-	33,290	11,551	6,696	1,784	20,031
-	1,302,818	-	-	-	-
3,147,450	3,147,450	-	-	-	-
-	-	-	-	-	-
-	8,929,099	-	-	-	-
-	359,206	118,425	-	22,866	141,291
141,681	2,125,221	708,407	425,044	141,681	1,275,132
129,179	1,227,202	387,537	193,769	64,590	645,896
-	252,000	-	-	-	-
3,418,310	17,376,286	1,225,920	625,509	230,921	2,082,350
3,601,421	20,474,129	1,272,275	662,542	289,474	2,224,291
56,296	844,440	281,480	168,888	56,296	506,664
90,907	863,620	272,722	136,361	45,454	454,537
147,203	1,708,060	554,202	305,249	101,750	961,201
(3,147,450)	49,994,081	855,919	10,378	68,182	934,479
(329,144)	20,974,979	(1,553,080)	(338,763)	(344,932)	(2,236,775)
(3,476,594)	70,969,060	(697,161)	(328,385)	(276,750)	(1,302,296)
272,030	93,151,249	1,129,316	639,406	114,474	1,883,196

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, 2022

	Business-Type Activities - Enterprise Funds			
	Wastewater	Natural Gas	Solid Waste	Water
OPERATING REVENUES				
Charges for services	\$ 3,185,800	5,159,896	2,995,536	4,391,179
Miscellaneous	6,700	135,913	15,433	91,876
Interest and investment revenue	3,845	8,893	4,165	31,560
Gross receipts tax	-	-	257,154	1,046,481
Grant revenue	158,006	-	-	468,598
Total revenues	<u>3,354,351</u>	<u>5,304,702</u>	<u>3,272,288</u>	<u>6,029,694</u>
OPERATING EXPENSES				
Personnel Services	575,739	695,333	1,032,454	1,294,034
Loan Payment	-	-	-	-
Utilities	204,010	8,813	77,274	536,467
Contractual services	199,623	56,923	21,374	911,069
Supplies and purchase power	29,023	3,051,242	6,366	48,808
Maintenance and materials	1,234,540	127,373	270,760	2,487,529
Depreciation	550,484	127,045	338,224	828,884
Other costs	564,334	1,021,591	1,970,868	1,063,601
Amortization	6,462	-	-	-
Total operating expenses	<u>3,364,215</u>	<u>5,088,320</u>	<u>3,717,320</u>	<u>7,170,392</u>
Operating income (loss)	<u>(9,864)</u>	<u>216,382</u>	<u>(445,032)</u>	<u>(1,140,698)</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest expense	(63,442)	-	-	(94,343)
Total non-operating revenues (expenses)	<u>(63,442)</u>	<u>-</u>	<u>-</u>	<u>(94,343)</u>
Income (loss) before and transfers	<u>(73,306)</u>	<u>216,382</u>	<u>(445,032)</u>	<u>(1,235,041)</u>
Capital contributions	-	-	-	-
Transfers in	1,064,854	-	-	1,529,713
Transfers out	<u>(1,252,654)</u>	<u>(612,500)</u>	<u>(612,500)</u>	<u>(2,142,213)</u>
CHANGE IN NET POSITION	<u>(261,106)</u>	<u>(396,118)</u>	<u>(1,057,532)</u>	<u>(1,847,541)</u>
NET POSITION - BEGINNING	<u>14,971,056</u>	<u>9,057,366</u>	<u>3,526,237</u>	<u>50,453,292</u>
NET POSITION - END OF YEAR	<u>\$ 14,709,950</u>	<u>8,661,248</u>	<u>2,468,705</u>	<u>48,605,751</u>

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

Business-Type Activities - Enterprise Funds		Internal Service Activities			
Public and Indian Housing	Total	Utilities Administration	Utilities Service	Nonmajor Internal Service	Total
-	15,732,411	-	-	-	-
-	249,922	15,858	-	374	16,232
54	48,517	(152)	521	(87)	282
-	1,303,635	-	-	-	-
-	626,604	-	-	-	-
54	17,961,089	15,706	521	287	16,514
49,143	3,646,703	1,025,841	829,842	229,579	2,085,262
-	-	-	-	-	-
-	826,564	65,982	3,880	-	69,862
-	1,188,989	-	-	-	-
-	3,135,439	8,882	11,847	4,117	24,846
-	4,120,202	24,810	5,862	323,937	354,609
-	1,844,637	20,172	4,301	19,481	43,954
-	4,620,394	10,332	93,917	4,470	108,719
-	6,462	-	-	-	-
49,143	19,389,390	1,156,019	949,649	581,584	2,687,252
(49,089)	(1,428,301)	(1,140,313)	(949,128)	(581,297)	(2,670,738)
-	(157,785)	-	-	-	-
-	(157,785)	-	-	-	-
(49,089)	(1,586,086)	(1,140,313)	(949,128)	(581,297)	(2,670,738)
-	-	-	-	-	-
150,000	2,744,567	1,040,300	725,000	390,000	2,155,300
-	(4,619,867)	(195,000)	-	-	(195,000)
100,911	(3,461,386)	(295,013)	(224,128)	(191,297)	(710,438)
(3,577,505)	74,430,446	(402,148)	(104,257)	(85,453)	(591,858)
(3,476,594)	70,969,060	(697,161)	(328,385)	(276,750)	(1,302,296)

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, 2022

	Business-Type			
	Activities - Enterprise Funds			
	Wastewater	Natural Gas	Solid Waste	Water
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 3,870,721	5,384,175	3,532,652	6,803,388
Payments to suppliers	(3,000,862)	(4,349,609)	(3,103,911)	(6,551,012)
Net cash provided (used) by operating activities	869,859	1,034,566	428,741	252,376
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other funds	1,064,854	-	-	1,529,713
Transfers out to other funds	(1,252,654)	(612,500)	(612,500)	(2,142,213)
Net cash provided (used) by noncapital financing activities	(187,800)	(612,500)	(612,500)	(612,500)
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(12,193)	(2,182)	8,109	540,033
Principal paid on long-term debt	(331,124)	-	-	(519,118)
Interest paid on long-term debt	(63,442)	-	-	(94,343)
Net cash (used) by capital and related financing activities	(406,759)	(2,182)	8,109	(73,428)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	-	-	-
Net cash provided by investing activities	-	-	-	-
Net (decrease) increase in cash and cash equivalents	275,300	419,884	(175,650)	(433,552)
Cash and cash equivalents, beginning	2,578,871	6,743,329	3,853,104	12,066,054
Cash and cash equivalents, ending	\$ 2,854,171	7,163,213	3,677,454	11,632,502

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

Business-Type Activites - Enterprise Funds		Internal Service Activities			
Public and Indian Housing	Total	Utilities Administration	Utilities Service	Nonmajor Internal Service	Total
(15,138)	19,575,798	300,117	181,899	74,024	556,040
15,192	(16,990,202)	(1,011,858)	(935,484)	(504,325)	(2,451,667)
54	2,585,596	(711,741)	(753,585)	(430,301)	(1,895,627)
150,000	2,744,567	1,040,300	725,000	390,000	2,155,300
-	(4,619,867)	(195,000)	-	-	(195,000)
150,000	(1,875,300)	845,300	725,000	390,000	1,960,300
-	533,767	9,139	(1,741)	4,722	12,120
(150,000)	(1,000,242)	-	-	-	-
-	(157,785)	-	-	-	-
(150,000)	(624,260)	9,139	(1,741)	4,722	12,120
-	-	-	-	-	-
-	-	-	-	-	-
54	86,036	142,698	(30,326)	(35,579)	76,793
203,846	25,445,204	(142,598)	520,479	35,579	413,460
203,900	25,531,240	100	490,153	-	490,253

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, 2022

	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)	(9,864)	216,382	(445,032)	(1,140,698)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	550,484	127,045	338,224	828,884
Decrease (increase) in customer receivable	113,613	395,468	181,593	312,438
Decrease (increase) in inventory	-	30,773	-	(19,819)
Decrease (increase) in ARO	6,462	-	-	-
Increase (decrease) in accounts payable	96,602	112,246	153,924	54,617
Increase (decrease) in accrued liabilities	(1,059)	3,573	1,426	1,172
Increase (decrease) in customer deposits	-	(31,177)	-	(64,664)
Increase (decrease) in compensated absences	(7,802)	(1,880)	287	67
Increase (decrease) in landfill closure costs	-	-	(32,962)	-
Increase (decrease) in due to/from	-	-	-	(45)
Increase (decrease) in net pension/total OPEB liabilities	(22,283)	(33,424)	(60,422)	(87,421)
Increase (decrease) in pension related deferred inflows	108,281	162,422	219,663	276,903
Increase (decrease) in pension and OPEB related deferred outflows	35,425	53,138	72,040	90,942
Net cash provided (used) by operating activities	<u>\$ 869,859</u>	<u>1,034,566</u>	<u>428,741</u>	<u>252,376</u>

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

Business-Type		Internal Service			
Activites - Enterprise Funds		Activities			
Public and		Utilities	Utilities	Nonmajor	
Indian Housing	Total	Administration	Service	Internal Service	Total
(49,089)	(1,428,301)	(1,140,313)	(949,128)	(581,297)	(2,670,738)
-	1,844,637	20,172	4,301	19,480	43,953
-	1,003,112	-	-	-	-
-	10,954	-	-	-	-
-	6,462	-	-	-	-
-	417,389	(3,501)	2,666	50,731	49,896
-	5,112	(382)	5,143	(627)	4,134
-	(95,841)	-	-	-	-
-	(9,328)	1,866	1,297	(2,166)	997
-	(32,962)	-	-	-	-
-	(45)	118,425	-	22,866	141,291
(26,999)	(230,549)	(71,564)	(33,424)	(11,141)	(116,129)
-	-	-	-	-	-
57,240	824,509	273,803	162,422	54,141	490,366
-	-	-	-	-	-
18,902	270,447	89,753	53,138	17,712	160,603
54	2,585,596	(711,741)	(753,585)	(430,301)	(1,895,627)

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

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
June 30, 2022**

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>63,715</u>
<i>Total assets</i>	\$ <u><u>63,715</u></u>
 NET POSITION	
Net position	\$ <u>63,715</u>
<i>Total net position</i>	\$ <u><u>63,715</u></u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITIONS
CUSTODIAL FUNDS
June 30, 2022**

	<u>Custodial Funds</u>
Increases	
Inmate funds received	\$ <u>12,057</u>
<i>Total increases</i>	<u>12,057</u>
 Decreases	
Inmate disbursements	<u>13,884</u>
<i>Total decreases</i>	<u>13,884</u>
 <i>Net increase (decrease) in fiduciary net position</i>	 <u>(1,827)</u>
 Net positions, beginning	 <u>74,323</u>
Restatement (Note 22)	<u>(8,781)</u>
Net positions, beginning as restated	<u>65,542</u>
 Net positions, ending	 \$ <u><u>63,715</u></u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 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.

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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

American Rescue Plan - To track revenues and expenditures related to the American Rescue Plan Act (ARPA) signed into law through H.R. 1319 by President Biden in order to combat the COVID-19 pandemic.

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

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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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, 2022, 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

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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:

Assets	Useful Lives (Years)
Infrastructure, water and sewer system and water line replacements	10-50
Buildings	32
Equipment and furniture	10-30
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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 \$141,346 in nonspendable fund balance at June 30, 2022.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$10,327,855 in restricted fund balances at June 30, 2022.

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, 2022, the City reported \$1,121,457 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, 2022.

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 \$11,402,223 in unassigned fund balances at June 30, 2022.

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 \$1,121,457 at June 30, 2022.

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."

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 post closure costs.

NOTE 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, 2022 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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 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, 2022.

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, 2022, \$44,306,319 of the City's bank balance of \$45,056,319 was subject to custodial credit risk. \$25,944,310 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the City's name and \$18,362,009 of the City's deposits was uninsured and uncollateralized at June 30, 2022.

