

TOWN OF TONOPAH, NEVADA
REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

**TOWN OF TONOPAH, NEVADA
REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTAL MATERIAL
FOR THE YEAR ENDED JUNE 30, 2022
TABLE OF CONTENTS**

INTRODUCTORY SECTION:	PAGE
Title Page	
Table of Contents	
Organization	1
 FINANCIAL SECTION:	
Independent Auditor's Report	2-4
Management's Discussion and Analysis	5-14
 BASIC FINANCIAL STATEMENTS:	
Government-wide financial statements:	
Statement of Net Position	15
Statement of Activities	16
 FUND FINANCIAL STATEMENTS:	
Governmental Funds:	
Balance Sheet	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balances	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual General Fund	21-23
 Proprietary Funds:	
Statement of Net Position	24
Statement of Revenues, Expenses, and Changes in Net Position	25
Statement of Cash Flows	26
 Fiduciary Fund	
Statement of Fiduciary Net Position	27
Statement of Changes in Net Position	28
Notes to the Basic Financial Statements	29-58
 REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Changes in the Town's Total OPEB Liability and Related Ratios	59-60
Schedule of the Town's Contributions to the Public Employees' Retirement System of the State of Nevada	61
Schedule of the Town's Proportionate Share of the Net Pension Liability of the Public Employees' Retirement System of the State of Nevada	62
Notes to the Required Supplementary Information	63

TABLE OF CONTENTS (Continued)

SUPPLEMENTARY INFORMATION:	PAGE
Combining and Individual Fund Statements and Schedules:	
Major Governmental Funds:	
General Fund	
Comparative Balance Sheets	64
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	65
Schedule of Revenues - Budget and Actual	66
Schedule of Expenditures - Budget and Actual	67-68
Capital Projects Fund	
Comparative Balance Sheets	69
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	70
Major Enterprise Funds:	
Tonopah Public Utilities Water Enterprise Fund	
Comparative Statement of Net Position	71
Schedule of Revenues, Expenses, and Changes in Net Position - Budget (GAAP Basis) and Actual	72
Comparative Statements of Cash Flows	73
Tonopah Public Utilities Sewer Enterprise Fund	
Comparative Statement of Net Position	74
Schedule of Revenues, Expenses, and Changes in Net Position - Budget (GAAP Basis) and Actual	75
Comparative Statements of Cash Flows	76
Nonmajor Governmental Funds:	
Combining Balance Sheet	77
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	78
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	79-80
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	81-82
State Room Tax Special Revenue Fund	
Comparative Balance Sheets	83
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	84
Tourism Special Revenue Fund	
Comparative Balance Sheets	85
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	86
Mural Special Revenue Fund	
Comparative Balance Sheets	87
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	88
Public Safety Sales Tax Sheriff Special Revenue Fund	
Comparative Balance Sheets	89
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	90

TABLE OF CONTENTS (Continued)

SUPPLEMENTARY INFORMATION:	PAGE
Combining and Individual Fund Statements and Schedules:	
Public Safety Sales Tax Fire Special Revenue Fund	
Comparative Balance Sheets	91
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	92
Nonmajor Capital Projects Funds:	
Combining Balance Sheet	93
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	94
Special Ad Valorem Capital Projects Fund	
Comparative Balance Sheets	95
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	96
Mining Capital Projects Fund	
Comparative Balance Sheets	97
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	98
 COMPLIANCE:	
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 <i>Government Auditing Standards</i>	99-100
Independent Auditor's Comments	101-102

TOWN OF TONOPAH, NEVADA

ORGANIZATION

TOWN OFFICERS at June 30, 2022:

Chairman	Don Kaminski
Vice Chairman	Jerry Elliston
Clerk	Marc Grigory
Board Member	Duane Downing
Board Member	Zachary Newell

**TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

As management of the Town of Tonopah, Nevada, we offer readers of the Town of Tonopah, Nevada's ("Town") financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022. The Management's Discussion and Analysis introduces the financial reports for the Town and is designed to give the reader an easy-to-understand overview of the Town's financial position and results of operations for the year. The Management's Discussion and Analysis is separated into Financial Highlights, an Overview of the Financial Statements, Government-Wide Financial Analysis, Financial Analysis of the Town's Funds, General Fund Budgetary Highlights, Capital Assets, Debt Administration, and Economic Factors and Next Year's Budget.

FINANCIAL HIGHLIGHTS

Government-Wide Statements

The assets and deferred outflows of the Town exceeded its liabilities and deferred inflows at the close of the 2022 fiscal year by \$23,715,563 (net position). Total net position represents approximately \$19,431,335 of net investment in capital assets, \$253,083 in assets restricted for debt services, \$685,490 in assets restricted for capital projects, \$227,277 in assets restricted for culture and recreation, and \$199,189 in assets restricted for public safety. The remaining \$2,919,189 represents unrestricted net position, which may be used to meet the Town's ongoing obligations to its citizens and creditors.

The government-wide net position of the Town increased during the fiscal year 2022, from \$23,461,594 to \$23,715,563.

The Town's primary revenue sources for governmental activities were ad valorem taxes (property taxes) of \$218,908, room taxes of \$876,810, consolidated taxes (sales taxes) of \$916,466, and public safety sales taxes of \$207,888. These revenue sources comprised 9.98%, 39.97%, 41.78%, and 9.48%, respectively, or 101.21% of total governmental activities revenues. The Town had investment income losses of 393,401 due to declines in fair market value of investments during the year.

The Town's total expenses were \$3,346,797. The greatest governmental activities expenses were \$780,237 in culture and recreation and \$308,035 in the general government function. The business-type activities contributed \$1,686,146 to the Town's total expenses.

Fund Financial Statements

At the end of fiscal year 2022, the Town's governmental funds reported combined fund balances of \$3,910,242, an increase of \$267,885 when compared to the previous year. Approximately 37.31% of this amount, \$1,458,960, is available for spending at the government's discretion (unassigned fund balance).

At the end of fiscal year 2022, the Town's General Fund had a fund balance of \$3,164,832, an increase of \$46,525 when compared to the previous year. Approximately 46.10% of this amount, \$1,458,960, is unassigned fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis is intended to introduce the Town's basic financial statements. The Town's basic financial statements are comprised of government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with an overview of the Town's financial position in a manner similar to a private-sector business.

The Statement of Net Position combines and consolidates all of the Town's assets and liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. This includes combining current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting. Net position is segregated into three components: invested in capital assets, net of related debt; restricted; and unrestricted net position. Net position is an indicator of the overall financial position of the Town and the change in net position from year to year is an indicator of the financial position improving or deteriorating.

**TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-Wide Financial Statements (Continued)

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

The government-wide financial statements report two types of activities: governmental activities and business-type activities. The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, and culture and recreation. The business-type activities include operations of its utilities.

Fund Financial Statements

A fund is a grouping of accounts that is used to maintain control over resources that are designated for a specific purpose within the government. The Town uses fund financial statements to provide detailed information about its most significant funds. All of the Town of Tonopah funds are classified into three categories:

Governmental Funds – Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements described above. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting, which focuses on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. To provide a better understanding of the relationship between the fund financial statements and government-wide financial statements, a reconciliation is provided for a more comprehensive picture of the Town's financial position.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains individual governmental funds. Information is presented separately in the governmental balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining and individual fund statements and schedules.

**TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

The Town adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement is provided for each of the Town's governmental funds to demonstrate compliance with the budget.

Proprietary Funds –The Town maintains one type of proprietary fund: The Enterprise Fund. The Enterprise Fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses the Enterprise Fund to account for its water and sewer utility activities.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility funds.

Fiduciary Funds - Fiduciary funds are used to account for the resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Town has one type of fiduciary fund: The Post-Retirement Benefits Trust Fund – This fund accounts for resources that are to be held in trust for the members of the employee benefit plan.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide other post-employment benefits to its employees.

The combining statements and individual fund schedules are presented immediately following the required supplementary information on other post-employment benefits.

TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements are structured to report financial information on the Town as a whole. Condensed financial information with comparative amounts from the prior year is presented along with the accompanying analysis.

The following table illustrates the changes in net position for the fiscal years ending June 30, 2022 and 2021.

Net Position

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2022	2021	2022	2021	2022	2021
Assets:						
Current and other assets	\$ 4,221,698	\$ 3,814,074	\$ 2,970,640	\$ 3,007,447	\$ 7,192,338	\$ 6,821,521
Net capital assets	5,002,962	4,949,107	19,258,764	19,728,906	24,261,726	24,678,013
Total assets	9,224,660	8,763,181	22,229,404	22,736,353	31,454,064	31,499,534
Deferred outflows of resources	423,635	206,992	345,548	167,281	769,183	374,273
Liabilities:						
Current liabilities	274,317	194,094	300,052	265,669	574,369	459,763
Long-term liabilities	741,249	1,275,741	5,649,944	6,218,115	6,391,193	7,493,856
Total liabilities	1,015,566	1,469,835	5,949,996	6,483,784	6,965,562	7,953,619
Deferred inflows of resources	859,346	259,722	682,776	198,872	1,542,122	458,594
Net position:						
Invested in capital assets, net of related debt	5,002,962	4,949,107	14,428,373	14,787,077	19,431,335	19,736,184
Restricted	745,410	524,050	619,629	566,457	1,365,039	1,090,507
Unrestricted	2,025,011	1,767,459	894,178	867,444	2,919,189	2,634,903
Total net position	\$ 7,773,383	\$ 7,240,616	\$ 15,942,180	\$ 16,220,978	\$ 23,715,563	\$ 23,461,594

The Town's assets exceeded liabilities by \$23,715,563 at the close of the current fiscal year and total net position increased by \$253,969, resulting in a 1.08% increase in net position.

The largest portion of the Town's net position, 81.93%, reflects its investment in capital assets less any related debt outstanding used to acquire those assets. The Town uses capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

The Town's total net position of \$23,715,563 includes unrestricted net position totaling \$2,929,189, or 12.31%. This is used to meet the ongoing obligations of the Town. Portions of total net position are subject to external restrictions as to how they may be used. In the current fiscal year, there were restricted assets of \$1,365,039, or 5.76%.

Net Position:

Governmental activities increased the Town's net position by \$532,767. Business-type activities decreased the Town's net position by \$278,798.

TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in net position of the Town are summarized as follows:

	Governmental Activities		Business-Type Activities		Total Primary Governmental	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 120,118	\$ 116,575	\$ 1,188,069	\$ 1,129,542	\$ 1,308,187	\$ 1,246,117
Operating grant	19,093	-	-	-	19,093	-
Capital grant	-	65,976	-	-	-	65,976
General revenues:						
Ad valorem taxes	218,908	310,784	-	-	218,908	310,784
Room taxes	876,810	674,791	-	-	876,810	674,791
Fuel taxes	42,490	46,497	-	-	42,490	46,497
Consolidated taxes	916,466	751,763	-	-	916,466	751,763
Public safety taxes	207,888	191,884	-	-	207,888	191,884
Investment income (loss)	(218,823)	(12,442)	(174,578)	(11,731)	(393,401)	(24,173)
Miscellaneous	10,468	10	393,857	351,939	404,325	351,949
Total revenues	<u>2,193,418</u>	<u>2,145,838</u>	<u>1,407,348</u>	<u>1,469,750</u>	<u>3,600,766</u>	<u>3,615,588</u>
Expenses:						
General government	308,035	322,145	-	-	308,035	322,145
Public safety	270,722	317,355	-	-	270,722	317,355
Public works	301,657	342,372	-	-	301,657	342,372
Culture and recreation	780,237	805,789	-	-	780,237	805,789
Utility operations	-	-	1,686,146	1,785,561	1,686,146	1,785,561
Total expenses	<u>1,660,651</u>	<u>1,787,661</u>	<u>1,686,146</u>	<u>1,785,561</u>	<u>3,346,797</u>	<u>3,573,222</u>
Change in net position	532,767	358,177	(278,798)	(315,811)	253,969	42,366
Net position - beginning	<u>7,240,616</u>	<u>6,882,439</u>	<u>16,220,978</u>	<u>16,536,789</u>	<u>23,461,594</u>	<u>23,419,228</u>
Net position - ending	<u>\$7,773,383</u>	<u>\$7,240,616</u>	<u>\$15,942,180</u>	<u>\$16,220,978</u>	<u>\$23,715,563</u>	<u>\$23,461,594</u>

Program revenues include operating and capital grants and charges for services including fines and forfeitures, certain licenses and permits, and water and sewer utility services.