	Community First Bank	Southwest Capital Bank	Wells Fargo Bank N.A.	Total
Amount of deposits	\$ 20,987,549	22,736,905	1,331,865	45,056,319
FDIC Coverage	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	20,737,549	22,486,905	1,081,865	44,306,319
Collateralized by securities held by pledging institutions or by its trust department or agent in other City's name	10,215,586	15,184,000	544,724	25,944,310
Uninsured and uncollateralized	10,521,963	7,302,905	537,141	18,362,009
Collateral requirement (50%)	10,368,775	11,243,452	540,932	22,153,159
Pledged securities	10,215,586	15,184,000	544,724	25,944,310
Over (under) collateralized	\$ (153,189)	3,940,548	3,792	3,791,151

The collateral pledged is listed in page 104 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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3. DEPOSITS (CONTINUED)

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:

Cash and cash equivalents	\$	43,473,665
Investments		5,000,000
Restricted cash and cash equivalents		495,619
Custodial funds cash and cash equivalents		63,715
Total cash and cash equivalents	\$	<u>49,032,999</u>

NOTE 4. RECEIVABLES

Receivables as of June 30, 2022 are as follows:

	General Fund	Nonmajor Governmental	Total
Receivables			
Property taxes	\$ 505,212	-	505,212
Gross receipts taxes	1,466,923	324,554	1,791,477
Gasoline and oil taxes	-	73,013	73,013
Franchise and lodgers' taxes	50,675	45,072	95,747
MVD tax	7,408	-	7,408
Court fees	419,155	-	419,155
Cannabis taxes	-	16,511	16,511
Receivable from other government	-	1,749,096	1,749,096
Total	<u>2,449,373</u>	<u>2,208,246</u>	<u>4,657,619</u>
Less: Allowances	<u>(377,775)</u>	-	<u>(377,775)</u>
Net Receivables	<u>\$ 2,071,598</u>	<u>2,208,246</u>	<u>4,279,844</u>

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, 2022.

Proprietary fund receivables as of June 30, 2022, are as follows:

	Wastewater	Natural Gas	Solid Waste	Water	Total
Utility receivables	\$ 556,061	765,212	495,706	2,632,304	4,449,283
Due from other governments					
Gross receipts taxes	-	-	37,087	148,330	185,417
Total receivables	<u>556,061</u>	<u>765,212</u>	<u>532,793</u>	<u>2,780,634</u>	<u>4,634,700</u>
Less: allowances	<u>(285,083)</u>	<u>(517,122)</u>	<u>(282,538)</u>	<u>(1,209,183)</u>	<u>(2,293,926)</u>
Totals	<u>\$ 270,978</u>	<u>248,090</u>	<u>250,255</u>	<u>1,571,451</u>	<u>2,340,774</u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 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	\$ 2,580,256	\$ 1,087,353
202	Lodgers' Tax Promotion	-	40,000
203	State Fire Grant	-	11,180
214	Street Coop/Projects	404,700	-
216	Street Improvement (PW)	-	420,354
220	Capital Improvement	-	368,450
231	Transportation Grant #5311	87,000	-
282	Senior Citizen Center	75,000	-
288	4 th of July Fiestas	25,000	-
330	Recreation Center Phase II	-	50,000
331	Gasoline Tax Revenue Bonds	324,667	-
334	Municipal Pooled GRT Bonds	303,450	-
336	Automated System Financing	390,000	-
338	NMFA Fire Equipment Loan	11,180	-
433	Rehab Taxiway ABC & Apron	15,654	-
468	Recreation Center Phase II Construction	50,000	-
545	Utilities Admin	1,040,300	195,000
546	Utilities Service	725,000	-
610	Wastewater	1,064,854	1,252,654
620	Natural Gas	-	612,500
630	Solid Waste	-	612,500
640	Water	1,529,713	2,142,213
652	Housing – Low Rent	150,000	-
771	American Rescue Plan	-	1,984,570
		<u>\$ 8,776,774</u>	<u>\$ 8,776,774</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, 2022 is as follows:

Fund	Due From	Due To
General Fund	\$ 1,541,846	404,981
Other Governmental Funds	-	785,210
Wastewater	-	60,000
Solid Waste	32,302	112,057
Water	96,540	187,149
Internal Service Fund	<u>20,000</u>	<u>141,291</u>
Total	<u>\$ 1,690,688</u>	<u>1,690,688</u>

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

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2022 follows. Land and construction in progress are not subject to depreciation.

Governmental-type activities:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated				
Land	\$ 19,267,546	1,154	-	19,268,700
Construction in progress	43,377	2,441,154	-	2,484,531
Total capital assets not being depreciated	<u>19,310,923</u>	<u>2,442,308</u>	<u>-</u>	<u>21,753,231</u>
Capital assets being depreciated				
Buildings and improvements	26,206,431	-	(1,919,278)	24,287,153
Vehicles	7,340,737	265,783	(1,850,578)	5,755,942
Machinery and equipment	7,214,230	318,082	(708,264)	6,824,048
Infrastructure	18,508,152	-	-	18,508,152
Total assets being depreciated	<u>59,269,550</u>	<u>583,865</u>	<u>(4,478,120)</u>	<u>55,375,295</u>
Total capital assets	<u>78,580,473</u>	<u>3,026,173</u>	<u>(4,478,120)</u>	<u>77,128,526</u>
Accumulated depreciation				
Buildings and improvements	(11,120,615)	(684,373)	1,919,278	(9,885,710)
Vehicles	(6,387,947)	(366,740)	1,850,578	(4,904,109)
Machinery and equipment	(6,031,012)	(328,501)	708,264	(5,651,249)
Infrastructure	(7,314,488)	(880,447)	-	(8,194,935)
Total accumulated depreciation	<u>(30,854,062)</u>	<u>(2,260,061)</u>	<u>4,478,120</u>	<u>(28,636,003)</u>
Net Capital Assets	<u>\$ 47,726,411</u>	<u>766,112</u>	<u>-</u>	<u>48,492,523</u>

Depreciation expense for the year ended June 30, 2022 was charged to governmental activities as follows:

General government	\$ 126,332
Public safety	442,139
Public works	1,246,822
Culture and recreation	382,802
Health and welfare	61,966
Total	<u>\$ 2,260,061</u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6. CAPITAL ASSETS (CONTINUED)

Business-Type Activities:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated				
Land	\$ 1,191,978	4,177	-	1,196,155
Water rights	13,915,553	-	-	13,915,553
Construction in progress	8,440,682	-	-	8,440,682
Total capital assets not being depreciated	<u>23,548,213</u>	<u>4,177</u>	<u>-</u>	<u>23,552,390</u>
Capital assets being depreciated				
Land improvements	1,187,097	-	(925,888)	261,209
Buildings and improvements	5,475,740	-	(1,114,505)	4,361,235
Vehicles	5,779,830	148,651	(864,619)	5,063,862
Furniture, fixtures and equipment	5,774,990	75,400	(51,217)	5,799,173
Water systems	3,270,820	-	-	3,270,820
Infrastructure	45,637,951	-	(621,146)	45,016,805
Total assets being depreciated	<u>67,126,428</u>	<u>224,051</u>	<u>3,577,375</u>	<u>63,773,104</u>
Total capital assets	<u>90,674,641</u>	<u>228,228</u>	<u>3,577,375</u>	<u>87,325,494</u>
Accumulated depreciation				
Land improvements	(766,890)	(16,704)	772,773	(10,821)
Buildings and improvements	(4,568,472)	(50,764)	615,084	(4,004,152)
Vehicles	(4,415,090)	(335,918)	812,716	(3,938,292)
Furniture, fixtures and equipment	(3,786,897)	(249,472)	-	(4,036,369)
Water systems	(3,365,336)	(207,342)	405,147	(3,167,531)
Infrastructure	(10,034,079)	(1,028,391)	197,544	(10,864,926)
Total accumulated depreciation	<u>(26,936,764)</u>	<u>(1,888,591)</u>	<u>2,803,264</u>	<u>(26,022,091)</u>
Net Capital Assets	<u>\$ 63,737,877</u>	<u>(1,660,363)</u>	<u>(774,111)</u>	<u>61,303,403</u>

Depreciation expense for the year ended June 30, 2022 was charged to business-type activities as follows:

Internal service	\$ 43,954
Wastewater	550,484
Natural gas	127,045
Solid waste	338,224
Water	828,884
Total	<u>\$ 1,888,591</u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. LONG-TERM DEBT

Governmental Activities

During the year ended June 30, 2022, 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	\$				
2021 Series GRT refunding & Improvement Revenue Bonds	3,720,000	-	(350,000)	3,370,000	360,000
Total Revenue Bonds	<u>3,720,000</u>	<u>-</u>	<u>(350,000)</u>	<u>3,370,000</u>	<u>360,000</u>
Notes Payable					
NMFA #12 Truck Bay	111,823	-	(11,183)	100,640	11,183
NMFA #30 Abe Montoya Recreation Center	1,247,031	-	(302,555)	944,476	308,243
NMFA Fire Equipment PPRF-4952	198,930	-	(21,459)	177,471	21,777
Total Notes Payable	<u>\$ 1,557,784</u>	<u>-</u>	<u>(335,197)</u>	<u>1,222,587</u>	<u>341,203</u>

	Beginning Balance	Net Change	Ending Balance	Due Within One Year
Compensated absence	\$ 424,982	25,439	450,421	315,295
Total	<u>\$ 424,982</u>	<u>25,439</u>	<u>450,421</u>	<u>315,295</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
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	395,000	64,900	459,900
2028-2032	1,490,000	123,750	1,613,750
Total	<u>\$ 3,370,000</u>	<u>560,900</u>	<u>3,930,900</u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. LONG-TERM DEBT (CONTINUED)

NMFA Loans

NFMA Loans outstanding at June 2022 are comprised of the following:

	NMFA #12 Truck Bay	NMFA #30 Montoya Recreation Center	NMFA PPRF 4952 Fire Apparatus Equipment
Original Issue	\$ 223,300	2,801,121	219,196
Principal	May 1	May 1	May 1
Interest	November 1 May 1	November 1 May 1	July 1 May 1
Interest Rates	0.19%	2.300%	0.1% - 2.340%
Maturity Date	May 2031	May 2025	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
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	33,436	89	33,525
2028-2031	111,623	134	111,757
Total	\$ <u>1,222,587</u>	<u>30,794</u>	<u>1,253,381</u>

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, 2022, compensated absences increased by \$25,439 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, 2022:

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. LONG-TERM DEBT (CONTINUED)

Notes Payable	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
NMED Revolving Fund Program					
Loan #1438042	\$ 3,168,912	-	(502,354)	2,666,558	512,402
NMED Wastewater Construction					
Loan #CWSRF-004	2,858,633	-	(357,329)	2,501,304	357,329
NMED Wastewater Facility					
Construction Loan #CWSRF-016	302,600	-	(17,800)	284,800	17,800
NMFA #13 Effluent Reuse					
Distribution	25,312	-	(2,503)	22,809	2,509
NMFA #14 Water Project Fund	9,051	-	(811)	8,240	813
NMFA #15 Taylor Wells #2					
Replacement	17,225	-	(1,703)	15,522	1,707
NMFA #18 Drinking Water State					
Revolving Loan	188,284	-	(14,275)	174,009	14,309
NMFA #19 Peterson Dam and					
Reservoir	33,000	-	(3,000)	30,000	3,000
NMFA #21 Taylor Well Field Loan	192,633	-	(13,537)	179,096	13,571
NMFA #22 2010 DW Drinking Water	199,109	-	(13,992)	185,117	14,027
NMFA #23 2011 DW Drinking Water	204,870	-	(14,397)	190,473	14,433
NMFA #25 Water Project Fund	47,347	-	(3,588)	43,759	3,597
NMFA #27 Rehab 3 City Water					
Tanks	167,687	-	(10,985)	156,702	11,012
NMFA #28 Water Treatment Plant	32,790	-	(2,148)	30,642	2,153
NMFA #29 Storage, Conveyance,					
Delivery of Water	66,650	-	(8,890)	57,760	4,377
NMFA #31 Storage, Conveyance,					
Delivery of Water	112,741	-	(14,098)	98,643	6,932
NMFA #32 Phase II Water System					
Improvement	68,165	-	(4,181)	63,984	3,625
NMFA PPRF-4698 Storie Lake					
Reservoir Water Storage Rights	2,942,944	-	(394,015)	2,548,929	401,659
NMFA #34 Water System					
Improve-Chico	121,518	-	(6,253)	115,265	7,379
NMFA #35 Water System					
Improve-Grand Ave & 8 th St	49,333	-	(2,538)	46,795	4,353
NMFA #37 Water System					
Improvement	196,872	-	(10,707)	186,165	10,342
New Mexico CWSRF	219,408	548,862	-	768,270	38,415
Total Notes Payable	<u>\$ 11,225,084</u>	<u>548,862</u>	<u>(1,399,104)</u>	<u>10,374,842</u>	<u>1,445,744</u>
Landfill Closure and post closure	\$ 1,335,780	-	(32,962)	1,302,818	-

	Beginning Balance	Net Change	Ending Balance	Due Within One Year
Compensated absence	\$ 120,294	(9,329)	110,965	77,676
Total	<u>\$ 120,294</u>	<u>(9,329)</u>	<u>110,965</u>	<u>77,676</u>

NMFA Loans

NMFA Loans outstanding at June 30, 2022 are comprised of the following:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2023	\$ 1,445,742	118,958	1,564,700
2024	1,464,653	100,101	1,564,754
2025	1,484,513	80,291	1,564,804
2026	1,505,375	59,483	1,564,858
2027	1,527,151	37,757	1,564,908
2028-2032	2,046,488	25,753	2,072,241
2033-2037	660,135	4,995	665,130
2038-2042	240,785	172	240,957
Total	<u>\$ 10,374,842</u>	<u>427,510</u>	<u>10,802,352</u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. LONG-TERM DEBT (CONTINUED)

		NMED Revolving Fund Program Loan #1438042	NMED Wastewater Construction Loan #CWSRF-004	NMED Wastewater Facility Construction Loan #CWSRF-016
Original Issue	\$	9,250,450	7,146,582	356,000
Principal		September 7	April 16	July 24
Interest		September 7	N/A	N/A
		N/A	N/A	N/A
Interest Rates		2.000%	N/A	N/A
Maturity Date		September 2027	April 2029	July 2038
		NMFA #13 Effluent Reuse Distribution	NMFA #14 Water Project Fund	NMFA #15 Taylor Wells #2 Replacement
Original Issue	\$	50,000	132,000	618,465
Principal		June 1	June 1	June 1
Interest		June 1	June 1	June 1
		N/A	N/A	N/A
Interest Rates		0.250%	0.250%	0.250%
Maturity Date		June 2031	June 2031	June 2031
		NMFA #18 Drinking Water State Revolving Loan	NMFA #19 Peterson Dam Reservoir	NMFA #21 Taylor Well Field Loan
Original Issue	\$	275,000	60,000	400,000
Principal		June 1	June 1	May 1
Interest		N/A	N/A	November 1
		N/A	N/A	May 1
Interest Rates		N/A	N/A	0.250%
Maturity Date		June 2034	June 2032	May 2035
		NMFA #22 2010 DW Drinking Water	NMFA #23 2011 DW Drinking Water	NMFA #25 Water Project Fund
Original Issue	\$	305,525	305,689	72,200
Principal		May 1	May 1	June 1
Interest		November 1	November 1	June 1
		May 1	May 1	N/A
Interest Rates		0.250%	0.250%	0.250%
Maturity Date		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
Original Issue	\$	222,300	43,682	87,800
Principal		May 1	May 1	June 1
Interest		November 1	November 1	N/A
		May 1	May 1	N/A
Interest Rates		0.250%	0.250%	N/A
Maturity Date		May 2036	May 2036	June 2035

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. LONG-TERM DEBT (CONTINUED)

	<u>NMFA #31 Storage, Conveyance, Delivery of Water</u>	<u>NMFA #32 Phase II Water System, Improvements</u>	<u>NMFA PPRF-4698 Storie Lake Reservoir Water Storage Rights</u>
Original Issue	\$ 137,096	81,694	4,090,681
Principal	June 1	May 1	May 1
Interest	June 1	November 1	November 1
	N/A	May 1	May 1
Interest Rates	0.250%	2.750%	1.470 – 2.590%
Maturity Date	June 2036	May 2037	May 2028
	<u>NMFA #34 Water System Improve – Chico Dr & 8th Water Lines</u>	<u>NMFA #35 Water System Improve - Grand Ave & 8th St Press Zone</u>	<u>NMFA #37 Water System Improvements</u>
Original Issue	\$ 63,260	51,478	210,250
Principal	May 1	May 1	May 1
Interest	November 1	November 1	November 1
	May 1	May 1	May 1
Interest Rates	0.250%	0.250%	0.250%
Maturity Date	May 2038	May 2033	May 2039
	<u>New Mexico CWSRF</u>		
Original Issue	\$ 850,000		
Principal	February 2		
Interest	N/A		
	N/A		
Interest Rates	N/A		
Maturity Date	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 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 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 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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. LONG-TERM DEBT (CONTINUED)

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 \$275,000 NMFA #18 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 \$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 \$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 NMFA #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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. LONG-TERM DEBT (CONTINUED)

The City of Las Vegas has pledged future revenues from the water system, net of operation and maintenance expenses, to repay \$63,260 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 \$850,000 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, 2022, compensated absences decreased \$9,329 from the prior year accrual. Compensated absences are liquidated by the respective funds in which they are accrued.

Internal Service Funds:

	Beginning Balance	Net Change	Ending Balance	Due Within One Year
Compensated absence	\$ 65,775	997	66,772	46,740
Total	\$ 65,775	997	66,772	46,740

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, 2022, compensated absences increased \$997 from the prior year accrual. Compensated absences are liquidated by the respective funds in which they are accrued.

NOTE 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, 2022, 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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 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, 2022:

Historic Preservation	\$	(5,202)
Region IV JAG		(1,170)
NM Traffic Safety		(229)
Clean and Beautiful Grant		(10,172)
DFA- Capital Appropriation Project		(45,950)
4 th of July Fiestas		(20,669)
Enhanced 911 Grant		(4,901)
Special Legislative Appropriation		(98,807)
Gasoline Tax Revenue Bonds		(8,160)
Total	\$	195,260

- 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, 2022.
- C. Designated cash appropriations in excess of available balances: There were no funds that exceeded appropriations for the year ended June 30, 2022.

NOTE 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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

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. Under Tier II, police and firefighters in Plans 3, 4, and 5 are 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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
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JUNE 30, 2022**

NOTE 10. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

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

PERA Contribution Rates and Pension Factors in effect during FY21						
	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%	9.42%	17.74%	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%	10.65%	2.0%	2.0%	90%
Municipal Police Plan 2	7.0%	8.5%	15.65%	2.5%	2.0%	90%
Municipal Police Plan 3	7.0%	8.5%	19.15%	2.5%	2.0%	90%
Municipal Police Plan 4	12.35%	13.85%	19.15%	3.0%	2.5%	90%
Municipal Police Plan 5	16.3%	17.8%	19.15%	3.5%	3.0%	90%
MUNICIPAL FIRE PLANS 1 - 5						
Municipal Fire Plan 1	8.0%	9.5%	11.65%	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%	17.30%	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%

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
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JUNE 30, 2022**

NOTE 10. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2022, the City reported a liability of \$14,168,145 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2021 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, 2021. 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's proportion was 0.71471%, which was a increase of 0.03741% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the City recognized pension expense of \$675,169. At June 30, 2022, 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	\$ 200,453	27,569
Changes in assumptions	2,648	
Net difference between projected and actual earning on pension plan investments	-	3,309,089
Changes in proportion and differences between City's contributions and proportionate share of contributions	634,237	224,841
City's contributions subsequent to the measurement date	671,070	-
Total	\$ 1,508,408	3,561,499

\$671,070 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, 2022. 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:	
2023	\$ (412,518)
2024	(353,993)
2025	(600,247)
2026	(1,357,403)
2027	-
Thereafter	-

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

PERA Fund Municipal Police Division At June, 2021, the City's proportion was 0.582216%, which was a decrease of 0.08288% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the City recognized pension expense of \$153,310. At June 30, 2022, 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	\$ 227,636	-
Changes in assumptions	1,172	-
Net difference between projected and actual earning on pension plan investments	-	1,091,446
Changes in proportion and differences between City's contributions and proportionate share of contributions	-	515,830
City's contributions subsequent to the measurement date	359,502	-
Total	\$ 588,310	1,607,276

\$359,502 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, 2022. 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:		
2023	\$	(290,648)
2024		(323,101)
2025		(319,821)
2026		(444,898)
2027		-
Thereafter		-

PERA Fund Municipal Fire Division At June 30, 2021, the City's proportion was 0.51146%, which was a decrease of 0.00054% from its proportion measured as of June 30, 2020.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

For the year ended June 30, 2022, the City recognized pension expense of \$352,017. At June 30, 2022, 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	\$ 46,516	4,309
Changes in assumptions	459	-
Net difference between projected and actual earning on pension plan investments	-	453,304
Changes in proportion and differences between City's contributions and proportionate share of contributions	133,941	3,214
City's contributions subsequent to the measurement date	167,768	-
Total	\$ 348,684	460,827

\$167,768 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, 2022. 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:		
2023	\$	22,227
2024		(17,996)
2025		(99,191)
2026		(184,951)
2027		-
Thereafter		-

Actuarial assumptions. The total pension liability in the June 30, 2021 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
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JUNE 30, 2022**

NOTE 10. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Actuarial valuation date	June 30, 2020
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, 2020. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2021. These assumptions were adopted by the Board use in the June 30, 2020 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, 2021. 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

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

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	\$ <u>14,444,300</u>	<u>8,052,437</u>	<u>2,750,199</u>

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	\$ <u>5,271,446</u>	<u>3,010,996</u>	<u>1,161,198</u>

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	\$ <u>4,285,981</u>	<u>3,104,715</u>	<u>2,133,880</u>

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, 2022 the City had no outstanding contributions to the pension plan and therefore, had no payables reported as of June 30, 2022.

NOTE 11. POST-EMPLOYMENT BENEFIT – 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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POST-EMPLOYMENT BENEFIT – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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, 2021, the Fund’s measurement date, the following employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	53,092
Inactive and eligible for deferred benefit	11,754
Current active members	92,484
	157,330
Active membership	
State general	18,691
State police and corrections	1,919
Municipal general	20,357
Municipal police	1,573
Municipal fire	756
Educational Retirement Board	49,188
	92,484

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 \$306,085 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, 2022, the City reported a liability of \$6,458,957 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. The City’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2021. At June 30, 2021, the City’s proportion was 0.19630 percent.

For the year ended June 30, 2022, the City recognized OPEB income of \$941,769. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POST-EMPLOYMENT BENEFIT – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 94,438	1,030,069
Changes in assumptions	1,293,143	2,335,142
Net difference between projected and actual earning on pension plan investments	-	185,141
Changes in proportion and differences between City's contributions and proportionate share of contributions	583,332	995,021
City's contributions subsequent to the measurement date	212,870	-
Total	\$ 2,183,783	4,545,373

Deferred outflows of resources totaling \$212,870 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, 2023. 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:	
2023	\$ (1,166,370)
2024	(820,226)
2025	(425,752)
2026	69,581
2027	(231,693)
Total	(2,574,460)

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POST-EMPLOYMENT BENEFIT – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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 assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions:

Valuation date	June 30, 2021
Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Inflation	2.30% for ERB members; 2.50% for PERA members
Projected payroll increases	3.25% to 13.00%, based on years of service, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs
Mortality	ERB members: 2020 GRS Southwest Region Teacher Mortality Table, set back one year (and scaled at 95% for males). Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. PERA members: Headcount-Weighted RP-2014 Blue Collar Annuitant Mortality, set forward one year for females, projected generationally with Scale MP-2017 times 60%.

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

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. POST-EMPLOYMENT BENEFIT – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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

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

Discount Rate – The discount rate used to measure the Fund’s total OPEB liability is 3.62% as of June 30, 2021. 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, 2052. Thus, the 7.00% discount rate was used to calculate the net OPEB liability through 2052. The index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher was used beyond 2052, resulting in a blended discount rate of 3.62%.