General revenues consist of taxes, investment income (loss), and miscellaneous revenues. For governmental activities, the largest of these revenues was consolidated tax. The second largest revenue was room tax. The business-type general revenue came from charges for services related to the water and sewer utility.

**TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$3,910,242. This is an increase over the prior year of \$267,885, or 7.35%. Fund balance components have been classified as restricted, assigned, and/or unassigned based primarily on the extent to which the Town is bound to observe constraints imposed on the use of the resources of the funds. Restricted fund balance is \$745,410, or 37.31%, of the total. Spending of these resources is constrained by externally imposed (statutory, bond covenant, or grantors) limitations on their use. The restricted fund balances include \$318,944 for capital projects, \$199,189 for public safety, and \$227,277 for culture and recreation.

Major Funds:

General Fund: The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the fund balance of the General Fund was \$3,164,832, an increase of \$46,525, or 1.49%, from the prior year.

Revenues increased by \$25,782, or 1.38%. Tax revenues increased by \$56,725, or 6.18%, due to increases in room taxes. Intergovernmental revenues increased by \$109,675, or 12.21%, primarily due to consolidated taxes. Miscellaneous revenues decreased \$165,109, or 2689.07% due to investment income losses due to declines in fair market value of investments.

Expenditures increased by \$61,443, or 5.00%. General Government expenditures increased by \$47,394, or 15.54%, due to increased services and supplies expenditures. Public Safety decreased by \$11,923, or 13.98%, due to decreases in services and supplies expenditures for fire. Public works expenditures decreased by \$27,087, or 7.86%, due to decreases in employee benefits and services and supplies expenditures. Culture and recreation expenditures increased by \$53,059, or 10.76%, primarily due to increased salaries and wages and employee benefits for the mining park and swimming pool.

Capital Projects Fund: At the end of the current fiscal year, the fund balance of the Capital Projects Fund was \$184,131, an increase of \$178,943, or 3,449.17%, from the prior year due to a transfer in from the General Fund during the year of \$430,000.

Revenues decreased by \$18,218, or 357.71%, due to investment loss in the current year due to declines in the fair market value of investments.

Expenditures decreased by \$118,864, or 33.31%, due to decreased capital expenditures.

Major Enterprise Funds:

Enterprise Funds: The Town's water and sewer utility enterprise fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the enterprise funds totaled \$894,268. Total net position in the enterprise funds decreased \$278,708.

Tonopah Public Utilities Water: Operating revenues increased by \$26,843, or 4.43%. Operating expenditures decreased by \$16,303, or 1.63%, primarily due to a decrease in general operation costs. Nonoperating revenues/(expenses) were \$38,766, or 19.90%, lower than the prior year mainly due to investment loss due to a decline in the fair market value.

Tonopah Public Utilities Sewer: Operating revenues increased by \$31,684, or 6.05%. Operating expenditures decreased by \$65,303, or 9.82%, from the prior year. This decrease is attributed to decreased administration and general operations costs. Nonoperating revenues/(expenses) were \$64,354, or 250.16%, lower than the prior year due to investment loss in the current year due to a decline in the fair market value.

TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

GENERAL FUND BUDGETARY HIGHLIGHTS

Nevada Revised Statutes require that the Town legally adopts budgets for all funds. Budgets are prepared in accordance with generally accepted accounting principles. Budgeted amounts reflected in the accompanying financial statements recognize amendments made during the year. The final appropriated budget is prepared by fund, function, and object. All appropriations lapse at year-end and encumbrances are re-appropriated in the ensuing fiscal year.

The actual General Fund balance of \$3,164,832 was \$1,485,798 higher than anticipated to begin the 2022-2023 year. This is reflected in the General Fund as unassigned fund balance of \$1,458,960 and nonspendable of \$26,838.

Final budget compared to actual results: The most significant differences between estimated revenues and expenses and actual revenues and expenses in the General Fund were as follows:

Overall, the revenues received were more than budgeted by \$1,045,165. Significant revenues in excess of budgeted amounts were \$513,273 in room taxes and \$616,466 in consolidated taxes.

A review of actual expenditures compared to the appropriations in the final budget shows that expenditures were \$792,079 lower than budgeted, or 38.06%. Expenditures were under budget for all functions of the General Fund as follows: general government by \$251,012, public safety by \$137,067, public works by \$123,990, and culture and recreation by \$265,010.

CAPITAL ASSETS

At June 30, 2022, the Town's governmental type activities had \$5,002,962 (net) invested in land, land improvements, construction in progress, building and improvements, and equipment. This amount represents a net increase (including additions, disposals, and depreciation) of \$53,855 from the previous year.

At June 30, 2022, the Town's business-type activities had \$19,258,764 (net) invested in land, utility distributions systems, and equipment. This amount represents a net decrease (including additions, disposals, and depreciation) of \$470,142 from the previous year.

Capital assets, net of related debt, reflect 81.93% of net position of the Town. The Town uses capital assets to provide services to the citizens of the Town of Tonopah and, consequently, these assets are not available for future spending.

**TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

CAPITAL ASSETS (Continued)

The following tables reflect additions and dispositions of capital assets for the Town's governmental activities and business-type activities.

Governmental Activities:

	Balance June 30, 2021	Additions	Transfer	Deletions	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 2,215,563	\$ -	\$ -	\$ -	\$ 2,215,563
Construction in progress	24,948	-	(24,948)	-	-
Total capital assets not being depreciated	2,240,511	-	(24,948)	-	2,215,563
Capital assets being depreciated:					
Land improvements	43,750	49,500	-	-	93,250
Building and improvements	2,515,212	87,600	24,948	-	2,627,760
Equipment	2,659,401	223,215	-	(85,298)	2,797,318
Total capital assets being depreciated	5,218,363	360,315	24,948	(85,298)	5,518,328
Less accumulated depreciation for:					
Land improvements	6,850	4,663	-	-	11,513
Building and improvements	969,725	85,990	-	-	1,055,715
Equipment	1,533,192	215,807	-	(85,298)	1,663,701
Total accumulated depreciation	2,509,767	306,460	-	(85,298)	2,730,929
Total capital assets being depreciated, net	2,708,596	53,855	24,948	-	2,787,399
Governmental activities assets, net	\$ 4,949,107	\$ 53,855	\$ -	\$ -	\$ 5,002,962

Capital additions included a basketball court, HVAC upgrades, roofing upgrades, electronic reader board, vehicles, and various fire equipment.

Business-type Activities:

	Balance June 30, 2021	Additions	Transfer	Deletions	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000
Construction in progress	-	38,999	-	-	38,999
Total capital assets not being depreciated	55,000	38,999	-	-	93,999
Capital assets being depreciated:					
Systems and equipment	34,732,205	233,660	-	(266,338)	34,699,527
Less accumulated depreciation for:					
Systems and equipment	15,058,299	742,801	-	(266,338)	15,534,762
Total capital assets being depreciated, net	19,673,906	(509,141)	-	-	19,164,765
Business-type activities assets, net	\$ 19,728,906	\$ (470,142)	\$ -	\$ -	\$ 19,258,764

Capital additions included system improvements. Construction in progress is for radio upgrades.

**TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

CAPITAL ASSETS (Continued)

Construction Commitments

30, 2022:

Project	Governmental Activities	
	Spent-to-Date	Commitment
TPU Radio Upgrades:		
Waste Water	\$ 13,254	\$ 39,675
Well Field	25,745	54,510
Total TPU Radio Upgrades	\$ 38,999	\$ 94,185

DEBT ADMINISTRATION

Changes in Long-term Debt: During the year ended June 30, 2022, the following changes occurred in long-term debt:

Governmental activities:

	Balance June 30, 2021	Net Additions	Net Deletions	Balance June 30, 2022	Due within One Year
Compensated absences	\$ 47,036	\$ -	\$ 28,432	\$ 18,604	\$ 8,195
Net pension liability	487,953	-	281,628	206,325	-
Net OPEB liability	767,813	-	243,298	524,515	-
Total	\$ 1,302,802	\$ -	\$ 553,358	\$ 749,444	\$ 8,195

Business-type activities:

	Balance June 30, 2021	Net Additions	Net Deletions	Balance June 30, 2022	Due within One Year
Compensated absences	\$ 48,130	\$ -	\$ 16,654	\$ 31,476	\$ 18,538
Net pension liability	556,585	-	226,710	329,875	-
Net OPEB liability	804,391	-	213,895	590,496	-
Bond payable	4,941,829	-	111,438	4,830,391	113,756
Total	\$ 6,350,935	\$ -	\$ 568,697	\$ 5,782,238	\$ 132,294

The Town's debt decreased by \$553,358 for governmental activities during the current fiscal year. The decrease was primarily due to decreases in the Town's proportionate share of the net pension liability and OPEB liability.

The Town's debt decreased by \$568,697 for business-type activities during the current fiscal year. The decrease was mainly due to a decrease in net pension liability, net OPEB liability and bonds outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town approved the budget for the 2022-2023 year on May 25, 2022. The following factors were considered in the development of the budget.

- Assessed valuation for the Town decreased by approximately 64.34% and tax rates remained unchanged. Therefore, property tax revenues will be lower.

**TOWN OF TONOPAH, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

REQUESTS FOR INFORMATION

This financial report is designed to provide its users with a general overview of the Town of Tonopah, Nevada's finances and to demonstrate the Town's accountability for the revenues it receives. Any comments, further questions, or requests for additional information should be addressed to:

Town Administration
Town of Tonopah, Nevada
140 S. Main Street
PO Box 151
Tonopah, Nevada 89049

TOWN OF TONOPAH, NEVADA
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Business-type Activities	Total Primary Government
Assets			
Cash and cash equivalents	\$ 3,807,536	\$ 2,079,831	\$ 5,887,367
Interest receivable	8,577	6,599	15,176
Property taxes receivable	45,736	-	45,736
Room taxes receivable	102,088	-	102,088
Due from other governments	230,923	-	230,923
Accounts receivable net of allowance for uncollectible	-	177,501	177,501
Inventory	-	57,047	57,047
Prepaid items	26,838	30,033	56,871
Restricted assets - cash	-	619,629	619,629
Capital assets (net of accumulated depreciation)	5,002,962	19,258,764	24,261,726
Total assets	<u>9,224,660</u>	<u>22,229,404</u>	<u>31,454,064</u>
Deferred outflows of resources			
Deferred charge on pension	378,259	307,940	686,199
Deferred charge on OPEB	45,376	37,608	82,984
Total deferred outflows of resources	<u>423,635</u>	<u>345,548</u>	<u>769,183</u>
Liabilities			
Accounts payable	239,436	113,273	352,709
Accrued payroll	26,686	18,715	45,401
Accrued interest payable	-	7,068	7,068
Payable from restricted assets:			
Customer deposits	-	28,702	28,702
Noncurrent liabilities:			
Due within one year:			
Accrued compensated absences	8,195	18,538	26,733
Bonds payable	-	113,756	113,756
Due in more than one year:			
Net OPEB liability	524,515	590,496	1,115,011
Net pension liability	206,325	329,875	536,200
Accrued compensated absences	10,409	12,938	23,347
Bonds payable	-	4,716,635	4,716,635
Total liabilities	<u>1,015,566</u>	<u>5,949,996</u>	<u>6,965,562</u>
Deferred inflows of resources			
Deferred charge on pension	489,949	394,935	884,884
Deferred charge on OPEB	369,397	287,841	657,238
Total deferred inflows of resources	<u>859,346</u>	<u>682,776</u>	<u>1,542,122</u>
Net position			
Net investment in capital assets	5,002,962	14,428,373	19,431,335
Restricted	745,410	619,629	1,365,039
Unrestricted	2,025,011	894,178	2,919,189
Total net position	<u>\$ 7,773,383</u>	<u>\$ 15,942,180</u>	<u>\$ 23,715,563</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues		Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Primary governments:						
General government	\$ (308,035)	\$ 83,211	\$ -	\$ (224,824)	\$ -	\$ (224,824)
Public safety	(270,722)	-	-	(270,722)	-	(270,722)
Public works	(301,657)	-	-	(301,657)	-	(301,657)
Culture and recreation	<u>(780,237)</u>	<u>36,907</u>	<u>19,093</u>	<u>(724,237)</u>	<u>-</u>	<u>(724,237)</u>
Total governmental activities	<u>(1,660,651)</u>	<u>120,118</u>	<u>19,093</u>	<u>(1,521,440)</u>	<u>-</u>	<u>(1,521,440)</u>
Business-type activities:						
Water	(1,086,412)	632,331	-	-	(454,081)	(454,081)
Sewer	<u>(599,734)</u>	<u>555,738</u>	<u>-</u>	<u>-</u>	<u>(43,996)</u>	<u>(43,996)</u>
Total business-type activities	<u>(1,686,146)</u>	<u>1,188,069</u>	<u>-</u>	<u>-</u>	<u>(498,077)</u>	<u>(498,077)</u>
Total primary governments	<u><u>\$ (3,346,797)</u></u>	<u><u>\$ 1,308,187</u></u>	<u><u>\$ 19,093</u></u>	<u><u>(1,521,440)</u></u>	<u><u>(498,077)</u></u>	<u><u>(2,019,517)</u></u>
General Revenues:						
Ad valorem taxes				218,908	-	218,908
Room taxes				876,810	-	876,810
Fuel taxes				42,490	-	42,490
Consolidated taxes				916,466	-	916,466
Public safety taxes				207,888	-	207,888
Investment income (loss)				(218,823)	(174,578)	(393,401)
Capital projects fees				-	31,695	31,695
Surcharge				-	290,284	290,284
Miscellaneous				<u>10,468</u>	<u>71,878</u>	<u>82,346</u>
Total general revenues				<u>2,054,207</u>	<u>219,279</u>	<u>2,273,486</u>
Change in net position				532,767	(278,798)	253,969
Net position - beginning of year				<u>7,240,616</u>	<u>16,220,978</u>	<u>23,461,594</u>
Net position - end of year				<u><u>\$ 7,773,383</u></u>	<u><u>\$ 15,942,180</u></u>	<u><u>\$ 23,715,563</u></u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
BALANCE SHEET- GOVERNMENTAL FUNDS
JUNE 30, 2022

	Major Fund		Other Governmental Funds	Total Governmental Funds
	General Fund	Capital Projects		
Assets				
Pooled cash and investments	\$ 3,086,403	\$ 183,670	\$ 537,463	\$ 3,807,536
Interest receivable	6,883	461	1,233	8,577
Property taxes receivable	45,736	-	-	45,736
Room taxes receivable	94,691	-	7,397	102,088
Due from other governments	200,547	-	30,376	230,923
Prepaid items	26,838	-	-	26,838
Total assets	<u>\$ 3,461,098</u>	<u>\$ 184,131</u>	<u>\$ 576,469</u>	<u>\$ 4,221,698</u>
Liabilities				
Accounts payable	\$ 226,789	\$ -	\$ 12,647	\$ 239,436
Accrued payroll	24,143	-	2,543	26,686
Total liabilities	<u>250,932</u>	<u>-</u>	<u>15,190</u>	<u>266,122</u>
Deferred inflows of resources				
Unavailable revenue - property taxes	45,334	-	-	45,334
Fund Balance				
Nonspendable	26,838	-	-	26,838
Restricted for:				
Capital projects	-	184,131	134,813	318,944
Public safety	-	-	199,189	199,189
Culture and recreation	-	-	227,277	227,277
Assigned for subsequent year	1,679,034	-	-	1,679,034
Unassigned	1,458,960	-	-	1,458,960
Total fund balance	<u>3,164,832</u>	<u>184,131</u>	<u>561,279</u>	<u>3,910,242</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 3,461,098</u>	<u>\$ 184,131</u>	<u>\$ 576,469</u>	<u>\$ 4,221,698</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balance - governmental funds **\$ 3,910,242**

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

Capital assets net of the related depreciation are not reported in the governmental funds financial statements because they are not current financial resources, but they are reported in the Statement of Net Position. 5,002,962

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. 45,334

Certain liabilities, such as compensated absences, are not reported in the governmental funds financial statements because they are not due and payable, but they are presented as liabilities in the Statement of Net Position and include:

Compensated absences. (18,604)

The Town's other postemployment benefits liabilities as well as other postemployment benefits-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred outflows from other postemployment benefits. 45,376

Net other postemployment benefits liability. (524,515)

Deferred inflows from other postemployment benefits. (369,397)

The Town's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred outflows from pension activity. 378,259

Net pension liability. (206,325)

Deferred inflows from pension activity. (489,949)

Total net position - governmental activities **\$ 7,773,383**

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Major Funds		Other Governmental Funds	Total Governmental Funds
	General Fund	Capital Projects		
Revenues				
Taxes	\$ 973,910	\$ -	\$ 63,537	\$ 1,037,447
Licenses and permits	700	-	-	700
Intergovernmental	1,008,216	-	225,509	1,233,725
Charges for services	36,907	-	-	36,907
Fines and forfeitures	52,244	-	-	52,244
Miscellaneous	<u>(171,249)</u>	<u>(13,125)</u>	<u>(23,881)</u>	<u>(208,255)</u>
 Total revenues	 <u>1,900,728</u>	 <u>(13,125)</u>	 <u>265,165</u>	 <u>2,152,768</u>
Expenditures				
Current:				
General government	352,277	-	-	352,277
Public safety	73,379	-	224,567	297,946
Public works	317,359	-	-	317,359
Culture and recreation	546,188	-	133,181	679,369
Capital projects	<u>-</u>	<u>237,932</u>	<u>-</u>	<u>237,932</u>
 Total expenditures	 <u>1,289,203</u>	 <u>237,932</u>	 <u>357,748</u>	 <u>1,884,883</u>
 Excess (deficiency) of revenues over expenditures	 <u>611,525</u>	 <u>(251,057)</u>	 <u>(92,583)</u>	 <u>267,885</u>
Other financing sources (uses)				
Operating transfers in	-	430,000	135,000	565,000
Operating transfers out	<u>(565,000)</u>	<u>-</u>	<u>-</u>	<u>(565,000)</u>
Total other financing sources (uses)	<u>(565,000)</u>	<u>430,000</u>	<u>135,000</u>	<u>-</u>
 Net change in fund balance	 46,525	 178,943	 42,417	 267,885
Fund balance				
Beginning of year	<u>3,118,307</u>	<u>5,188</u>	<u>518,862</u>	<u>3,642,357</u>
End of year	<u>\$ 3,164,832</u>	<u>\$ 184,131</u>	<u>\$ 561,279</u>	<u>\$ 3,910,242</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
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

Net change in fund balance - governmental funds **\$ 267,885**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities. The is the amount by which depreciation exceeds capital outlay in the current period. 53,855

Property taxes that are collected in the time to pay obligations of the current period are reported as revenue in the fund statements. However, amounts that related to prior periods that first become available in the current period should not be reported as revenue in the Statement of Activities. 40,650

Generally, expenditures recognized in fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the Statement of Activities when incurred and include:
 Compensated absences. 28,432

Net differences between other postemployment benefits contributions recognized in the fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Statement of Activities:

Net other postemployment benefits income (expense). 60,814

Net differences between pension system contributions recognized in the fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Statement of Activities.

Pension contributions made after measurement date (2022 contributions). 63,290

Net pension income (expense). 17,841

Change in net position of governmental activities **\$ 532,767**

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
Revenues				
Taxes:				
Property taxes	\$ 150,000	\$ 150,000	\$ 160,637	\$ 10,637
Room taxes	<u>300,000</u>	<u>300,000</u>	<u>813,273</u>	<u>513,273</u>
Total taxes	<u>450,000</u>	<u>450,000</u>	<u>973,910</u>	<u>523,910</u>
Licenses and permits	<u>2,500</u>	<u>2,500</u>	<u>700</u>	<u>(1,800)</u>
Intergovernmental:				
County liquor license	1,800	1,800	2,840	1,040
County gaming license	16,000	16,000	27,427	11,427
Consolidated tax	300,000	300,000	916,466	616,466
Gas tax \$1.75	38,213	38,213	42,490	4,277
Grants	<u>-</u>	<u>-</u>	<u>18,993</u>	<u>18,993</u>
Total intergovernmental	<u>356,013</u>	<u>356,013</u>	<u>1,008,216</u>	<u>652,203</u>
Charges for services:				
Rescue runs	200	200	-	(200)
Swimming pool fees	6,000	6,000	4,339	(1,661)
Convention Center rental	10,000	10,000	10,061	61
Sports complex fees	2,400	2,400	2,400	-
Mining park entrance	5,000	5,000	16,296	11,296
Fairgrounds rental	<u>450</u>	<u>450</u>	<u>3,811</u>	<u>3,361</u>
Total charges for services	<u>24,050</u>	<u>24,050</u>	<u>36,907</u>	<u>12,857</u>
Fines and forfeitures	<u>15,000</u>	<u>15,000</u>	<u>52,244</u>	<u>37,244</u>
Miscellaneous:				
Investment income (loss)	6,000	6,000	(171,249)	(177,249)
Other	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
Total miscellaneous	<u>8,000</u>	<u>8,000</u>	<u>(171,249)</u>	<u>(179,249)</u>
Total revenues	<u>855,563</u>	<u>855,563</u>	<u>1,900,728</u>	<u>1,045,165</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures				
General government:				
Salaries and wages	\$ 190,300	\$ 190,300	\$ 123,181	\$ 67,119
Employee benefits	154,935	154,935	74,856	80,079
Services and supplies	<u>258,054</u>	<u>258,054</u>	<u>154,240</u>	<u>103,814</u>
Total general government	<u>603,289</u>	<u>603,289</u>	<u>352,277</u>	<u>251,012</u>
Public safety:				
Fire:				
Salaries and wages	12,000	12,000	-	12,000
Employee benefits	18,146	18,146	9,025	9,121
Services and supplies	<u>180,300</u>	<u>180,300</u>	<u>64,354</u>	<u>115,946</u>
Total public safety	<u>210,446</u>	<u>210,446</u>	<u>73,379</u>	<u>137,067</u>
Public works:				
Highways and streets:				
Salaries and wages	151,319	151,319	118,493	32,826
Employee benefits	110,317	110,317	64,732	45,585
Services and supplies	179,713	179,713	123,434	56,279
Capital outlay	-	-	<u>10,700</u>	<u>(10,700)</u>
Total public works	<u>441,349</u>	<u>441,349</u>	<u>317,359</u>	<u>123,990</u>
Culture and recreation:				
Parks:				
Services and supplies	<u>55,200</u>	<u>55,200</u>	<u>47,715</u>	<u>7,485</u>
Mining parks:				
Salaries and wages	149,382	149,382	130,853	18,529
Employee benefits	82,709	82,709	62,318	20,391
Services and supplies	<u>50,400</u>	<u>50,400</u>	<u>30,935</u>	<u>19,465</u>
Total mining parks	<u>282,491</u>	<u>282,491</u>	<u>224,106</u>	<u>58,385</u>
Swimming pool:				
Salaries and wages	37,494	37,494	20,042	17,452
Employee benefits	6,155	6,155	2,919	3,236
Services and supplies	<u>29,600</u>	<u>29,600</u>	<u>21,720</u>	<u>7,880</u>
Total swimming pool	<u>73,249</u>	<u>73,249</u>	<u>44,681</u>	<u>28,568</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Culture and recreation (continued):				
Fairgrounds:				
Services and supplies	\$ 7,300	\$ 7,300	\$ 3,166	\$ 4,134
Ball fields:				
Services and supplies	42,500	42,500	34,833	7,667
Convention center:				
Salaries and wages	155,635	155,635	90,332	65,303
Employee benefits	99,723	99,723	47,765	51,958
Services and supplies	95,100	95,100	53,590	41,510
Total convention center	350,458	350,458	191,687	158,771
Total culture and recreation	811,198	811,198	546,188	265,010
Contingency	15,000	15,000	-	15,000
Total expenditures	2,081,282	2,081,282	1,289,203	792,079
Excess (deficiency) of revenues over expenditures	(1,225,719)	(1,225,719)	611,525	1,837,244
Other financing sources (uses)				
Operating transfers out	(565,000)	(565,000)	(565,000)	-
Net change in fund balance	(1,790,719)	(1,790,719)	46,525	1,837,244
Fund balance				
Beginning of year	2,122,531	2,122,531	3,118,307	995,776
End of year	\$ 331,812	\$ 331,812	\$ 3,164,832	\$ 2,833,020