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 (2.62 percent) or 1-percentage-point higher (4.62 percent) than the current discount rate:

<u>1% Decrease (2.62%)</u>	<u>Current Discount Rate (3.62%)</u>	<u>1% Increase (4.62%)</u>
\$ <u>8,115,528</u>	<u>6,458,957</u>	<u>5,170,326</u>

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:

<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
\$ <u>5,195,082</u>	<u>6,458,957</u>	<u>7,476,755</u>

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, 2021.

Payables changes in the net OPEB liability. At June 30, 2022, the City did not accrue any payables for OPEB.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 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, 2022 in the remaining cases.

NOTE 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.

NOTE 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, 2022. The City's waste is currently hauled to Wagon Mound and the City pays tipping fees. In 2022, 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 \$1,302,818 at June 30, 2022. 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.

NOTE 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 \$226,152 as deferred outflow of resources at June 30, 2022 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.

NOTE 16. SUBSEQUENT EVENTS

Events subsequent to June 30, 2022 have been evaluated by management through December 12, 2022, the date the financial statements were available for issuance. In the opinion of management, no events occurring after June 30, 2022 requires adjustments or disclosures in the financials statements.

NOTE 17. RESTRICTED NET POSITION

The government-wide statement of net position reports \$10,469,201 of restricted net position, all of which is restricted by enabling legislation.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 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.

NOTE 19. COMMITMENTS

The City has various construction and purchase commitments as of June 30, 2022. The funding to cover the various commitments was grant funding, bond and/or note proceeds, including bonds, grants, and cash reserves.

NOTE 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. The balance on this repayment agreement at June 30, 2022 is \$3,330,561.

NOTE 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.

NOTE 22. RESTATEMENT

The City's beginning net position at June 30, 2021 was restated in the amount of \$8,781. This restatement was due to the implementation of GASB 84, Fiduciary Activities.

NOTE 23. RECENT ACCOUNTING PRONOUNCEMENTS

In June 2017, GASB issued Statement No. 87, Leases, to be implemented for fiscal years beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires recognitions of certain lease assets and liabilities for leases that previously were classified as operating leases. The implementation of this Statement had no effect on the City's financial statements.

In June 2018, the GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the end of a Construction Period. The new effective date is for reporting periods beginning after December 15, 2020. Statement 89 establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The implementation of this Statement had no effect on the City's financial statements.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 23. RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

In May 2019, the GASB issued Statement No. 91, Conduit Debt Obligations. The new effective date is for reporting periods beginning after December 15, 2021. Statement 91 defines conduit debt obligations for accounting and financial reporting purposes and establishes related standards for recognition, measurement, and disclosure for issuers. The objective of this Statement is to better meet the information needs of financial statement users by enhancing the comparability and consistency of conduit debt obligation reporting and reporting of related transactions and other events by state and local government issuers. This Statement is also intended to improve the relevance, reliability, and understandability of information about conduit debt obligations, as well as related transactions and other events. The implementation of this Statement had no effect on the City's financial statements.

In January 2020, the GASB issued Statement No. 92, Omnibus 2020. The new effective date is for reporting periods beginning after June 15, 2021. Statement No. 92. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues. Topics include: 1)effective date of Statement No 87, Leases, and implementation guide No 2019-3, Leases, for interim financial reports; 2)Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit OPEB plan; 3) The applicability of Statements No 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No 74, Financial Reporting for OPEB Plans other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits; 4) The applicability of certain requirements of Statement No 87, Fiduciary Activities, to postemployment benefit arrangements; 5) Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; 6) Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers. The implementation of this Statement had no effect on the City's financial statements.

In March 2020, the GASB issued Statement No. 93, Replacement of Interbank Offered Rates. The new effective date is for reporting periods beginning after June 15, 2021. Statement No. 93 addresses accounting and financial reporting implications that result from the replacement of an IBOR (interbank offered rate) such as the LIBOR (London Interbank Offered Rate). The implementation of this Statement had no effect on the City's financial statements.

In October 2021, the GASB issued Statement No. 98, The Annual Comprehensive Financial Report. The new effective date is for reporting periods beginning after June 15, 2021. Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. The implementation of this Statement had no effect on the City's financial statements.

NOTE 24. NEW ACCOUNTING PRONOUNCEMENTS

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2022.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

GASB Statement No. 96, Subscription-Based Information Technology Arrangements

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

GASB Statement No. 99, Omnibus 2022

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 24. NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

GASB Statement No. 100, Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62

GASB Statement No. 101, Compensated Absences

The City will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The City believes that the above listed new GASB pronouncements will not have a significant financial impact to the City or in issuing its financial statements.

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, 2022**

**Pension Liability
For Last 10 Fiscal Years*
General Division Summary**

Fiscal Year Measurement Date	30-Jun								
	2022 2021	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014	
City's Proportion of the Net Pension Liability (Asset)	0.715%	0.677%	0.6493%	0.7214%	0.7391%	0.7649%	0.7782%	0.8226%	
City's Proportionate Share of Net Pension Liability (Asset)	\$ 8,052,437	13,696,546	11,240,028	11,501,786	10,155,859	12,220,530	7,934,423	6,573,184	
City's Covered Payroll	\$ 4,412,198	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 Payroll	182.50%	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	77.25%	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, 2022**

**Pension Liability
For Last 10 Fiscal Years*
Police Division Summary**

Fiscal Year Measurement Date	30-Jun								
	2022 2021	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014	
City's Proportion of the Net Pension Liability (Asset)	0.582%	0.665%	0.7000%	0.7097%	0.7361%	0.6723%	0.7347%	0.7773%	
City's Proportionate Share of Net Pension Liability (Asset)	\$ 3,010,996	5,712,342	5,175,854	4,842,313	4,089,518	4,960,430	3,532,849	2,533,913	
City's Covered Payroll	\$ 2,379,112	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 Payroll	126.56%	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	77.25%	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 PROPORATIONATE SHARE OF THE NET PENSION LIABILITY
MUNICIPAL FIRE DIVISION
JUNE 30, 2022**

**Pension Liability
For Last 10 Fiscal Years*
Fire Division Summary**

Fiscal Year Measurement Date	30-Jun								
	2022 2021	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014	
City's Proportion of the Net Pension Liability (Asset)	0.511%	0.512%	0.4695%	0.4698%	0.4826%	0.4670%	0.5339%	0.5892%	
City's Proportionate Share of Net Pension Liability (Asset)	\$ 3,104,715	3,872,634	3,226,577	3,007,015	2,761,169	3,115,365	2,755,555	2,459,317	
City's Covered Payroll	\$ 1,103,650	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	281.31%	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	77.25%	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
MUNICIPAL GENERAL DIVISION
JUNE 30, 2022**

	Last Ten Fiscal Years* General Division							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutory Required	\$ 671,070	637,418	635,486	569,118	584,385	624,696	608,250	622,849
Contributions in Relation to the Statutory Required Contribution	<u>671,070</u>	<u>637,418</u>	<u>635,486</u>	<u>569,118</u>	<u>584,385</u>	<u>624,696</u>	<u>608,250</u>	<u>622,849</u>
Annual Contribution Deficiency (Excess)*	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*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, 2022**

	Last Ten Fiscal Years* Police Division (Dollars in Thousands)							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 359,502	341,474	334,967	328,375	315,698	352,690	310,170	274,550
Contributions in Relation to the Contractually Required Contribution	<u>359,502</u>	<u>341,474</u>	<u>334,967</u>	<u>328,375</u>	<u>315,698</u>	<u>352,690</u>	<u>310,170</u>	<u>274,550</u>
Annual Contribution Deficiency (Excess)*	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*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, 2022**

	Last Ten Fiscal Years* Fire Division (Dollars in Thousands)							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 167,768	158,080	156,513	135,255	129,249	132,198	135,795	131,621
Contributions in Relation to the Contractually Required Contribution	<u>167,768</u>	<u>158,080</u>	<u>156,513</u>	<u>135,255</u>	<u>129,249</u>	<u>132,198</u>	<u>135,795</u>	<u>131,621</u>
Annual Contribution Deficiency (Excess)*	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

*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, 2022**

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

Fiscal Year Measurement Date	30-Jun				
	2022 2021	2021 2020	2020 2019	2019 2018	2018 2017
City's Proportion of the Net OPEB liability (Asset)	0.196300%	0.191590%	0.18008%	0.21772%	0.21957%
City's Proportionate Share of Net OPEB Liability (Asset)	\$ 6,458,957	8,044,688	5,838,894	9,467,238	9,950,194
City's Covered Payroll	\$ 9,057,761	8,234,761	7,514,610	9,341,531	9,146,512
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Its Covered-Employee Pavroll	71.31%	97.69%	77.70%	101.35%	108.79%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	25.39%	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, 2022**

	Last Ten Fiscal Years*				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 212,870	187,449	159,400	340,224	697,238
Contributions in Relation to the Contractually Required Contribution	<u>212,870</u>	<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><u>-</u></u>	<u><u>-</u></u>	<u><u>4,154</u></u>	<u><u>347,302</u></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	2.13%	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, 2022**

Changes of Benefit Terms - The PERA and COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA's ACFR. That report is available at <https://www.nmpera.org/financial-overview/>.

Assumption - The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation Report as of June 30, 2020, is available at <http://www.nmpera.org/>

Retiree Health Care Authority (RHCA). In the June 30, 2021 actuarial valuation and the total OPEB liability measured as of June 30, 2021, changes in assumptions include adjustments resulting from an increase in the discount rate from 2.86% to 3.62%.

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
JUNE 30, 2022**

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.

State Improvement (PW) (216) - To account for State grant restricted to expenditures related to improvements for the City.

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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
JUNE 30, 2022**

SPECIAL REVENUE FUNDS (CONTINUED)

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.

Court Fines (233) - To account for expenditures associated with court fines for the City.

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.

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.

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.

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.

Clean and Beautiful Grant (266) - The purpose of the New Mexico "Litter Control and Beautiful Act," NMSA 1978 § 67-16-1 et seq., is to accomplish litter control by besting in the New Mexico Tourism Department (Department) authority to eliminate litter from the state to the maximum practical extent. The Department shall aid in establishing a statewide Keep America Beautiful Program through the New Mexico Clean and Beautiful Grant Program to end littering, improve recycling, and beautify New Mexico communities.

DFA - Capital Appropriation Project (267) - To track revenues and expenditures related to the funding and administration of capital projects under the statutory authority of the Department of Finance and Administration.

Historic Preservation (268) - To account for funds received sued for the preservation of historic sites and buildings around the City.

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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
JUNE 30, 2022**

SPECIAL REVENUE FUNDS (CONTINUED)

Comprehensive LEDA Plan (273) – To assist expanding and relocating businesses that are Qualified Entities that will stimulate economic development and produce public benefits pursuant to LEDA. All funds are funded on a strictly reimbursement basis.

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.

Cannabis Revenue (286) – To tract revenues and expenditures related to the production and sales of cannabis. In April 2021, the New Mexico Legislature passed the Cannabis Regulation Act (HB 2) which legalized the cultivation, manufacture, purchase, possession, and consumption of adult use cannabis for adults 21 and older.

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.

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.

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.

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

Special Legislative Appropriation (217) - To account for capital projects financed by special legislative appropriations.

Capital Improvement (220) - This fund was created pursuant to Ordinance #73-8 adopted on August 8, 1984, dedicating the proceeds of a¼ 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.

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
JUNE 30, 2022**

CAPITAL PROJECTS FUNDS (CONTINUED)

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.