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2022

	MAJOR FUNDS		Total Enterprise Funds
	Tonopah Public Utility Water Fund	Tonopah Public Utility Sewer Fund	
Assets			
Current assets:			
Pooled cash and investments	\$ 955,649	\$ 1,124,182	\$ 2,079,831
Interest receivable	3,781	2,818	6,599
Accounts receivable, net of allowance for doubtful accounts	104,983	72,518	177,501
Inventory	51,748	5,299	57,047
Prepaid items	12,783	17,250	30,033
Restricted assets - cash	603,589	16,040	619,629
Total current assets	<u>1,732,533</u>	<u>1,238,107</u>	<u>2,970,640</u>
Property, plant and equipment, net of accumulated depreciation	13,791,716	5,467,048	19,258,764
Total assets	<u>15,524,249</u>	<u>6,705,155</u>	<u>22,229,404</u>
Deferred outflows of resources			
Deferred charge on pension	130,707	177,233	307,940
Deferred charge on OPEB	15,832	21,776	37,608
Total deferred outflows of resources	<u>146,539</u>	<u>199,009</u>	<u>345,548</u>
Liabilities			
Current liabilities, payable from unrestricted assets:			
Accounts payable	97,075	16,198	113,273
Accrued payroll	8,913	9,802	18,715
Accrued interest payable	7,068	-	7,068
Accrued compensated absences	9,269	9,269	18,538
Current portion of bonds payable	113,756	-	113,756
Total current liabilities-unrestricted	<u>236,081</u>	<u>35,269</u>	<u>271,350</u>
Current liabilities, payable from restricted assets:			
Customer deposits	28,702	-	28,702
Total current liabilities	<u>264,783</u>	<u>35,269</u>	<u>300,052</u>
Non-current liabilities:			
Net OPEB liability	90,990	499,506	590,496
Net pension liability	195,000	134,875	329,875
Accrued compensated absences	6,469	6,469	12,938
Bonds payable	4,716,635	-	4,716,635
Total non-current liabilities	<u>5,009,094</u>	<u>640,850</u>	<u>5,649,944</u>
Total liabilities	<u>5,273,877</u>	<u>676,119</u>	<u>5,949,996</u>
Deferred inflows of resources			
Deferred charge on pension	166,329	228,606	394,935
Deferred charge on OPEB	108,959	178,882	287,841
Total deferred inflows of resources	<u>275,288</u>	<u>407,488</u>	<u>682,776</u>
Net position			
Net investment in capital assets	8,961,325	5,467,048	14,428,373
Restricted for debt	253,083	-	253,083
Restricted for capital projects	350,506	16,040	366,546
Unrestricted	556,709	337,469	894,178
Total net position	<u>\$ 10,121,623</u>	<u>\$ 5,820,557</u>	<u>\$ 15,942,180</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	MAJOR FUNDS		
	Tonopah Public Utility Water Fund	Tonopah Public Utility Sewer Fund	Total Enterprise Funds
Operating revenues			
Charges for services:			
Water fees	\$ 632,331	\$ -	\$ 632,331
Sewer fees	-	555,738	555,738
Total operating revenues	<u>632,331</u>	<u>555,738</u>	<u>1,188,069</u>
Operating expenses			
Water Department:			
Administration	100,281	-	100,281
General operations	242,445	-	242,445
Water operations	145,324	-	145,324
Depreciation	496,539	-	496,539
Total water department	<u>984,589</u>	<u>-</u>	<u>984,589</u>
Sewer Department:			
Administration	-	152,225	152,225
General operations	-	182,933	182,933
Sewer operations	-	18,314	18,314
Depreciation	-	246,262	246,262
Total sewer department	<u>-</u>	<u>599,734</u>	<u>599,734</u>
Total operating expenses	<u>984,589</u>	<u>599,734</u>	<u>1,584,323</u>
Operating income (loss)	<u>(352,258)</u>	<u>(43,996)</u>	<u>(396,254)</u>
Nonoperating revenue (expense)			
Investment income (loss)	(104,254)	(70,324)	(174,578)
Capital projects fees	-	31,695	31,695
Water surcharge	290,284	-	290,284
Miscellaneous	71,878	-	71,878
Interest expense	(101,823)	-	(101,823)
Total nonoperating revenue (expense)	<u>156,085</u>	<u>(38,629)</u>	<u>117,456</u>
Change in net position	(196,173)	(82,625)	(278,798)
Net Position			
Beginning of year	<u>10,317,796</u>	<u>5,903,182</u>	<u>16,220,978</u>
End of year	<u>\$ 10,121,623</u>	<u>\$ 5,820,557</u>	<u>\$ 15,942,180</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	MAJOR FUNDS		
	Tonopah Public Utility Water Fund	Tonopah Public Utility Sewer Fund	Total Enterprise Funds
Cash flows from operating activities:			
Cash received from customers	\$ 611,166	\$ 538,177	\$ 1,149,343
Cash paid for salaries, wages, and employee benefits	(270,443)	(349,349)	(619,792)
Cash paid for services and supplies	(230,628)	(126,873)	(357,501)
Net cash provided (used) by operating activities	<u>110,095</u>	<u>61,955</u>	<u>172,050</u>
Cash flows from noncapital financing activities:			
Miscellaneous revenue	71,878	-	71,878
Capital projects fees	-	31,695	31,695
Surcharges	290,284	-	290,284
Net cash provided (used) by noncapital financing activities	<u>362,162</u>	<u>31,695</u>	<u>393,857</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(142,120)	(130,539)	(272,659)
Principal paid	(111,438)	-	(111,438)
Interest paid	(101,983)	-	(101,983)
Net cash provided (used) by capital and related financing activities	<u>(355,541)</u>	<u>(130,539)</u>	<u>(486,080)</u>
Cash flows from investing activities:			
Investment income (loss)	(104,882)	(73,106)	(177,988)
Net increase (decrease) in cash	11,834	(109,995)	(98,161)
Cash:			
Beginning of year	<u>1,547,494</u>	<u>1,250,217</u>	<u>2,797,711</u>
End of year	<u>\$ 1,559,328</u>	<u>\$ 1,140,222</u>	<u>\$ 2,699,550</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (352,258)	\$ (43,996)	\$ (396,254)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	496,539	246,262	742,801
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(22,117)	(17,561)	(39,678)
(Increase) decrease in prepaid items	(12,783)	(17,250)	(30,033)
(Increase) decrease in inventory	11,477	200	11,677
(Increase) decrease in deferred outflows on pension	(73,878)	(102,369)	(176,247)
(Increase) decrease in deferred outflows on OPEB	80	(2,100)	(2,020)
Increase (decrease) in accounts payable	58,852	(1,236)	57,616
Increase (decrease) in accrued payroll	(9,569)	(13,930)	(23,499)
Increase (decrease) in customer deposits	952	-	952
Increase (decrease) in accrued compensated absences	(8,327)	(8,327)	(16,654)
Increase (decrease) in net pension liability	(95,761)	(130,949)	(226,710)
Increase (decrease) in deferred inflows on pension	139,836	194,721	334,557
Increase (decrease) in deferred inflows on OPEB	50,907	98,440	149,347
Increase (decrease) in net OPEB liability	(73,945)	(139,950)	(213,895)
Total adjustments	<u>462,263</u>	<u>105,951</u>	<u>568,214</u>
Net cash provided by operating activities	<u>\$ 110,005</u>	<u>\$ 61,955</u>	<u>\$ 171,960</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Post Retirement Benefits Trust Fund
Assets:	
Pooled cash and investments	\$ 365,356
Interest receivable	<u>804</u>
Total assets	366,160
Liabilities:	
Accounts payable	<u>-</u>
Net Position:	
Restricted for other employee benefits	<u>\$ 366,160</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Post Retirement Benefits Trust Fund
Additions	
Contributions	
Contributions from employer	<u>\$ 45,000</u>
Investment earnings	
Interest	3,619
Net change in fair value	<u>(24,392)</u>
Total investment earnings	<u>(20,773)</u>
Total additions	24,227
Deductions	
Benefit payments	<u>-</u>
Change in net position	<u>24,227</u>
Net Position	
Beginning of the year	<u>341,933</u>
End of the year	<u><u>\$ 366,160</u></u>

The notes to the financial statements are an integral part of this statement.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies are discussed below.

1. Reporting Entity

The accompanying financial statements include all of the activities that comprise the financial reporting entity of the Town of Tonopah ("Town"). The Town is governed by an elected five-member board. The Board is legally separate and fiscally independent from other governing bodies; therefore, the Town is a primary government, and the Town is not reported as a component unit by any other governmental unit.

2. Basic Financial Statements

The Town's basic financial statements consist of government-wide statements and the fund financial statements. The government-wide financial statements are made up of the Statement of Net Position and the Statement of Activities. These statements include the aggregated financial information of the Town as a whole. 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 fund financial statements include financial information for the three fund types: governmental, proprietary, and fiduciary. Reconciliations between the fund statements, the Statement of Net Position, and the Statement of Activities are also included.

3. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the Town's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The Statement of Net Position presents the consolidated financial position of the Town at year-end, in separate columns, for both governmental and business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are specifically associated with a program or service and are, therefore, clearly identifiable to a particular function. Amounts reported as 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Basis of Presentation - Fund Financial Statements

The financial accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, deferred outflows and inflows, fund balance, revenues, and expenditures or expenses, as appropriate. Separate financial statements are provided for governmental funds and proprietary funds.

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all resources and costs of operations traditionally associated with governments which are not required to be accounted for in other funds.

Capital Projects Fund – The Capital Projects Fund is to account for general acquisitions of the Town as well as purchase of public safety equipment.

Additionally, the Town reports the following fund types:

Proprietary Funds

Enterprise Funds – Enterprise Funds are used to account for the goods or services to the public for a fee that makes the entity self-supporting. Currently, there are two Enterprise Funds:

Tonopah Public Utilities Water Enterprise Fund – The Tonopah Public Utility Water Enterprise Fund accounts for the Town's delivery of water services.

Tonopah Public Utilities Sewer Enterprise Fund – The Tonopah Public Utility Sewer Enterprise Fund accounts for the Town's delivery of sewer services.

Fiduciary Funds

Post-Retirement Benefits Trust Fund – This fund accounts for resources that are to be held in trust for the members of the employee benefit plan.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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 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.

The 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 “measurable” when in the hands of intermediary collecting governments and are then recognized as revenue. The government considers revenues to be “available” if they are collected within 60 days of the end of the current fiscal period. Anticipated refunds of taxes are recorded as liabilities and reductions of revenue when they are measurable and the payment seems certain. In general, expenditures are recorded when liabilities are incurred. The exception to this rule is that principal and interest on debt service, as well as liabilities related to compensated absences and claims and judgments, are recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The major revenue sources of the Town include room taxes, consolidated taxes (primarily sales tax), and ad valorem taxes (property taxes).