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, 2022

	Special Revenue Funds				
	Sick Leave Contingency 102	Corrections 201	Lodgers' Tax Promotion 202	State Fire Grant 203	Emergency Medical Services 206
ASSETS					
Cash and cash equivalents	\$ 95,786	110,143	891,992	348,549	34,187
Restricted cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Receivables, net:					
Taxes					
Due from other governments	-	-	-	-	-
Other receivables	-	-	45,072	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 95,786</u>	<u>110,143</u>	<u>937,064</u>	<u>348,549</u>	<u>34,187</u>
LIABILITIES					
Accounts payable	-	-	60	1,631	-
Accrued liabilities	-	-	-	-	-
Due to other funds	20,000	28,710	-	-	-
Unearned revenues	-	-	-	-	-
Total liabilities	<u>20,000</u>	<u>28,710</u>	<u>60</u>	<u>1,631</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	75,786	-	-	-	-
Public safety	-	81,433	-	-	-
Culture and recreation	-	-	937,004	-	-
Health and welfare	-	-	-	-	34,187
Unassigned (deficit)	-	-	-	346,918	-
Total fund balances	<u>75,786</u>	<u>81,433</u>	<u>937,004</u>	<u>346,918</u>	<u>34,187</u>
Total liabilities and fund balances	<u>\$ 95,786</u>	<u>110,143</u>	<u>937,064</u>	<u>348,549</u>	<u>34,187</u>

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
16,970	13,245	672,637	-	-	49,106
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	500,165	-	(509)	4,520
-	-	-	-	-	-
-	-	-	-	-	-
<u>16,970</u>	<u>13,245</u>	<u>1,172,802</u>	<u>-</u>	<u>(509)</u>	<u>53,626</u>
-	-	62,832	-	-	13,603
-	-	-	-	-	7,032
-	-	-	5,202	661	-
<u>7,385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,385</u>	<u>-</u>	<u>62,832</u>	<u>5,202</u>	<u>661</u>	<u>20,635</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,109,970	-	-	-
-	-	-	(5,202)	-	-
-	13,245	-	-	-	-
9,585	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(1,170)	32,991
<u>9,585</u>	<u>13,245</u>	<u>1,109,970</u>	<u>(5,202)</u>	<u>(1,170)</u>	<u>32,991</u>
<u>16,970</u>	<u>13,245</u>	<u>1,172,802</u>	<u>-</u>	<u>(509)</u>	<u>53,626</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds				
	NM Tourism Coop Grant 232	Court Fines 233	Transportation Center 235	Seizure 241	KAB Grant 252
ASSETS					
Cash and cash equivalents	\$ 1,406	5,059	11,856	45,659	9,232
Restricted cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Receivables, net:					
Taxes					
Due from other governments	-	-	-	-	-
Other receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 1,406</u>	<u>5,059</u>	<u>11,856</u>	<u>45,659</u>	<u>9,232</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	5,059	11,856	-	9,232
Public safety	-	-	-	45,659	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	<u>1,406</u>	<u>5,059</u>	<u>11,856</u>	<u>45,659</u>	<u>9,232</u>
Total liabilities and fund balances	<u>\$ 1,406</u>	<u>5,059</u>	<u>11,856</u>	<u>45,659</u>	<u>9,232</u>

Special Revenue Funds

NM Traffic Safety 253	Waste Isolation Pilot Project 260	2011 Bulletproof Vest Partn. 261	Clean and Beautiful Grant 266	DFA - Capital Appropriation Project 267	Historic Preservation 268
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,108	-	541	5,037	58,000	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,108</u>	<u>-</u>	<u>541</u>	<u>5,037</u>	<u>58,000</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
2,337	-	537	15,209	103,950	-
-	-	-	-	-	-
<u>2,337</u>	<u>-</u>	<u>537</u>	<u>15,209</u>	<u>103,950</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4	-	-	-
-	-	-	(10,172)	(45,950)	-
-	-	-	-	-	-
(229)	-	-	-	-	-
<u>(229)</u>	<u>-</u>	<u>4</u>	<u>(10,172)</u>	<u>(45,950)</u>	<u>-</u>
<u>2,108</u>	<u>-</u>	<u>541</u>	<u>5,037</u>	<u>58,000</u>	<u>-</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds				
	San Miguel County DWI 271	Comprehensive LEDA Plan 273	Senior Citizens Center 282	Las Vegas PD Awards 283	Veterans' Memorial 284
ASSETS					
Cash and cash equivalents	\$ 702	33,000	155,448	1,960	29,320
Restricted cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Receivables, net:					
Taxes					
Due from other governments	-	-	-	-	-
Other receivables	-	-	182,006	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 702</u>	<u>33,000</u>	<u>337,454</u>	<u>1,960</u>	<u>29,320</u>
LIABILITIES					
Accounts payable	\$ -	-	22,432	-	-
Accrued liabilities	-	-	20,067	-	-
Due to other funds	-	-	-	-	-
Unearned revenues	-	-	21,043	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>63,542</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	-	33,000	-	-	-
Public safety	702	-	-	1,960	-
Culture and recreation	-	-	-	-	29,320
Health and welfare	-	-	273,912	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	<u>702</u>	<u>33,000</u>	<u>273,912</u>	<u>1,960</u>	<u>29,320</u>
Total liabilities and fund balances	<u>\$ 702</u>	<u>33,000</u>	<u>337,454</u>	<u>1,960</u>	<u>29,320</u>

Special Revenue Funds

Cannabis Revenue 286	4th of July Fiestas 288	Seizures Donations 2010 293	Enhanced 911 Grant 294	JAG DCE/SP 297	Fire Protection 764
6,363	-	5,650	-	112	119,589
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
17,022	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,385</u>	<u>-</u>	<u>5,650</u>	<u>-</u>	<u>112</u>	<u>119,589</u>
510	19,696	-	-	-	-
-	-	-	-	-	-
-	973	-	4,901	-	-
-	-	-	-	-	-
<u>510</u>	<u>20,669</u>	<u>-</u>	<u>4,901</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	5,650	-	112	119,589
-	-	-	-	-	-
22,875	(20,669)	-	(4,901)	-	-
<u>22,875</u>	<u>(20,669)</u>	<u>5,650</u>	<u>(4,901)</u>	<u>112</u>	<u>119,589</u>
<u>23,385</u>	<u>-</u>	<u>5,650</u>	<u>-</u>	<u>112</u>	<u>119,589</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Total Special Revenue Funds	Capital Projects			Recreation Center Phase II Construction 468
		Special Legislative Appropriations 217	Capital Improvements 220	Rehab Taxiway ABC & Apron 433	
ASSETS					
Cash and cash equivalents	\$ 2,657,971	-	768,053	182,800	87,811
Restricted cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Receivables, net:					
Taxes					
Due from other governments	5,037	-	-	-	-
Other receivables	808,925	462,503	779,481	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 3,471,933</u>	<u>462,503</u>	<u>1,547,534</u>	<u>182,800</u>	<u>87,811</u>
LIABILITIES					
Accounts payable	\$ 120,764	-	2,483	1,135	-
Accrued liabilities	27,099	-	-	-	-
Due to other funds	182,480	561,310	-	-	-
Unearned revenues	28,428	-	-	-	-
Total liabilities	<u>358,771</u>	<u>561,310</u>	<u>2,483</u>	<u>1,135</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	1,109,970	-	1,545,051	181,665	87,811
General government	131,137	-	-	-	-
Public safety	268,354	-	-	-	-
Culture and recreation	919,787	-	-	-	-
Health and welfare	308,099	-	-	-	-
Unassigned (deficit)	375,815	(98,807)	-	-	-
Total fund balances	<u>3,113,162</u>	<u>(98,807)</u>	<u>1,545,051</u>	<u>181,665</u>	<u>87,811</u>
Total liabilities and fund balances	<u>\$ 3,471,933</u>	<u>462,503</u>	<u>1,547,534</u>	<u>182,800</u>	<u>87,811</u>

<u>Capital Projects</u>		<u>Debt Service</u>			
La Plaza League 470	Total Capital Projects Funds	Recreation Center Phase II 330	Gasoline Tax Revenue Bonds 331	Municipal Pooled GRT Bonds 334	NMFA Equipment Loan 337
1	1,038,665	1,231,773	30,905	188,787	36,869
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,241,984	152,300	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1</u>	<u>2,280,649</u>	<u>1,384,073</u>	<u>30,905</u>	<u>188,787</u>	<u>36,869</u>
-	3,618	-	-	-	-
-	-	-	-	-	-
-	561,310	-	39,065	-	-
-	-	-	-	-	-
-	<u>564,928</u>	-	<u>39,065</u>	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,384,073	-	188,787	36,869
1	1,814,528	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(98,807)	-	(8,160)	-	-
<u>1</u>	<u>1,715,721</u>	<u>1,384,073</u>	<u>(8,160)</u>	<u>188,787</u>	<u>36,869</u>
<u>1</u>	<u>2,280,649</u>	<u>1,384,073</u>	<u>30,905</u>	<u>188,787</u>	<u>36,869</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Debt Service	Total	Total
	NMFA Fire	Debt	Nonmajor
	Equipment	Service	Governmental
	Loan	Funds	Funds
	338	Funds	Funds
ASSETS			
Cash and cash equivalents	\$ 5	1,488,339	5,184,975
Restricted cash and cash equivalents	-	-	-
Investments	-	-	-
Receivables, net:			
Taxes	-	-	-
Due from other governments	-	-	5,037
Other receivables	-	152,300	2,203,209
Inventory	-	-	-
Prepays	2,546	2,546	2,546
Due from other funds	-	-	-
Total assets	\$ 2,551	1,643,185	7,395,767
LIABILITIES			
Accounts payable	\$ -	-	124,382
Accrued liabilities	-	-	27,099
Due to other funds	2,355	41,420	785,210
Unearned revenues	-	-	28,428
Total liabilities	2,355	41,420	965,119
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue			
Total deferred inflows of resources			
FUND BALANCES			
Nonspendable:			
Inventory	-	-	-
Prepays	2,546	2,546	2,546
Restricted for:			
Future debt service payments	-	1,609,729	1,609,729
Capital projects	-	-	2,924,498
General government	-	-	131,137
Public safety	-	-	268,354
Culture and recreation	-	-	919,787
Health and welfare	-	-	308,099
Unassigned (deficit)	(2,350)	(10,510)	266,498
Total fund balances	196	1,601,765	6,430,648
Total liabilities and fund balances	\$ 2,551	1,643,185	7,395,767

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, 2022

	Special Revenue Funds				
	Sick Leave Contingency	Corrections	Lodgers' Tax Promotion	State Fire Grant	Emergency Medical Services
	102	201	202	203	206
REVENUES					
Taxes:					
Gross receipts	\$ -	-	-	-	-
Gasoline and motor vehicle	-	-	-	-	-
Other	-	-	528,663	-	-
Intergovernmental:					
Federal grants	-	-	-	-	-
State operating grants	-	-	-	280,384	6,276
State capital grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Licenses and fees	-	34,225	-	-	-
Interest income	-	-	-	234,834	-
Other	-	-	-	-	-
Total revenue	<u>-</u>	<u>34,225</u>	<u>528,663</u>	<u>515,218</u>	<u>6,276</u>
Expenditures					
Current:					
General government	2,022	-	-	-	-
Public safety	-	24,320	-	86,429	1,707
Public works	-	-	-	-	-
Culture and recreation	-	-	262,136	-	-
Health and welfare	-	-	-	-	1,726
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	21,459	-
Interest	-	-	-	15,193	-
Total expenditures	<u>2,022</u>	<u>24,320</u>	<u>262,136</u>	<u>123,081</u>	<u>3,433</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,022)</u>	<u>9,905</u>	<u>266,527</u>	<u>392,137</u>	<u>2,843</u>
<i>Other financing sources (uses)</i>					
Transfers in	-	-	-	-	-
Transfers out	-	-	(40,000)	(11,180)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>(11,180)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(2,022)</u>	<u>9,905</u>	<u>226,527</u>	<u>380,957</u>	<u>2,843</u>
FUND BALANCES - BEGINNING	77,808	71,528	710,477	(34,039)	31,344
Restatement (see Note 22)	-	-	-	-	-
FUND BALANCES - BEGINNING as Restated	<u>77,808</u>	<u>71,528</u>	<u>710,477</u>	<u>(34,039)</u>	<u>31,344</u>
FUND BALANCES - ENDING	<u>\$ 75,786</u>	<u>81,433</u>	<u>937,004</u>	<u>346,918</u>	<u>34,187</u>