Property taxes, sales 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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Town.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The fiduciary fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the water and sewer funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of delivering services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Budgetary Information

Nevada Revised Statutes and Town policies and regulations require that local governments legally adopt budgets for all funds. The budgets are filed as a matter of public record with the County Clerk and the State Department of Taxation. The Town staff uses the following procedures to establish, modify, and control the budgetary data reflected in the financial statements:

- a. The statutes provide for the following timetable in adoption of budgets:
 - 1) Before April 15, the Town submits to the Nevada State Department of Taxation a tentative budget for the upcoming year. The tentative budget includes proposed expenditures and the means to finance them.
 - 2) A public hearing must be held by the Board of Trustees no sooner than the third Monday in May and no later than the last day in May. Notice of the public hearing must be published in the local newspaper not more than 14 nor less than 7 days before the hearing.
 - 3) On or Before June 1, the Town Board must adopt a final budget.
- b. NRS 354.598005(1) provides that the Town Board may augment the budget of any fund that receives ad valorem tax at any time by a majority vote of the Board providing the Board publishes notice of its intention to act in a newspaper of general circulation within its county at least three days before the date set for adoption of the resolution. If it is desired to augment a fund that does not receive ad valorem tax or an enterprise or internal service fund, the Board may do so by adopting a resolution by majority vote authorizing the augmentation.
- c. Nevada Revised Statute 354.598005(5) allows appropriations to be transferred between functions, funds or contingency accounts if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions. The Finance Manager for the Town may transfer appropriations within any function within a fund. The Finance Manager may also transfer appropriations between functions within a fund, if the Town Board is advised of the action at the next regular meeting, and the action is recorded in the official minutes of the meeting. The Town Board may authorize the transfer of appropriations between funds or from the contingency account if the Town Board announces the transfer of appropriations at a regularly scheduled meeting and sets forth the exact amounts to be transferred and the accounts, functions, programs, and funds affected. The Town Board must also set forth reasons for the transfer, and the action must be recorded in the official minutes of the meeting.
- d. Statutory regulations require budget control to be exercised at the function level within a fund.
- e. Generally, budgets for all funds are adopted in accordance with generally accepted accounting principles. Budgeted amounts reflected in the accompanying financial statements recognize amendments made during the year.
- f. There were no budget augmentations during the year.
- g. All appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

a. Pooled Cash and Investments

Cash includes cash in the hands of Town officers, cash in the custody of the Nye County Treasurer and cash deposited in interest-bearing accounts at banks by the Nye County Treasurer. The majority of cash and investment transactions of the Town are handled by the Nye County Treasurer's office. Cash balances are combined and invested in combination with County funds. Investments consist of investment in the Nye County Treasurer's Investment Pool. Investments are stated at fair value on the balance sheet. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. Changes in the fair value of Town investments are part of investment income **(See Note D1)**.

The Town's cash and cash equivalents in both governmental and proprietary fund types are considered to be cash on hand, cash in custody of the Nye County Treasurer, demand deposits, non-negotiable certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

The majority of the Town's cash and cash equivalents are in the custody of the Nye County Treasurer as required by Nevada Revised Statutes.

Nevada Revised Statutes authorize the Town to invest in:

1. Obligations of the U.S. Treasury and U.S. Agencies in which the maturity dates do not exceed more than 10 years from the date of purchase.
2. Negotiable certificates of deposit issued by commercial banks or insured savings and loan associations (those over \$250,000 must be fully collateralized).
3. Negotiable notes or short-term negotiable bonds issued by local governments within Nevada.
4. Eligible bankers' acceptances that do not exceed 180 days maturity and do not exceed 20 percent of the portfolio.
5. Commercial paper with a rating of A-1 or P-1 that does not exceed 270 days maturity and does not exceed 25 percent of the portfolio.
6. The State of Nevada's Local Government Investment Pool.
7. Repurchase agreements that are collateralized at 102 percent of the repurchase price and do not exceed 90 days maturity. Securities used for collateral must meet the criteria listed above.
8. Money market mutual funds which are rated as "AAA" or its equivalent and invest only in securities issued by the Federal Government, U.S. Agencies, or repurchase agreements fully collateralized by such securities.
9. Obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development or obligations publicly issued in the United States by a foreign financial entity registered with the Securities and Exchange Commission, denominated in dollars with a maturity of 5 years or less with a rating of "AA" or better.

The Town has not established an investment policy further limiting its investments.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

b. Property Taxes

Taxes on real property are levied in July of each year and are due in July. They can be paid in quarterly installments in August, October, January, and March. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest at the rate of 10 percent per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien.

Article X, Section 2 of the Constitution of the State of Nevada limits the total taxes levied by all overlapping governmental units within the boundaries of any County (i.e., the County, the County School District, the State, and any other City, Town, or Special District) to an amount not to exceed \$5 per \$100 of assessed valuation of the property being taxed. The Nevada Legislature enacted provisions whereby the combined overlapping tax rate was limited to \$3.64 per \$100 of assessed valuation. The Nevada legislature passed a property tax abatement law in 2005 that generally caps increases in property tax on owner-occupied residential property to 3% and 8 % per year for all other property (**See Notes D2 and D4**).

c. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when purchased rather than when consumed. The business-type activity funds report inventory costs when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

d. Restricted Assets

Certain cash assets of the Enterprise Fund are from revenue for specific use by the Enterprise Fund and are classified as restricted assets because their use is restricted by agreement (**See Note D5**).

e. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of one year. If purchased or constructed, capital assets are valued at cost where historical records are available and, if no historical records exist, at estimated cost. Capital assets are updated for additions and retirements during the year. Donated capital assets are valued at their estimated value as of the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The Town is required to capitalize and report its major general infrastructure assets acquired in fiscal years ending after June 30, 1980. In addition, infrastructure assets acquired before June 30, 1980, that received significant reconstruction must be capitalized. Tonopah Town has no infrastructure assets that were acquired or constructed that must be capitalized.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

e. Capital Assets (Continued)

Land and construction in progress are not depreciated. The other property, plant, and equipment of the Town are depreciated using the straight line method over the following estimated useful lives:

<u>Capital Assets</u>	<u>Years</u>
Buildings and Improvements	25-50
Vehicles	8
Various Other Equipment	5-20

f. Intangible Lease Assets

Intangible lease assets are reported at the present value of remaining future lease payments to be made during the lease term. The discount rate utilized is either the interest rate implicit within the lease agreement, or if not readily determinable, the Town's estimated incremental borrowing rate. These intangible lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset. Capitalization thresholds are the same threshold for capital assets noted above.

g. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows include the Town's pension related contributions subsequent to the measurement date but before the end of the fiscal year and changes in proportion of the Town's contributions to the Town's proportionate contributions.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, 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. The Town has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The difference between projected and actual experience and investment earnings are related to the deferred inflows of pensions and the calculation of net pension liability reported on the statement of net position. Changes of assumptions are related to the deferred inflows of other post-employment benefits and the calculation of the total other post-employment benefits liability reported on the Statement of Net Position.

h. 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 System of Nevada (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

i. Other Post-Employment Benefits

For purposes of measuring the total other post-employment benefits (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 Town's OPEB plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments, if any, are reported at fair value.

j. Compensated Absences

Vested or accumulated vacation and sick 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. Estimated 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 financial statements (**See Note D6b**). In proprietary funds, compensated absences are recorded when the liabilities are incurred.

k. Accrued Salaries and Benefits

Town salaries earned but not paid by June 30, 2022, have been accrued as liabilities and shown as expenditures for the year ending June 30, 2022.

l. Interfund Activity

During the course of operations, the Town may have activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, balances between the funds included in the governmental activities are eliminated. Similarly, balances between the funds included in business-type activities (i.e., enterprise funds) are eliminated.

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported as operating transfers in or out. While reported in fund financial statements, transfers between the funds included in governmental activities are eliminated in the governmental activities' column. Similarly, balances between the funds included in business-type activities are eliminated as transfers in the business-type activities column.

m. 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 as well as deferred losses and gains, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenditures during the current period. Deferred charges related to the refunding of debt are reported as a deferred outflow of resources. They are amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as an "other financing source." Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as expenditures.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

n. Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

1. **Nonspendable** – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact, such as inventories and prepaids.
2. **Restricted** – Amounts that can be spent only for a specific purpose because of state or federal laws, or externally imposed conditions by grantors or creditors.
3. **Committed** – These amounts can only be used for specific purposes as set forth by the Town Board. The Board must take formal action (vote approval by majority) in order to establish an ending fund balance commitment for any specific purpose. To be reported as committed, amounts cannot be used for any other purpose unless the Board takes the same highest-level action to remove or change the constraint.
4. **Assigned** – Assignments are neither restrictions nor commitments and represent the Town’s intent to use funds for a specific purpose. These assignments, however, are not legally binding and are meant to reflect intended future use of the Town’s ending fund balance. Intent can be expressed by the Town Board or Town Manager.
5. **Unassigned** – All amounts not included in other spendable classifications for the General Fund.

o. Fund Balance Flow Assumptions

When fund balance resources are available for a specific purpose in more than one classification, it is the Town’s policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

p. Net Position Policies

In the government-wide statements, net position on the Statement of Net Position includes the following:

1. **Net Investment in Capital Assets** - This is the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction, or improvement of those assets.
2. **Restricted Assets** - This is the component of net position that reports the constraints placed on the use of assets by either external parties and/or enabling legislation. Currently, the Town restricts assets as follow:
 - a) NRS 354.59815 Special Ad Valorem Capital Projects \$ 116,589
 - b) NRS 354.6113 Capital Projects Fund \$ 184,131
 - c) NRS 244.3354 Culture and Recreation \$ 227,277
 - d) Special Acts - NRS 545 - Public Safety Tax for Sheriff and Fire \$ 199,189
3. **Unrestricted** - This is the component of net position that is the difference between the assets and liabilities not reported as Net Investment in Capital Assets or Restricted Assets.

q. Net Position Flow Assumption

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Town’s policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

r. Comparative Data/Reclassifications

Comparative total data for the prior year has been presented in selected sections of the accompanying financial statements to provide an understanding of the changes in the Town’s financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year’s presentation.

s. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

t. New Accounting Pronouncement

The Governmental Accounting Standards Board issued Statement number 87, *Leases*, effective for fiscal year ended June 30, 2022. This statement establishes a single model for lease accounting based on the idea that leases are financings of the right-to-use an underlying asset. As such, under this Statement, a lessee is required to recognize a lease liability and an intangible lease asset, and the lessor is required to recognize a lease receivable and a deferred inflow of resources. The Town implemented GASB Statement Number 87 in 2022 which had no material impact on the financial statements.

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of certain differences between the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities.” The details of this difference are as follows:

Capital outlay	\$ 360,315
Depreciation expense	<u>(306,460)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 53,855</u>

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE C - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. Compliance and Accountability

In accordance with NRS 354.626.2(e), the Town is required to report expenditures that exceeded budgeted appropriations at the function level for the General Fund, Special Revenue Funds, and Capital Project Funds. Enterprise funds may not exceed budget appropriations at the fund level. The Town had no expenditures that exceeded appropriations for the year ending June 30, 2022. The Town conformed to significant statutory requirements regarding financial administration during the year.

NOTE D - DETAILED NOTES ON ALL FUNDS

1. Pooled Cash and Investments

The Town maintains a cash and investment pool that is available for use by all funds. The majority of cash and investments of the Town are included in the cash and investment pool of the Nye County Treasurer. At June 30, 2022, this pool is displayed on the government-wide statement of net position and on the funds financial statement balance sheet as “Pooled Cash and Investments.”

Cash and investments as shown on the Statement of Net Position and Statement of Fiduciary Net Position for the Town are as follows:

	Governmental Activities	Business-type Activities	Trust	Totals
Cash in the hands of officers	\$ 9,263	\$ 139,668	\$ -	\$ 148,931
Carrying amount of deposits with Treasurer	<u>3,798,273</u>	<u>2,559,792</u>	<u>365,366</u>	<u>6,723,431</u>
Total	<u>\$ 3,807,536</u>	<u>\$ 2,699,460</u>	<u>\$ 365,366</u>	<u>\$ 6,872,362</u>
Cash and cash equivalents	\$ 3,807,536	\$ 2,079,831	\$ 365,366	\$ 6,252,733
Restricted assets - cash	<u>-</u>	<u>619,629</u>	<u>-</u>	<u>619,629</u>
Total	<u>\$ 3,807,536</u>	<u>\$ 2,699,460</u>	<u>\$ 365,366</u>	<u>\$ 6,872,362</u>

Except for financial reporting purposes, the cash balance of \$365,366 in the Trust Fund is not considered part of the Town’s pooled cash and investments. It is resources that are held in trust for the members of the employee benefit plan.

This amount represents cash held in an agency capacity by the Town and cannot be used in the Town’s normal operations.

The cash and investment pool is available for use by all funds of the Town. Cash and investments under the custody of the County Treasurer are invested as a pool. The County Treasurer may invest the money of the investment pool in investments which have been authorized as investments by Nevada Revised Statutes (**See Note A7a**). The Town has not adopted a formal investment policy that would further limit its investment choices.