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
-	-	835,533	-	-	-
-	-	539,393	-	-	-
-	-	-	-	-	-
10,443	-	-	-	1,197	283,214
48,011	37,400	-	-	-	-
-	-	-	21,501	-	-
-	-	-	-	-	7,497
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,288	-	-	-
<u>58,454</u>	<u>37,400</u>	<u>1,379,214</u>	<u>21,501</u>	<u>1,197</u>	<u>290,711</u>
-	-	56,448	-	-	327,199
-	24,993	-	-	-	-
-	-	939,133	-	-	-
48,878	-	-	42,554	-	-
-	-	-	-	-	-
-	-	99,500	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>48,878</u>	<u>24,993</u>	<u>1,095,081</u>	<u>42,554</u>	<u>-</u>	<u>327,199</u>
<u>9,576</u>	<u>12,407</u>	<u>284,133</u>	<u>(21,053)</u>	<u>1,197</u>	<u>(36,488)</u>
-	-	-	-	-	87,000
-	-	(420,354)	-	-	-
-	-	(420,354)	-	-	87,000
<u>9,576</u>	<u>12,407</u>	<u>(136,221)</u>	<u>(21,053)</u>	<u>1,197</u>	<u>50,512</u>
9	838	1,246,191	15,851	(2,367)	(17,521)
-	-	-	-	-	-
<u>9</u>	<u>838</u>	<u>1,246,191</u>	<u>15,851</u>	<u>(2,367)</u>	<u>(17,521)</u>
<u>9,585</u>	<u>13,245</u>	<u>1,109,970</u>	<u>(5,202)</u>	<u>(1,170)</u>	<u>32,991</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, 2022

	Special Revenue Funds				
	NM Tourism Coop Grant 232	Court Fines 233	Transportation Center 235	Siezure 241	KAB Grant 252
	REVENUES				
Taxes:					
Gross receipts	\$ -	-	-	-	-
Gasoline and motor vehicle	-	-	-	-	-
Other	-	-	-	-	-
Intergovernmental:					
Federal operating grants	-	-	-	-	-
State operating grants	-	-	-	-	-
State capital grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Licenses and fees	-	16,756	-	-	-
Interest income	-	-	-	-	-
Other	-	-	-	-	-
Total revenue	<u>-</u>	<u>16,756</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Current:					
General government	-	-	-	12,565	-
Public safety	-	20,478	-	-	332
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>-</u>	<u>20,478</u>	<u>-</u>	<u>12,565</u>	<u>332</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(3,722)</u>	<u>-</u>	<u>(12,565)</u>	<u>(332)</u>
<i>Other financing sources (uses)</i>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>(3,722)</u>	<u>-</u>	<u>(12,565)</u>	<u>(332)</u>
FUND BALANCES - BEGINNING	1,406	-	11,856	58,224	9,564
Restatement (see Note 22)	-	8,781	-	-	-
FUND BALANCES - BEGINNING as Restated	<u>1,406</u>	<u>8,781</u>	<u>11,856</u>	<u>58,224</u>	<u>9,564</u>
FUND BALANCES - ENDING	<u>\$ 1,406</u>	<u>5,059</u>	<u>11,856</u>	<u>45,659</u>	<u>9,232</u>

Special Revenue Funds					
NM	Waste	2011	Clean and	DFA - Capital	
Traffic	Isolation	Bulletproof	Beautiful	Appropriation	Historic
Safety	Pilot Project	Vest Partn.	Grant	Project	Preservation
253	260	261	266	267	268
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,016	6,000	-	13,238	-	-
-	-	-	-	58,000	36,999
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,016	6,000	-	13,238	58,000	36,999
-	-	-	-	-	-
8,016	-	-	-	-	-
-	6,000	-	-	-	-
-	-	-	23,831	56,000	31,999
-	-	-	-	-	-
-	-	-	-	47,950	-
-	-	-	-	-	-
-	-	-	-	-	-
8,016	6,000	-	23,831	103,950	31,999
-	-	-	(10,593)	(45,950)	5,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(10,593)	(45,950)	5,000
(229)	-	4	421	-	(5,000)
-	-	-	-	-	-
(229)	-	4	421	-	(5,000)
(229)	-	4	(10,172)	(45,950)	-

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, 2022

	Special Revenue Funds					
	San Miguel County DWI	Comprehensive		Senior Citizens Center	Las Vegas PD Awards	Veterans' Memorial
		LEDA Plan				
	271	273	282	283	284	
REVENUES						
Taxes:						
Gross receipts	\$ -	-	-	-	-	
Gasoline and motor vehicle	-	-	-	-	-	
Other	-	-	-	-	-	
Intergovernmental:						
Federal operating grants	-	-	377,877	-	-	
State operating grants	-	-	626,591	-	-	
State capital grants	-	-	-	-	-	
Charges for services	-	-	-	-	4,200	
Licenses and fees	-	-	-	-	-	
Interest income	-	-	-	-	-	
Other	-	-	120	1,690	-	
Total revenue	<u>-</u>	<u>-</u>	<u>1,004,588</u>	<u>1,690</u>	<u>4,200</u>	
Expenditures						
Current:						
General government	-	-	-	-	-	
Public safety	-	-	-	1,892	-	
Public works	-	-	-	-	-	
Culture and recreation	-	-	1,140,852	-	-	
Health and welfare	-	-	-	-	-	
Capital outlay	-	-	-	-	-	
Debt service:						
Principal	-	-	-	-	-	
Interest	-	-	-	-	-	
Total expenditures	<u>-</u>	<u>-</u>	<u>1,140,852</u>	<u>1,892</u>	<u>-</u>	
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(136,264)</u>	<u>(202)</u>	<u>4,200</u>	
<i>Other financing sources (uses)</i>						
Transfers in	-	-	75,000	-	-	
Transfers out	-	-	-	-	-	
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>(61,264)</u>	<u>(202)</u>	<u>4,200</u>	
FUND BALANCES - BEGINNING	702	33,000	335,176	2,162	25,120	
Restatement (see Note 22)	-	-	-	-	-	
FUND BALANCES - BEGINNING as Restated	<u>702</u>	<u>33,000</u>	<u>335,176</u>	<u>2,162</u>	<u>25,120</u>	
FUND BALANCES - ENDING	<u>\$ 702</u>	<u>33,000</u>	<u>273,912</u>	<u>1,960</u>	<u>29,320</u>	

Special Revenue Funds

	Seizures					
Cannabis Revenue 286	4th of July Fiestas 288	Donations 2010 293	Enhanced 911 Grant 294	JAG DCE/SP 297	Fire Protection 764	
23,582	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,800	-	-	-
-	23,784	-	-	-	18,251	-
-	-	-	-	-	-	-
-	-	-	-	-	-	5,900
23,582	23,784	-	1,800	-	24,151	
707	-	-	-	-	-	-
-	-	-	1,800	-	845	-
-	-	-	-	-	-	-
-	62,633	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
707	62,633	-	1,800	-	845	
22,875	(38,849)	-	-	-	23,306	
-	25,000	-	-	-	-	-
-	-	-	-	-	-	-
-	25,000	-	-	-	-	-
22,875	(13,849)	-	-	-	23,306	
-	(6,820)	5,650	(4,901)	112	96,283	-
-	-	-	-	-	-	-
-	(6,820)	5,650	(4,901)	112	96,283	-
22,875	(20,669)	5,650	(4,901)	112	119,589	

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, 2022

	Total Special Revenue Funds	Capital Projects			
		Special Legislative Appropriation 217	Capital Improvements 220	Rehab Taxiway ABC & Apron 433	Recreation Center Phase II Construction 468
REVENUES					
Taxes:					
Gross receipts	\$ 859,115	-	905,027	-	-
Gasoline and motor vehicle	539,393	-	-	-	-
Other	528,663	-	-	-	-
Intergovernmental:					
Federal operating grants	672,731	185,000	-	-	-
State operating grants	1,027,716	450,176	-	19,157	-
State capital grants	116,500	64,346	-	-	-
Charges for services	53,732	-	-	-	-
Licenses and fees	50,981	-	-	-	-
Interest income	234,834	-	-	-	16
Other	11,998	-	-	-	-
Total revenue	<u>4,095,663</u>	<u>699,522</u>	<u>905,027</u>	<u>19,157</u>	<u>16</u>
Expenditures					
Current:					
General government	398,941	30,481	41,399	20,292	-
Public safety	170,812	-	-	-	-
Public works	945,133	-	31,008	-	35,004
Culture and recreation	1,668,883	5,266	-	-	-
Health and welfare	1,726	64,346	-	-	-
Capital outlay	147,450	629,002	-	-	-
Debt service:					
Principal	21,459	-	-	-	-
Interest	15,193	-	-	-	-
Total expenditures	<u>3,369,597</u>	<u>729,095</u>	<u>72,407</u>	<u>20,292</u>	<u>35,004</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>726,066</u>	<u>(29,573)</u>	<u>832,620</u>	<u>(1,135)</u>	<u>(34,988)</u>
<i>Other financing sources (uses)</i>					
Transfers in	187,000	-	-	15,654	50,000
Transfers out	(471,534)	-	(368,450)	-	-
<i>Total other financing sources (uses)</i>	<u>(284,534)</u>	<u>-</u>	<u>(368,450)</u>	<u>15,654</u>	<u>50,000</u>
NET CHANGE IN FUND BALANCES	441,532	(29,573)	464,170	14,519	15,012
FUND BALANCES - BEGINNING	2,662,849	(69,234)	1,080,881	167,146	72,799
Restatement (see Note 22)	8,781	-	-	-	-
FUND BALANCES - BEGINNING as Restated	<u>2,671,630</u>	<u>(69,234)</u>	<u>1,080,881</u>	<u>167,146</u>	<u>72,799</u>
FUND BALANCES - ENDING	<u>\$ 3,113,162</u>	<u>(98,807)</u>	<u>1,545,051</u>	<u>181,665</u>	<u>87,811</u>

Capital Projects La Plaza League 470	Total Capital Projects Funds	Debt Service			
		Recreation Center Phase II 330	Gasoline Tax Revenue Bonds 331	Municipal Pooled GRT Bonds 334	NMFA Equipment Loan 337
-	905,027	506,540	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	185,000	-	-	-	-
-	469,333	-	-	-	-
-	64,346	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	16	804	4,110	297	-
-	-	-	-	-	-
-	1,623,722	507,344	4,110	297	-
-	92,172	-	-	-	-
-	-	-	-	-	-
-	66,012	-	-	-	-
-	5,266	-	-	203	-
-	64,346	-	-	-	-
-	629,002	-	-	-	-
-	-	130,000	302,555	220,000	-
-	-	36,500	33,656	79,950	-
-	856,798	166,500	336,211	300,153	-
-	766,924	340,844	(332,101)	(299,856)	-
-	65,654	-	324,667	303,450	-
-	(368,450)	(50,000)	-	-	-
-	(302,796)	(50,000)	324,667	303,450	-
-	464,128	290,844	(7,434)	3,594	-
1	1,251,593	1,093,229	(726)	185,193	36,869
-	-	-	-	-	-
1	1,251,593	1,093,229	(726)	185,193	36,869
1	1,715,721	1,384,073	(8,160)	188,787	36,869

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, 2022

	Debt Service NMFA Fire Equipment Loan 338	Total Debt Service Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes:			
Gross receipts	\$ -	506,540	2,270,682
Gasoline and motor vehicle	-	-	539,393
Other	-	-	528,663
Intergovernmental:			
Federal operating grants	-	-	857,731
State operating grants	-	-	1,497,049
State capital grants	-	-	180,846
Charges for services	-	-	53,732
Licenses and fees	-	-	50,981
Interest income	3	5,214	240,064
Other	-	-	11,998
Total revenue	<u>3</u>	<u>511,754</u>	<u>6,231,139</u>
Expenditures			
Current:			
General government	-	-	491,113
Public safety	-	-	170,812
Public works	-	-	1,011,145
Culture and recreation	-	203	1,674,352
Health and welfare	-	-	66,072
Capital outlay	-	-	776,452
Debt service:			
Principal	11,183	663,738	685,197
Interest	-	150,106	165,299
Total expenditures	<u>11,183</u>	<u>814,047</u>	<u>5,040,442</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(11,180)</u>	<u>(302,293)</u>	<u>1,190,697</u>
<i>Other financing sources (uses)</i>			
Transfers in	11,180	639,297	891,951
Transfers out	-	(50,000)	(889,984)
<i>Total other financing sources (uses)</i>	<u>11,180</u>	<u>589,297</u>	<u>1,967</u>
NET CHANGE IN FUND BALANCES	-	287,004	1,192,664
FUND BALANCES - BEGINNING			
	196	1,314,761	5,229,203
Restatement (see Note 22)	-	-	8,781
FUND BALANCES - BEGINNING as Restated	<u>196</u>	<u>1,314,761</u>	<u>5,237,984</u>
FUND BALANCES - ENDING			
	<u>\$ 196</u>	<u>1,601,765</u>	<u>6,430,648</u>