Investment gain or loss is apportioned to the Town funds monthly based on the average balance invested for the month.

The fair value of the Town’s investment in the Nye County Treasurer’s Investment Pool was determined by multiplying the pool’s fair value per share factor times the Town’s portion of pool balance as of June 30, 2022.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)

1. Pooled Cash and Investments (Continued)

Cash and investments in the custody of the Town and the County are subject to the following risks:

Interest Rate Risk: Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from the rise in interest rates. Nevada Revised Statutes limits bankers' acceptances to 180 days of maturities, repurchase agreements to 90 days, U.S. Treasuries and Agencies to less than 10 years, and commercial paper to 270 days maturity. The approximate weighted average maturity of investments in the Nye County Treasurer's investment pool was 4.14 years. As of June 30, 2022, Town investments held in the Nye County Treasurer's cash and investment pool are categorized as follows:

Investment Type	Fair Value	Investment Maturities (in years)			
		Less than 1	1 to 5	6 to 10	> 10
Negotiable Certificates of Deposit	12.82%	29.10%	54.28%	16.62%	0.00%
NV Local Government Investment Pool	0.64%	100.00%	0.00%	0.00%	0.00%
U.S. Agencies	79.30%	1.99%	52.97%	45.04%	0.00%
Money Market Mutual Funds	7.24%	100.00%	0.00%	0.00%	0.00%
	<u>100.00%</u>				

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of its investments. The Nye County Treasurer investment pool includes instruments which have been authorized by Nevada Revised Statutes (See Note A7a). At June 30, 2022, the Nye County Treasurer's investment pool ratings were as follows:

Investment Type	Quality Ratings by Moody's	
	Aaa	N/A
Negotiable Certificates of Deposit	0%	100%
NV Local Government Investment Pool	0%	100%
U.S. Agencies	100%	0%
Money Market Mutual Funds	0%	100%

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank or brokerage failure, the Town's deposits may not be returned. The Town's bank deposits are covered by FDIC insurance. Deposits in excess of FDIC insurance coverage in the custody of the Nye County Treasurer are collateralized by securities held by the Office of the State Treasurer/Nevada Collateral Pool.

Concentrations of Credit Risk: Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. Investments with a single issuer within the Nye County Treasurer cash and investment pool that represent five percent or more of total investments as of June 30, 2022, are as follows:

Federal Farm Credit Bank	27.97%
Federal Home Loan Bank (FHLB)	27.38%
Freddie Mac	18.06%

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)

1. Pooled Cash and Investments (Continued)

Concentrations of Credit Risk (Continued): The Town reports its investments at fair value. The town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2022:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>N/A</u>
Negotiable Certificates of Deposit	12.82%	0.00%	100.00%	0.00%	0.00%
NV Local Government Investment Pool	0.64%	29.56%	70.44%	0.00%	0.00%
U.S. Agencies	79.30%	0.00%	100.00%	0.00%	0.00%
Money Market Mutual Funds	7.24%	100.00%	0.00%	0.00%	0.00%
	<u>100.00%</u>				

Investment Income (Loss): Investment income (loss) is made up of interest income, net of fees to earn the interest, and net fair value gains and (losses). The table below includes the interest income net of fees, and net investment fair value gains and loss:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Government Wide</u>
Interest income	\$ 37,997	\$ 32,643	\$ 70,640
Unrealized fair value loss	(256,820)	(207,221)	(464,041)
Investment income (loss)	<u>\$ (218,823)</u>	<u>\$ (174,578)</u>	<u>\$ (393,401)</u>

2. Receivables

Below is the detail of receivables for each major fund and the nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General	Capital Projects	Other Governmental	Water	Sewer	Total
Interest	\$ 6,883	\$ 461	\$ 1,233	\$ 3,781	\$ 2,818	\$ 15,176
Property Taxes	45,736	-	-	-	-	45,736
Room taxes	94,691	-	7,397	-	-	102,088
Due from other governments:						
Consolidated taxes	189,195	-	-	-	-	189,195
Fuel taxes	7,258	-	-	-	-	7,258
Grant	4,094	-	-	-	-	4,094
Public safety sales tax	-	-	30,376	-	-	30,376
Accounts receivable, net	-	-	-	104,983	72,518	177,501
Total receivables	<u>\$ 347,857</u>	<u>\$ 461</u>	<u>\$ 39,006</u>	<u>\$ 108,764</u>	<u>\$ 75,336</u>	<u>\$ 571,424</u>

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)

3. Capital Assets

Capital assets activity for the year ended June 30, 2022, was as follows:

Governmental Activities:

	Balance June 30, 2021	Additions	Transfer	Deletions	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 2,215,563	\$ -	\$ -	\$ -	\$ 2,215,563
Construction in progress	24,948	-	(24,948)	-	-
Total capital assets not being depreciated	2,240,511	-	(24,948)	-	2,215,563
Capital assets being depreciated:					
Land improvements	43,750	49,500	-	-	93,250
Building and improvements	2,515,212	87,600	24,948	-	2,627,760
Equipment	2,659,401	223,215	-	(85,298)	2,797,318
Total capital assets being depreciated	5,218,363	360,315	24,948	(85,298)	5,518,328
Less accumulated depreciation for:					
Land improvements	6,850	4,663	-	-	11,513
Building and improvements	969,725	85,990	-	-	1,055,715
Equipment	1,533,192	215,807	-	(85,298)	1,663,701
Total accumulated depreciation	2,509,767	306,460	-	(85,298)	2,730,929
Total capital assets being depreciated, net	2,708,596	53,855	24,948	-	2,787,399
Governmental activities assets, net	\$ 4,949,107	\$ 53,855	\$ -	\$ -	\$ 5,002,962

Capital additions included a basketball court, HVAC upgrades, roofing upgrades, electronic reader board, vehicles, and various fire equipment.

Business-type Activities:

	Balance June 30, 2021	Additions	Transfer	Deletions	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000
Construction in progress	-	38,999	-	-	38,999
Total capital assets not being depreciated	55,000	38,999	-	-	93,999
Capital assets being depreciated:					
Systems and equipment	34,732,205	233,660	-	(266,338)	34,699,527
Less accumulated depreciation for:					
Systems and equipment	15,058,299	742,801	-	(266,338)	15,534,762
Total capital assets being depreciated, net	19,673,906	(509,141)	-	-	19,164,765
Business-type activities assets, net	\$ 19,728,906	\$ (470,142)	\$ -	\$ -	\$ 19,258,764

Capital additions included system improvements. Construction in progress is for radio upgrades.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)

3. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 14,276
Public safety	103,231
Public works	18,256
Culture and recreation	<u>170,697</u>
	<u>\$ 306,460</u>

Business activities:

Water	\$ 496,539
Sewer	<u>246,262</u>
	<u>\$ 742,801</u>

4. Unavailable Revenue

Delinquent taxes receivable not collected within sixty days after year-end are recorded as deferred inflows of resources as they are not available to pay liabilities of the current period. Unavailable tax revenue in the General Fund was \$45,334 as of June 30, 2022.

5. Restricted Assets Accounts

The balances of the Town’s restricted assets accounts are as follows:

21515 Cash – Water customer deposits	\$ 28,707
21517 Cash – Water short lived assets	30,342
21551 Cash – Water arsenic debt service	53,831
21555 Cash – Water capital replacement	291,457
21561 Cash – Water arsenic debt reserve	128,339
21554 Cash – Water revenue bond debt service	17,913
21564 Cash – Water revenue bond debt reserve	<u>53,000</u>
Total restricted assets	<u>\$ 603,589</u>
21543 Cash – Sewer short lived assets	<u>\$ 16,040</u>

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Debt

a. Revenue Bonds Payable - Business-Type Activities

1. The Town issued bonds in the amount of \$3,907,000 that were funded by the United States Department of Agriculture (USDA) in 2013. The bonds were for the construction of an arsenic water project. The bonds are being repaid over 40 years requiring monthly payments of \$11,604 including interest at 1.875%. The outstanding balance at June 30, 2022, was \$3,205,138. The bond agreement requires the Town to establish a debt service reserve equal to 10% of the monthly payment each month over the life of the loan until one annual installment is accumulated. The required monthly deposit is \$1,160. The required reserve at June 30, 2022 was \$128,760. The balance in the reserve at June 30, 2022, was \$128,339. In addition, the Town is to fund a short-lived asset replacement reserve with an annual deposit of \$10,007. The required reserve as of June 30, 2022, was \$26,652. The balance in the reserve at June 30, 2022, was \$30,342. A water projects capital replacement reserve is also to be funded \$56,000 annually. The required reserve as of June 30, 2022, was \$292,452. The balance in the water replacement reserve at June 30, 2022, was \$291,457. Required reserve cash balances are less than required due to changes in fair value of investments at year end.

Maturity requirements of the bonds payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 79,836	\$ 59,412
2024	81,346	57,902
2025	82,884	56,364
2026	84,451	54,797
2027	86,049	53,199
2028-2032	455,277	240,963
2033-2037	499,988	196,252
2038-2042	549,089	147,151
2043-2047	603,012	93,228
2048-2052	662,231	34,009
2053	20,975	48
	<u>\$ 3,205,138</u>	<u>\$ 993,325</u>

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Debt (Continued)

a. Revenue Bonds Payable - Business-Type Activities (Continued)

2. The Town issued bonds in the amount of \$1,873,000 that were funded by the United States Department of Agriculture (USDA) in 2013. The bonds were for the construction of an arsenic water project. The bonds are being repaid over 40 years requiring monthly payments of \$6,181 including interest at 2.5%. The outstanding balance at June 30, 2022, was \$1,625,253. The bond agreement requires the Town to establish a debt service reserve equal to 10% of the monthly payment each month over the life of the loan until one annual installment is accumulated. The required monthly deposit is \$618. The required reserve at June 30, 2022, was \$60,564. The balance in the reserve at June 30, 2022, was \$70,913.

Maturity requirements of the bonds payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 33,920	\$ 40,252
2024	34,778	39,394
2025	35,657	38,515
2026	36,559	37,613
2027	37,484	36,688
2028-2032	202,126	168,734
2033-2037	229,009	141,851
2038-2042	259,468	111,392
2043-2047	293,977	76,883
2048-2052	333,077	37,783
2053-2054	129,198	3,051
	<u>\$ 1,625,253</u>	<u>\$ 732,156</u>

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Debt (Continued)

b. Changes in Long-Term Debt

During the year ended June 30, 2022, the following changes occurred:

Governmental activities:

	Balance June 30, 2021	Net Additions	Net Deletions	Balance June 30, 2022	Due within One Year
Compensated absences	\$ 47,036	\$ -	\$ 28,432	\$ 18,604	\$ 8,195
Net pension liability	487,953	-	281,628	206,325	-
Net OPEB liability	767,813	-	243,298	524,515	-
Total	<u>\$ 1,302,802</u>	<u>\$ -</u>	<u>\$ 553,358</u>	<u>\$ 749,444</u>	<u>\$ 8,195</u>

Business-type activities:

	Balance June 30, 2021	Net Additions	Net Deletions	Balance June 30, 2022	Due within One Year
Compensated absences	\$ 48,130	\$ -	\$ 16,654	\$ 31,476	\$ 18,538
Net pension liability	556,585	-	226,710	329,875	-
Net OPEB liability	804,391	-	213,895	590,496	-
Bond payable	4,941,829	-	111,438	4,830,391	113,756
Total	<u>\$ 6,350,935</u>	<u>\$ -</u>	<u>\$ 568,697</u>	<u>\$ 5,782,238</u>	<u>\$ 132,294</u>

Governmental activity liabilities will be liquidated primarily by the General Fund. Per Nevada Revised Statutes Chapter 269.425, the debt limitations for the town cannot exceed 25% of assessed valuation of property within the town which is \$52,022,480.

7. Interfund Transfers

Interfund operating transfers are made from one fund to another fund to support expenditures in accordance with the authority established for the individual funds. Transfers between fund types during the year ended June 30, 2022, were as follows:

	Total Transfers In	<u>Transfers Out</u>
		General
Major - Capital Projects Fund	\$ 430,000	\$ 430,000
Nonmajor Special Revenue Funds	135,000	135,000
Totals	<u>\$ 565,000</u>	<u>\$ 565,000</u>

The Tourism Special Revenue Fund received \$125,000 from the General Fund to help fund current year activities. The Mural Special Revenue Fund received \$10,000 from the General Fund to help fund current year activities. The Capital Projects Fund received \$430,000 from the General Fund for projects.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION

1. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town has joined together with other local governments throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (NPAIP) is a public entity risk pool currently operating as a common risk management and insurance program for members. The Town pays an annual premium to NPAIP for its property, casualty, crimes, and machinery insurance coverage. NPAIP is considered a self-sustaining risk pool that will provide liability coverage for its members up to \$10,000,000 per event and a \$10,000,000 annual aggregate per member. Property, crime, and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sub-limits established for earthquake, flood, equipment breakdown, and money and securities. As a participatory member the maintenance deductible is \$5,000 for each insured event.

The Town has additional coverage of \$3,000,000 per incident for cyber security events with various sub-limits established for security failure, network interruption and proof of loss. As a participatory member, there is no maintenance deductible for each insured event.

The Town has additional coverage \$2,000,000 per incident for site pollution legal liabilities with a \$10,000,000 policy aggregate. As a participatory member, the maintenance deductible is \$25,000 for each incident.

The Town has also joined together with similar public agencies creating a pool under the Nevada Interlocal Cooperation Act for workers' compensation insurance. The Public Agency Compensation Trust (PACT) is an intergovernmental self-insurance association for workers' compensation insurance. The Town pays premiums based upon payroll costs to the PACT. The PACT is considered a self-sustaining pool that will provide coverage based upon the statutory limit of \$2,000,000.

The Town is self-insured for unemployment claims.

The Town purchases health care benefits for its employees through a commercial carrier.

2. Contingent Liabilities

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

Litigation

In the ordinary course of its operations, claims may be filed against the Town. It is the opinion of management that these claims will not have any material adverse effect on the Town's financial position, results of operation, or cash flows.

The Town does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when services are rendered.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

2. Contingent Liabilities (Continued)

Construction Commitments

The Town has the following active construction project as of June 30, 2022:

Governmental Activities		
Project	Spent-to-Date	Commitment
TPU Radio Upgrades:		
Waste Water	\$ 13,254	\$ 39,675
Well Field	25,745	54,510
Total TPU Radio Upgrades	\$ 38,999	\$ 94,185

3. Defined Benefit Pension Plan

Plan Description. Town employees, who work half-time or greater, are provided pension benefits through the Public Employees’ Retirement System of the State of Nevada (PERS), a cost sharing multiple-employer, defined benefit plan administered by the Public Employees’ Retirement System of the State of Nevada. PERS provides retirement benefits, disability benefits, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. NRS Chapter 286 establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation. The Public Employees’ Retirement System of the State of Nevada issues a publicly available financial report that includes financial statements and required supplementary information for PERS that can be obtained at www.nvpers.org under Quick Links — Publications.

Benefits Provided. Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at the time of retirement and the member’s highest average compensation in any 36 consecutive months. Vested members are entitled to a life-time monthly retirement benefit equal to the service time multiplier (STM) percentages listed below times the member’s years of service to a maximum of 30 years. The schedule of Eligibility for Monthly Unreduced Retirement Benefits for regular members and police/fire members are as follows:

Eligibility for Regular Members:

Years of Service	Hired prior to 07/01/01		Hired between 07/01/01-12/31/09		Hired Between 01/01/10-07/01/15		Hired After 7/1/15	
	Age	STM%	Age	STM%	Age	STM%	Age	STM%
5 years	65	2.50%	65	2.67%	65	2.50%	65	2.25%
10 years	60	2.50%	60	2.67%	62	2.50%	62	2.25%
30 years	Any	2.50%	Any	2.67%	Any	2.50%	55	2.25%
33 1/3 years							Any	2.25%

Eligibility for Police and Fire Members:

Years of Service	Hired prior to 07/01/01		Hired between 07/01/01-12/31/09		Hired Between 01/01/10-07/01/15		Hired After 7/1/15	
	Age	STM%	Age	STM%	Age	STM%	Age	STM%
5 years	65	2.50%	65	2.67%	65	2.50%	65	2.25%
10 years	55	2.50%	55	2.67%	60	2.50%	60	2.25%
20 years	50	2.50%	50	2.67%	50	2.50%	50	2.25%
25 years	Any	2.50%	Any	2.67%				
30 years					Any	2.50%	Any	2.25%

* Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

3. Defined Benefit Pension Plan (Continued)

Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits. The System offers several alternatives to the unmodified service retirement allowance which, in general, allows the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by authority of NRS 286.575 - .579.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

Contributions: Benefits for plan members are funded under the employer pay contribution plan. The Town is required to contribute all amounts due under the plan. PERS receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450. The Town’s required contribution rate for the year ending June 30, 2022, was 29.75% for regular members and 44.00% for police and firemen. The Town has fully funded the amounts due for the year ending June 30, 2022. For purposes of GASB No. 82, the Town recognized only the employer portion as a deferred outflow.

The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contribution requirement as a percentage of salary.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the Town reported a liability of \$536,200 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 that date. The Town’s allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2021. The Town’s proportionate share of the net pension liability decreased from 0.00750 percent at June 30, 2020, to 0.00588 percent at June 30, 2021.

For the year ended June 30, 2022, the Town recognized pension income of \$32,220. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 115,288	\$ 7,325
Net difference between projected and actual earnings on pension plan investments	0	849,250
Changes in proportion	107,950	28,219
Changes of assumptions	345,560	0
Town Contributions subsequent to measurement date	117,401	0
Total	\$ 686,199	\$ 884,794

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

3. Defined Benefit Pension Plan (Continued)

The Town reported \$117,401 as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. 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	\$ (116,551)
2024	(96,014)
2025	(94,478)
2026	(108,912)
2027	87,770
2028	12,099
	\$ (316,086)

Actuarial Assumptions: The System's 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 that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.50%
Payroll Growth	Regular: 3.50%
	Police/Fire: 3.50%
Investment Rate of Return	7.25%, including inflation
Productivity pay increase	0.50%
Projected Salary increases	Regular: 4.20% to 9.10%, depending on service
	Police/Fire: 4.60% to 14.50%, depending on service
	Rates include inflation and productivity increases
Other assumptions	Same as those used in the June 30, 2021 funding actuarial valuation

Mortality rates were based on the following:

Healthy: **Regular Members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional monthly improvement scale MP-2020.

The above listed mortality tables only provide rates for ages 50 and older. To develop mortality rates for ages 40 through 50, we have smoothed the difference between the rates at age 40 from the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables and the rates at age 50 from the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables. To develop the mortality rates before age 40, we have used the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables rates. *

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

3. Defined Benefit Pension Plan (Continued)

Mortality rates were based on the following (Continued):

Healthy (continued): **Police/Fire Members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

The above listed mortality tables only provide rates for ages 45 and older. To develop mortality rates for ages 35 through 45, we have smoothed the difference between the rates at age 35 from the Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Tables and the rates at age 45 from the Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Tables. To develop the mortality rates before age 35, we have used the pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Tables rates. *

Disabled: **Regular Members:** Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 20% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

Police/Fire Members: Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 30% for males and 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

Beneficiaries: **Regular and Police/Fire Current Beneficiaries in Pay Status:** Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 15% for males and 30% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

The above listed mortality table only provides rates for ages 45 and older. To develop mortality rates for ages 35 through 45, we have smoothed the difference between the rates at age 35 from the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables and the rates at age 45 from the Pub 2010 Contingent Survivor Amount-Weighted Above-Median Mortality Tables. To develop the mortality rates before age 35, we have used the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables rates. *

Regular and Police/Fire Contingent Beneficiaries: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

The above listed mortality tables only provide rates for ages 50 and older. To develop mortality rates for ages 40 through 50, we have smoothed the difference between the rates at age 40 from the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables and the rates at age 50 from the Pub-2010 General Healthy Retiree Amount -Weighted Above-Median Mortality Tables. To develop the mortality rates before age 40, we have used the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables rates.*

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

3. Defined Benefit Pension Plan (Continued)

Mortality rates were based on the following (Continued):

Beneficiaries (continued): For the mortality table applicable to contingent beneficiaries, “Approach 1” from the Society of Actuaries “Pub-2010 Public Retirement Plans Mortality Tables Report” was utilized. In particular, the mortality basis for contingent beneficiaries has been assumed to be the same mortality basis as the Healthy Regular retiree table listed above (except using rates applicable to the beneficiary’s gender) for both when the primary retiree is alive and is no longer alive.

The Pub-210 Amount-Weighted Mortality Tables (with loading factors as described above) reasonably reflect the projected mortality experience of the Plan as of the measurement date. The generational projection is a provision made for future mortality improvement.

Pre-Retirement

Regular Members: Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2020.

Police/Fire Members: Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table separate tables for males and females). Projected generationally with the two-dimensional mortality improvement scale MP-2020.

* This methodology for developing an extended annuitant mortality table is similar to the method used by the IRS to develop the base mortality table for determining minimum funding standards for single-employer defined benefit pension plans under Internal Revenue Code Section 430. While Section 430 is not applicable to the System, we believe this is a reasonable method for developing annuitant mortality rates at earlier ages.

The Pub-2010 Amount-Weighted Mortality Tables reasonably reflect the projected mortality experience of the plan as of the measurement date. The generational projection is a provision made for future mortality improvement.

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of the experience study for the period of July 1, 2016 through June 30, 2020.

The System's policies which determine the investment portfolio target asset allocation are established by the Public Employees’ Retirement Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following was the Board adopted policy target asset allocation as of June 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Geometric Expected Real Rate of Return*</u>
U.S. Stock	42%	5.50%
International Stock	18%	5.50%
U.S. Bonds	28%	0.75%
Private Markets	12%	6.65%

*As of June 30, 2021, PERS' long-term inflation assumption was 2.50%

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

3. Defined Benefit Pension Plan (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.25% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made in amounts consistent with statutory provisions and recognizing the plan’s current funding policy and cost-sharing mechanism between employer and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except that projected contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included.

Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2021.

Sensitivity of the Town’s proportionate share of the net pension liability to change in the discount rate. The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the Town’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percent higher or lower than the current rate.

	1.0% Decrease (6.25%)	Discount Rate (7.25%)	1.0% Increase (8.25%)
Town’s proportionate share of the net pension liability	\$ 1,067,550	\$ 536,200	\$ 97,873

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website.

Pension contributions payable. At June 30, 2022, the Town reported payables to the defined benefit pension plan of \$14,619 for legally required employer contributions which had not yet been remitted to PERS.

4. Postemployment Health Care Plan

Plan Description: The Town administers a single employer defined benefit healthcare plan. The plan provides medical, dental, prescription, and life insurance benefits to eligible retired Town employees.

Benefit provisions for the plan are established pursuant to NRS 287.023 and amended through negotiations between the Town and its employees. NRS 288.150 assigns the authority to establish benefit provisions to the Town Board. The plan provides healthcare insurance for eligible retirees through the Town’s group health insurance plan, which covers both active and retired members. Under NRS 287.023, eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. The plan does not issue a publicly available financial report.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

4. Postemployment Health Care Plan (Continued)

Employees covered by benefit terms. As of the July 1, 2022 valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	8
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>15</u>
	<u>23</u>

Funding Policy: Contribution requirements of the plan members and the Town are established and may be amended through negotiations between the Town and employees. The Town pays 100% of the costs of current-year premiums for eligible retired plan members. For fiscal year 2022, the Town contributed \$114,453 to the plan. Employees hired before January 9, 2015, who vest in the State of Nevada Public Employees’ Retirement System (PERS) by or through their employment with the Town, and who have worked not less than ten (10) continuous years for the Town immediately preceding retirement, and who, when they leave Town employment collect PERS retirement, will have the same percentage of their post-retirement health insurance premiums paid by the Town as the Town pays for its employees, of which that percentage may from time to time change. Employees hired on or after January 9, 2015, who vest in PERS by or through their employment with the Town, and who have worked not less than twenty (20) continuous years for the Town, and who, when they leave Town employment collect PERS retirement, will have fifty percent (50%) of their post-retirement health insurance premiums paid by the Town, up to a cap of \$4,000 per year. Employees who retire from the Town who do not meet these qualifications may choose to participate in the plan and would be required to fully pay their costs of health insurance coverage.