STATE OF NEW MEXICO
City of Las Vegas
Combining Statement of Net Position
Internal Service Funds
For the Year Ended June 30, 2022

	Automated System Financing	Total
	<u> </u>	<u> </u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ -	-
Total current assets	<u>-</u>	<u>-</u>
Noncurrent assets		
Restricted cash and cash equivalents	-	-
Capital assets:		
Machinery and equipment	1,159,788	1,159,788
Vehicles	-	-
Less: accumulated depreciation	<u>(1,091,606)</u>	<u>(1,091,606)</u>
Total noncurrent assets	<u>68,182</u>	<u>68,182</u>
Total assets	<u>68,182</u>	<u>68,182</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pension related	24,454	24,454
Deferred outflows - OPEB related	21,838	21,838
Deferred outflows - ARO related	-	-
Total deferred outflows of resources	<u>46,292</u>	<u>46,292</u>
LIABILITIES		
Current liabilities:		
Accounts payable	50,801	50,801
Accrued payroll	3,588	3,588
Accrued compensated absences	<u>4,164</u>	<u>4,164</u>
Total current liabilities	<u>58,553</u>	<u>58,553</u>
Noncurrent liabilities:		
Compensated absences	1,784	1,784
Due to other funds	22,866	22,866
Net pension liability	141,681	141,681
Total OPEB liability	<u>64,590</u>	<u>64,590</u>
Total noncurrent liabilities	<u>230,921</u>	<u>230,921</u>
Total liabilities	<u>289,474</u>	<u>289,474</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pension related	56,296	56,296
Deferred inflows - OPEB	<u>45,454</u>	<u>45,454</u>
Total deferred inflows of resources	<u>101,750</u>	<u>101,750</u>
NET POSITION		
Net investment in capital assets	68,182	68,182
Unrestricted	<u>(344,932)</u>	<u>(344,932)</u>
Total net position	<u>\$ (276,750)</u>	<u>(276,750)</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, 2022

	Automated System	
	Financing	Total
OPERATING REVENUES		
Miscellaneous	\$ 374	374
Interest and investment revenue	(87)	(87)
Total revenues	<u>287</u>	<u>287</u>
OPERATING EXPENSES		
Personnel services	229,579	229,579
Supplies and purchase power	4,117	4,117
Maintenance and materials	323,937	323,937
Depreciation	19,481	19,481
Other costs	4,470	4,470
Amortization	-	-
Total operating expenses	<u>581,584</u>	<u>581,584</u>
Operating income (loss)	<u>(581,297)</u>	<u>(581,297)</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	-	-
Miscellaneous revenue	-	-
Interest expense	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>
Income (loss) before and transfers	(581,297)	(581,297)
Transfers in	390,000	390,000
Transfers out	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	(191,297)	(191,297)
NET POSITION - BEGINNING	(85,453)	(85,453)
NET POSITION - END OF YEAR	<u>\$ (276,750)</u>	<u>(276,750)</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, 2022

	Automated System Financing	Total
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 74,024	74,024
Payments to suppliers	(504,325)	(504,325)
Payments to employees	-	-
Net cash provided (used) by operating activities	<u>(430,301)</u>	<u>(430,301)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from other funds	390,000	390,000
Transfers out to other funds	-	-
Net cash provided (used) by noncapital financing activities	<u>390,000</u>	<u>390,000</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	4,722	4,722
Net cash (used) by capital and related financing activities	<u>4,722</u>	<u>4,722</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	(35,579)	(35,579)
Cash and cash equivalents, beginning	<u>35,579</u>	<u>35,579</u>
Cash and cash equivalents, ending	<u>-</u>	<u>-</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, 2022

	Automated System Financing	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	(581,297)	(581,297)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	19,480	19,480
Decrease (increase) in customer receivable		
Decrease (increase) in inventory		
Increase (decrease) in accounts payable	50,731	50,731
Increase (decrease) in accrued liabilities	(627)	(627)
Increase (decrease) in customer deposits	-	-
Increase (decrease) in compensated absences	(2,166)	(2,166)
Increase (decrease) in due to/from	22,866	22,866
Increase (decrease) in net pension/total OPEB liabilities	(11,141)	(11,141)
Increase (decrease) in pension related deferred inflows	54,141	54,141
Increase (decrease) in pension and OPEB related deferred outflows	17,712	17,712
Net cash provided (used) by operating activities	\$ (430,301)	(430,301)

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, 2022**

Bank Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Totals	
Community First Bank						
ENTERPRISE POOL	Demand Account	\$ 19,823,453	803,911	792,673	19,834,691	Non-interest bearing
LIBRARY SPECIAL	Demand Account	3,578	3	-	3,581	Non-interest bearing
RECREATION CENTER PHASE II	Demand Account	850,432	35,777	-	886,209	Non-interest bearing
GAS METER DEPOSIT	Demand Account	310,086	40,300	104,813	245,573	Non-interest bearing
<i>Total Community Bank</i>		<u>20,987,549</u>	<u>879,991</u>	<u>897,486</u>	<u>20,970,054</u>	
Southwest Capital Bank						
GENERAL FUND	Demand Account	\$ 17,710,957	144,662	1,676,020	16,179,599	Non-interest bearing
NATURAL GAS UB	Demand Account	206,589	-	-	206,589	Non-interest bearing
WATER CONSTRUCTION PROJECT	Demand Account	1,146,101	-	22,549	1,123,552	Non-interest bearing
WATER METER DEPOSIT	Demand Account	61,753	-	166,984	(105,231)	Non-interest bearing
HOUSING AUTHORITY	Demand Account	204,465	25	590	203,900	Non-interest bearing
PD SAFE KEEPING	Demand Account	41,340	-	-	41,340	Non-interest bearing
BOND TRUST	Demand Account	23,535	-	1,160	22,375	Non-interest bearing
PAYROLL	Demand Account	222,953	-	229,338	(6,385)	Non-interest bearing
CAPITAL IMPROVEMENT	Demand Account	87,811	-	-	87,811	Non-interest bearing
WATER PROJECTS	Demand Account	3,031,400	316,382	116,694	3,231,088	Non-interest bearing
CERTIFICATE OF DEPOSIT	Time Deposit	5,000,000	-	-	5,000,000	Interest bearing
<i>Total Southwest Capital Bank</i>		<u>27,736,904</u>	<u>461,069</u>	<u>2,213,335</u>	<u>25,984,638</u>	
Wells Fargo Bank						
GROSS RECEIPTS TAX BONDS	Demand Account	\$ 188,787	-	-	188,787	Non-interest bearing
WATER RESERVE	Savings Account	1,143,078	-	-	1,143,078	Interest bearing
<i>Total Wells Fargo Bank</i>		<u>1,331,865</u>	<u>-</u>	<u>-</u>	<u>1,331,865</u>	

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF CASH AND INVESTMENT ACCOUNTS
Year Ended June 30, 2022**

	Bank Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Totals
NMFA						
	NMFA #12 Truck Bay	NMFA Cash	\$ 5	-	-	5
	NMFA #30 Abe Montoya Recreation Center	NMFA Cash	69,680	-	-	69,680
	NMFA #30 Abe Montoya Recreation Center	NMFA Cash	298,801	-	-	298,801
	NMFA #18 Drinking Water State Revolving Loan	NMFA Cash	2,490	-	-	2,490
	NMFA #21 Taylor Well Field Loan	NMFA Cash	3,512	-	-	3,512
	NMFA #22 2010 DW Drinking Water	NMFA Cash	3,630	-	-	3,630
	NMFA #23 2011 DW Drinking Water	NMFA Cash	3,735	-	-	3,735
	NMFA #27 Rehab 3 City Water Tanks	NMFA Cash	2,857	-	-	2,857
	NMFA #28 Water Treatment Plant	NMFA Cash	559	-	-	559
	NMFA #32 Phase II Water System Improvement	NMFA Cash	1,090	-	-	1,090
	NMFA PPRF-4698 Storie Lake Reservoir Water Storage Right	NMFA Cash	115,573	-	-	115,573
	NMFA PPRF-4698 Storie Lake Reservoir Water Storage Right	NMFA Cash	424	-	-	424
	NMFA Fire Equipment PPRF-4952	NMFA Cash	223,903	-	-	223,903
	NMFA Fire Equipment PPRF-4952	NMFA Cash	15,068	-	-	15,068
	NMFA #34 Water System Improve-Chico	NMFA Cash	1,643	-	-	1,643
	NMFA #35 Water System Improve-Grand Ave & 8th St-Pres	NMFA Cash	667	-	-	667
	NMFA #37 Water System Improvements	NMFA Cash	2,805	-	-	2,805
	<i>Total NMFA</i>		<u>746,442</u>	<u>-</u>	<u>-</u>	<u>746,442</u>
	<i>Total Deposits</i>		<u>\$ 50,802,760</u>	<u>1,341,060</u>	<u>3,110,821</u>	<u>49,032,999</u>
	Less: Restricted Cash and Cash Equivalents per the Statement of Net Position					(495,619)
	Less: Investments per the Statement of Net Position					(5,000,000)
	Less: Custodial Cash					(63,715)
	<i>Total Unrestricted Cash and Cash Equivalents per the Statement of Net Position</i>					<u>\$ 43,473,665</u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF PLEDGED COLLATERAL
Year Ended June 30, 2022**

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value at June 30, 2021</u>	<u>Location of Safekeeper</u>
Community First Bank					
	FNMA Fixed Rate Note	10/8/2027	3135G05Y5	\$ 4,398,430	Kansas City, MO
	US Treasury Note	11/30/2023	912828U57	98,797	Kansas City, MO
	US Treasury Note	11/30/2023	912828U57	197,594	Kansas City, MO
	US Treasury Note	11/30/2023	912828U57	296,390	Kansas City, MO
	US Treasury Note	11/30/2023	912828U57	987,969	Kansas City, MO
	US Treasury Note	5/15/2025	912828XB1	486,406	Kansas City, MO
	US Treasury Note	10/31/2026	912828YQ7	3,750,000	Kansas City, MO
	<i>Total Community First Bank</i>			<u>10,215,586</u>	
Southwest Capital Bank					
	FHLB-LOC		LOC	15,184,000	Irving, TX
	<i>Total Southwest Capital Bank</i>			<u>15,184,000</u>	
Wells Fargo Bank					
	FNMA FNMS	12/1/2046	3140F5DA8	100,567	New York, NY
	FNMA FNMS	9/1/2051	3140LNGH4	146,089	New York, NY
	FNMA FNMS	11/1/2051	3140M2D66	11,930	New York, NY
	FNMA FNMS	9/1/2049	3140QBWL8	160,908	New York, NY
	FNMA FNMS	7/1/2043	3140XFSZ5	42,198	New York, NY
	GNMA G2SF	8/20/2048	36179T7K5	63,417	New York, NY
	GNMA G2SF	10/20/2048	36179UEA6	19,615	New York, NY
	<i>Total Wells Fargo Bank</i>			<u>544,724</u>	
	<i>Total Pledged Collateral</i>			<u>\$ 25,944,310</u>	

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**

To Brian S. Colòn, 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, 2022, 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 12, 2022.

Report on 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.

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

Our consideration of internal control 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on 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 2022-001, 2022-002, 2022-003, 2022-004, 2022-005, 2022-006 and 2022-007.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on 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 12, 2022

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To Brian S. Colón, Esq.
New Mexico State Auditor

The City of Las Vegas Council
City of Las Vegas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Las Vegas’ (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, 2022. 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.

In our opinion, the City of Las Vegas complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Las Vegas and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Las Vegas’ compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Las Vegas’ federal programs.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City’s compliance based on our audit. Reasonable assurance is a high level of assurance

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but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-007. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance finding identified in the accompany schedule of findings and questioned cost. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Pattillo, Brown & Hill, LLP

Pattillo, Brown, & Hill, L.L.P.
Albuquerque, New Mexico
December 12, 2022

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022**

<u>Funding Source/Grant of Contract Name</u>	<u>Assistance Listing Number</u>	<u>Pass-through Grant Number</u>	<u>Federal Expenditures</u>
U.S. Department of Justice			
<i>Pass-Through Programs from NM Department of Public Safety</i>			
Edward Byrne Memorial Justice Assistant Grant (JAG)	16.804		<u>1,197</u>
Total U.S. Department of Justice			1,197
U.S. Department of Transportation			
<i>Pass-Through Programs from NM Department of Transportation</i>			
Formula Grants for Other Than Urbanized Areas	20.509		<u>262,821</u>
Total U.S. Department of Transportation			262,821
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		73,649
Aging Cluster - Title IIIB	93.044		28,997
Aging Cluster - Title IIIC1 and Title IIIC2	93.045		109,958
Special Programs for the Aging - Title IIID	93.764		33,178
Federal Other - Contract # 21-22-68049	93.011		<u>3,000</u>
Total U.S. Department of Health and Human Services			248,782
Cares Act Funding			
<i>Passed through from the New Mexico Department of Finance</i>			
CARES - Airport	21.019		<u>19,157</u>
Total Cares Act Funding			19,157
American Rescue Plan Act			
ARPA - NUE	21.027	*	857,665
ARPA - Public Libraries	21.027	*	10,443
ARPA - Senior Center	21.027	*	<u>62,671</u>
Total American Rescue Plan Act			930,779
Total Federal Financial Assistance			\$ <u><u>1,462,736</u></u>

(*) Denotes Major Program

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2022**

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, 2022.

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	\$	1,462,736
Total expenditures funded by other sources		<u>37,000,135</u>
<i>Total expenditures</i>	<u>\$</u>	<u>38,462,871</u>

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

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?	No
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)?	Yes
Identification of major programs: American Rescue Plan Act – Assistance Listing #21.027	
Dollar threshold used to distinguish Between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

SECTION II – FINDINGS – FINANCIAL STATEMENT AUDIT

2022-001 [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:

- 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 make progress for the year ended June 30, 2022.

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:

- 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.

MANAGEMENT RESPONSE: The IT policies and procedures, information classification policy and incident response plan are awaiting approval. The IT disaster recovery plan is finalized and awaiting approval. IT is awaiting quotes from vendors in order to purchase the fire suppression system. The City has had multiple vulnerability scans (CISA) Cybersecurity and Infrastructure Security Agency through the United States Department of Homeland Security.

RESPONSIBLE PARTY: IT Director

TIMELINE FOR CORRECTIVE ACTION: December 2022

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

2022-002 [Previously 2021-002] Controls Surrounding Payroll Disbursements (Other Matter)

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

- One of twenty-five employee's timesheets selected for testing was not properly approved prior to the employee getting paid. This paycheck related to this timesheet totaled \$1,472.
- One of four firefighter payroll disbursements selected for testing was paid out of the incorrect fund. The total for this related paycheck was \$6,012
- Two of four firefighter payroll disbursements selected for testing were not paid for overtime worked in a timely manner. Some of the overtime was paid out more than two months after the worked was performed. The total of these two related paychecks totaled \$7,535.

The City did not make progress on this finding.

CRITERIA: Per the City's finance policies and procedures, all timesheets are to be signed by both the employee and supervisor prior to getting paid. All employees are to be paid out of their corresponding fund that the work was performed for. Overtime is to be paid to each employee in a timely and reasonable manner.

EFFECT: The City is not in compliance with their internal control policies which could lead to over/under payment of employees due to incorrect hours being used. The City is not in compliance with their budget which could lead to funds being over budget. The City is not in compliance with their internal control policies in regards to overtime which could result in some employees not getting paid for hours worked.

CAUSE: The City is not accurately reviewing payroll to ensure that the amounts are being charged to the correct fund and is not paying overtime in a timely manner.

AUDITOR'S RECOMMENDATION: We recommend that the City review all timesheets to ensure they are properly signed, review all payroll processed to ensure the correct line item is coded and that overtime is paid when earned.

MANAGEMENT RESPONSE: Payroll will not make payment on timesheets without being fully signed and approved. Moving forward any payments shall be made out of the respective fund. This situation was out of the ordinary as these duties were not within the job duties of the firefighters and were not considered for overtime payment until a future date; therefore, resulting in delayed payment.

RESPONSIBLE PARTY: Finance Director/HR Director

TIMELINE FOR CORRECTIVE ACTION: June 30, 2023

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

2022-003 Anti-Donation (Other Noncompliance)

CONDITION: During our fiscal year ended June 30, 2022, we noted the City made Christmas purchases in the amount of \$1,501. The items purchased were later given out to the public during an event called "Santa In The Park".

CRITERIA: Per Article IX Section 14, neither the state nor any county, school district, or municipality, except as otherwise provided in this constitution, shall directly or indirectly lend or pledge its credit or make any donations to or aid of any person, association, or public or private corporation.

EFFECT: Noncompliance with applicable statues and possible misappropriation of assets for the City.

CAUSE: Lack of management understanding of applicable regulations of the state laws.

AUDITOR'S RECOMMENDATION: We recommend that management familiarize themselves with applicable rules and regulations in the State of New Mexico as it pertains to a municipality.

MANAGEMENT RESPONSE: Annually the City of Las Vegas receives donations for the purpose of purchasing gifts for the community children during the "Santa in the Park" event. During FY22 the City only received donations of \$2,500; however, expensed \$4,001 exceeding the amount by \$1,501. In the future the City will not exceed the amount of donated funds.

RESPONSIBLE PARTY: Finance Director

TIMELINE FOR CORRECTIVE ACTION: June 30, 2023

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

2022-004 Internal Controls Over Cash Disbursements (Other Matters)

CONDITION: During our testing over cash disbursements, we noted for 3 transactions out of 25 tested that totaled \$2,833, an invoice was dated prior to purchase requisition and purchase order.

CRITERIA: Section NMAC 6.20.2.17 (A), requires that each municipality establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with city policy, and state and federal regulations.

EFFECT: City is not in compliance with written policies and procedures and is at risk for fraud or misuse of public funds.

CAUSE: City personnel did not follow established procurement procedures for the City.

AUDITOR'S RECOMMENDATION: We recommend that the City follow established procurement procedures for the City.

MANAGEMENT RESPONSE: Purchases were made by department without approval from the finance department and/or following the procurement process. Unauthorized purchases will no longer be allowed.

RESPONSIBLE PARTY: Finance Director

TIMELINE FOR CORRECTIVE ACTION: June 30, 2023

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

2022-006 Pledged Collateral (Other Non-Compliance)

CONDITION: At June 30, 2022, the City's depository institution did not maintain the required amount of pledged collateral to cover City deposits; the amount under collateralized totaled \$153,189.

CRITERIA: Section 6-10-17 NMSA 1978 requires deposits of public monies to be collateralized in an aggregate amount equal to 50% of deposits in excess of FDIC insurance coverage of \$250,000.

EFFECT: The City's account was not properly collateralized and therefore, the City was not in compliance with State's cash collateralization requirements.

CAUSE: The City's depository institution did not maintain the proper amount of collateralization at June 30, 2022. The bank increased the collateralization amount the following day once they realized the City was under collateralized.

AUDITOR'S RECOMMENDATION: We recommend that the City monitor their collateral amounts to ensure that all of its bank accounts are properly collateralized at the end of each month.

MANAGEMENT RESPONSE: The City was informed by the institution that our accounts were collateralized accordingly. The City will keep in closer communication to ensure that account requirements are maintained.

RESPONSIBLE PARTY: Finance Director

TIMELINE FOR CORRECTIVE ACTION: June 30, 2023

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

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

2022-007 Premium Pay (Other Non-Compliance)

Assistance Listing Number	21.027
Federal Agency	Department of Treasury
Program Name	Coronavirus State and Local Fiscal Recover Funds
Award Number	Multiple
Award Year	2021-2022
Question Costs	None

CONDITION: During our testing over premium pay, we noted that 6 elected officials were incorrectly paid premium pay totaling \$6,000.

CRITERIA: Per 31 CFR Part 35 [RINI505-AC77], Coronavirus State and Local Fiscal Recovery Funds, Final Rule and 2 CFR §200.318 (C) elected official are prohibited from using funds to pay themselves premium pay. The New Mexico Governmental Conduct Act states that public official at any level of New Mexico state or local government shall not take an official act primarily to improve the employees financial interest or position.

EFFECT: The City is not in compliance with state and federal regulations.

CAUSE: The City awarded Premium Pay to all City employees including elected officials.

AUDITOR'S RECOMMENDATION: We recommend the City create internal controls to ensure that they review federal and state regulations prior to disbursements to ensure costs are allowable. We also recommend the City work with elected officials to create a corrective action plan to recoup the federal funds.

MANAGEMENT RESPONSE: Initially premium payments were only made to paid staff. Management was unaware of the provisions in reference to elected officials not being able to receive premium pay so they requested premium pay for the elected officials at a later date. The City Manager has sent an email to all elected officials requesting that the funds be reimbursed to the City. At this time (3) three of the (6) six elected officials have reimbursed the City and the others have committed to do so as well.

RESPONSIBLE PARTY: City Manager/Finance Director

TIMELINE FOR CORRECTIVE ACTION: June 30, 2023

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

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

2022-005 [Previously 2021-007] Procurement Code (Other Non-Compliance)

CONDITION: During our testwork over procurement, we noted the following:

- The City had purchased equipment totaling \$11,044 without having an approved purchase order completed until after the item was purchased.
- The City used an expired contract to purchase equipment totaling \$35,945.

The City did make progress on this finding.

CRITERIA: Per NMSA 1973 Chapter 13 Article I Section 13-1-129, “a central purchasing office may contract for services, construction or items on tangible personal property without the use of competitive sealed bids or competitive sealed proposals with a business which has a current price agreement.”

EFFECT: The City is not in compliance with their internal policies and with the State of New Mexico Procurement code.

CAUSE: City personnel did not follow established procurement procedures for the City.

AUDITOR’S RECOMMENDATION: We recommend that the City establish policies and procedures to ensure they have properly approved documentation prior to making any purchase. We also recommend that the City establish policies and procedures to ensure that all contacts are valid, and purchases made for those contracts don’t exceed the stated contract amount.

MANAGEMENT RESPONSE: The CPO and the Finance Director will establish updated policies and procedures for procurement to ensure that documentation is properly approved prior to a purchase. Any employees involved in the procurement process will be trained in the updated policies and procedures. The CPO and/or Finance Director will oversee the approval process for procurement.

RESPONSIBLE PARTY: CPO/Finance Director

TIMELINE FOR CORRECTIVE ACTION: June 30, 2023

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

Description	Status
Financial Statement Findings	
2021-001 IT General Controls (Other Matters)	Repeat & Modified
2021-002 Controls Surrounding Payroll Disbursements (Other Matters)	Repeat & Modified
2021-003 Fuel Cards (Other Non-Compliance)	Resolved
2021-004 Conflict of Interest (Other Non-Compliance)	Resolved
2021-005 Prior Period Adjustment (Material Weakness)	Resolved
2021-006 Allowable costs (Other Non-Compliance)	Resolved
2021-007 Procurement Code (Other Non-Compliance)	Repeat and Modified

**STATE OF NEW MEXICO
CITY OF LAS VEGAS
EXIT CONFERENCE
Year Ended June 30, 2022**

An exit conference was held on December 12, 2022 which was attended by the following:

City of Las Vegas

Louie Trujillo	Mayor
Leo Maestas	City Manager
Dominic Chavez	Deputy Finance Director
Darlene Martinez	General Accountant
David Romero	Councilmen

Pattillo, Brown & Hill, L.L.P.

Chris Garner, CPA	Partner
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The financial statements were prepared from the original books and records of the City of Las Vegas as of June 30, 2022 by Pattillo, Brown & Hill, L.L.P. However, the contents of the financial statements remain the responsibility of management.