The Town’s contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates, as well as the monthly explicit subsidy, and is determined in actuarial studies contracted for by the Town. The implicit and explicit subsidies as determined by the actuary are \$8,600 and \$60,853 respectively.

For fiscal year 2022, the Town contributed \$69,453 to the plan for current premiums.

Important Dates used in the Valuation:

Valuation Date:	July 1, 2022
Measurement Date:	June 30, 2022
Measurement Period:	June 30, 2021 to June 30, 2022
Fiscal Year End:	June 30, 2022

Significant Results and Differences from the Prior Valuation:

The following assumptions have been updated since the prior valuation:

1. Mortality assumption has been updated from Pub-2010 headcount-weighted table to Pub-2010 Headcount-Weighted Above-Median Mortality Table, projected fully-generationally using MP-2020 mortality improvement scale. Separate tables are used for general employees/retirees and public safety employees/retirees. The impact of this change is a slight decrease in liability.
2. Salary scale, termination, and retirement rates have been updated to align with those used in the NV PERS June 30, 2021 actuarial valuation. The net impact of this change is a slight decrease in liability.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

4. Postemployment Health Care Plan (Continued)

Significant Results and Differences from the Prior Valuation: (Continued)

The following assumptions have been updated since the prior valuation: (Continued)

3. Health care trend rate assumption has been updated as follows, which caused a decrease in liability:
 - a. Medical/prescription drug trends have been updated from the 2020 to the 2022 SOA Long-Run Medical Cost Trend model, which starts at an initial rate of 5.75% in 2022 decreasing gradually to an ultimate rate of 3.94% in 2075.
 - b. Dental trend rates have been reset to an initial rate of 4.00% in 2022 decreasing by 0.25% annually to an ultimate rate of 3.50%.

Net Other Postemployment Benefits (OPEB) Liability:

The Town's net OPEB liability of \$1,115,011 was measured as of June 30, 2022 and determined by actuarial valuation as of July 1, 2022.

Actuarial Assumptions and Other Inputs: The net OPEB liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation rate	2.50%
Salary Increase	Non-Law Enforcement: Varies from 9.10% to 4.20%
	Law Enforcement: Varies from 14.50% to 4.60%
Discount Rate:	
Prior Measurement Date	2.75%
Measurement Date	2.50%
Healthcare Cost Trend Rates	5.75% for 2022 decreasing to an ultimate rate of 3.94% by 2075
Mortality Rates:	
Pre-Retirement	<p>Non-Law Enforcement: Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Tables projected fully generationally using scale MP-2020.</p> <p>Law Enforcement: Pub-2010 Safety Employee Headcount-Weighted Above-Median Mortality Tables projected fully generationally using scale MP-2020.</p>

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

4. Postemployment Health Care Plan (Continued)

Mortality Rates: (Continued)

Retirement

Non-Law Enforcement:

- i. For ages before 40: Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Tables projected fully generationally using scale MP-2020
- ii. For ages 40 through 50: Smoothed differences between Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Tables, projected fully generationally using scale MP-2020, and Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Tables, projected fully generationally using scale MP-2020
- iii. For ages 50 and older: Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Tables, with rates increased by 30% for males and 15% for females, projected fully generationally using scale MP-2020

Law Enforcement:

- i. For ages before 35: Pub-2010 Safety Employee Headcount-Weighted Above-Median Mortality Tables projected fully generationally using scale MP-2020
- ii. For ages 35 through 45: Smoothed differences between Pub-2010 General Safety Employee Headcount-Weighted Above-Median Mortality Tables, projected fully generationally using scale MP-2020, and Pub-2010 Safety Healthy Retiree Headcount-Weighted Above-Median Mortality Tables, projected fully generationally using scale MP-2020
- iii. For ages 45 and older: Pub-2010 Safety Healthy Retiree Headcount-Weighted Above-Median Mortality Tables, with rates increased by 30% for males and 5% for females, projected fully generationally using scale MP-2020

Retirees' share of benefit-related costs

0%-50% depending on total costs exceeding \$4,000.

Actuarial assumptions used in the July 1, 2022, valuation were based on the results of the NV PERS actuarial experience study for the period from July 1, 2016, through June 30, 2020.

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

4. Postemployment Health Care Plan (Continued)

The discount rate was based on the expected long-term rate of return of the Trust. The discount rate used to measure the total OPEB liability was 2.50 percent. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Total OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Service cost	\$ 55,520	\$ -	\$ 55,520
Interest	53,160	-	53,160
Differences between expected and actual experience	(326,411)	-	(326,411)
Changes in assumptions or other inputs	(144,501)	-	(144,501)
Contributions – employer	-	114,453	(114,453)
Net investment income	-	(19,492)	19,492
Benefit payments	(69,453)	(69,453)	-
Net changes	(431,685)	25,508	(457,193)
Net OPEB liability - beginning of the year	1,912,052	339,848	1,572,204
Net OPEB liability end of year	<u>\$ 1,480,367</u>	<u>\$ 365,356</u>	<u>\$1,115,011</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.75% as of June 30, 2021, to 2.50% as of June 30, 2022.

Sensitivity of the Town's net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percent higher or lower than the current rate.

	1.0% Decrease (1.50%)	Discount Rate (2.50%)	1.0% Increase (3.50%)
Net OPEB liability (asset)	\$ 1,332,192	\$ 1,115,011	\$ 937,028

Sensitivity of the Town's net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percent higher or lower than the current healthcare cost trend rates:

	1.0% Decrease	Discount Rate	1.0% Increase
Net OPEB liability (asset)	\$ 945,680	\$ 1,115,011	\$ 1,321,149

TOWN OF TONOPAH, NEVADA
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE E – OTHER INFORMATION (Continued)

4. Postemployment Health Care Plan (Continued)

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

For the year ended June 30, 2022, the Town recognized OPEB changes which increased the net position by \$127,382. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to net OPEB liabilities from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual results	\$ 0	\$ 507,532
Changes of assumptions or other inputs	57,997	149,706
Net differences between projected and actual earnings on OPEB plan investments	24,987	0
Town Contributions subsequent to measurement date	0	0
Total	\$ 82,984	\$ 657,238

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2022	\$(111,649)
2023	(111,651)
2024	(96,251)
2025	(115,143)
2026	(72,286)
thereafter	(67,274)
	\$(574,254)

TOWN OF TONOPAH, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOWN'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 YEARS*
JUNE 30, 2022

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>
Total OPEB Liability				
Service cost	\$ 55,520	\$ 54,006	\$ 67,098	\$ -
Interest	53,160	52,993	77,291	60,166
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(326,411)	(35,091)	(354,699)	-
Changes of assumptions or other inputs	(144,501)	-	(283,598)	109,918
Benefit Payments	<u>(69,453)</u>	<u>(65,308)</u>	<u>(64,742)</u>	<u>(55,302)</u>
Net Change in total OPEB liability	(431,685)	6,600	(558,650)	114,782
Total OPEB liability - beginning	<u>1,912,052</u>	<u>1,905,452</u>	<u>2,464,102</u>	<u>2,349,320</u>
Total OPEB liability - ending (a)	<u>\$ 1,480,367</u>	<u>\$ 1,912,052</u>	<u>\$ 1,905,452</u>	<u>\$ 2,464,102</u>
Plan fiduciary net position				
Contributions - employer	114,453	110,308	100,587	100,302
Net investment income (loss)	(19,492)	(1,845)	16,193	6,817
Benefit payments	<u>(69,453)</u>	<u>(65,308)</u>	<u>(64,742)</u>	<u>(55,302)</u>
Net Change in plan fiduciary net position	25,508	43,155	52,038	51,817
Plan fiduciary net - beginning	<u>339,848</u>	<u>296,693</u>	<u>244,655</u>	<u>192,838</u>
Plan fiduciary net - ending (b)	<u>\$ 365,356</u>	<u>\$ 339,848</u>	<u>\$ 296,693</u>	<u>\$ 244,655</u>
Town's net OPEB liability - ending (a)-(b)	<u>\$ 1,115,011</u>	<u>\$ 1,572,204</u>	<u>\$ 1,608,759</u>	<u>\$ 2,219,447</u>
Plan fiduciary net position as a percentage of the total OPEB liability	24.68%	17.77%	15.57%	9.93%
Covered-employee payroll	\$ 803,613	\$ 861,245	\$ 642,947	\$ 288,578
Town's net OPEB liability as a percentage of covered-employee payroll	138.75%	182.55%	250.22%	769.10%

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

6/30/2022	2.50
6/30/2021	2.75
6/30/2020	2.75
6/30/2019	2.79
6/30/2018	2.98
6/30/2017	3.13

See accompanying notes to the required supplementary information.

6/30/2018

\$ -
67,280
-
-
40,923
(56,596)
51,607
2,297,713
\$2,349,320

101,596
(366)
(56,596)
44,634
148,204
\$ 192,838

\$2,156,482

8.21%

\$ 211,362

1020.28%

TOWN OF TONOPAH, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S CONTRIBUTIONS TO THE
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF NEVADA
LAST 10 YEARS
JUNE 30, 2022

Year Ended June 30	Contractually Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2013	\$ 107,472	\$ 107,472	\$ -	\$ 451,528	23.80%
2014	127,942	127,942	-	498,896	25.65%
2015	137,829	137,829	-	532,810	25.87%
2016	148,882	148,882	-	530,773	28.05%
2017	142,773	142,773	-	529,693	26.95%
2018	85,660	85,660	-	593,854	14.42%
2019	96,725	96,725	-	628,589	15.39%
2020	106,407	106,407	-	669,733	15.89%
2021	120,675	120,675	-	780,980	15.45%
2022	117,401	117,401	-	773,609	15.18%

Beginning with the year-ended 2018, all contributions shown reflect employer-paid contributions only, and employer-paid member contributions are excluded. Actuarially determined contributions above are based on actuarially determined contribution rates (employer portion only) from the most recent rate-setting year prior to the year shown, applied to covered payroll for year shown.

See accompanying notes to the required supplementary information.

TOWN OF TONOPAH, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF NEVADA
LAST 10 YEARS *
JUNE 30, 2022

Reporting Year Ended June 30:	Town's proportion of the net pension liability	Town's proportionate share of the net pension liability	Town's covered- employee payroll	Town's proportionate share of the net pension liability as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2015	0.00846%	\$ 883,049	\$ 498,896	177.00%	76.31%
2016	0.00767%	878,789	532,810	164.93%	75.10%
2017	0.00705%	949,257	530,773	178.84%	72.20%
2018	0.00656%	872,813	529,693	164.78%	74.40%
2019	0.00673%	917,327	593,854	154.47%	75.20%
2020	0.00709%	966,511	628,589	153.76%	76.50%
2021	0.00750%	1,044,538	669,733	155.96%	77.00%
2022	0.00588%	536,200	780,980	68.66%	86.50%

**Fiscal year 2015 was the first year of implementation. Therefore, only eight years are shown.*

The Town's proportionate share of the net pension liability is based upon the measurement taken on June 30th of the prior year.

See accompanying notes to the required supplementary information.

TOWN OF TONOPAH, NEVADA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Note 1 – Net Pension Liability

Changes in benefit terms. There have been no changes in benefit terms since the last valuation.

Changes in assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

Note 2 – Other Postemployment Benefits Liability

Changes in benefit terms. There have been no changes in benefit terms since the last valuation.

Changes in assumptions. Changes of assumptions and other inputs were as follows:

1. A change in the discount rate from 2.75% as of June 30, 2021, to 2.50% as of June 30, 2022.
2. Mortality assumption has been updated from Pub-2010 headcount-weighted table to Pub-2010 Headcount-Weighted Above-Median Mortality Table, projected fully-generationally using MP-2020 mortality improvement scale. Separate tables are used for general employees/retirees and public safety employees/retirees. The impact of this change is a slight decrease in liability.
3. Salary scale, termination, and retirement rates have been updated to align with those used in the NV PERS June 30, 2021 actuarial valuation. The net impact of this change is a slight decrease in liability.
4. Health care trend rate assumption has been updated as follows, which caused a decrease in liability:
 - a. Medical/prescription drug trends have been updated from the 2020 to the 2022 SOA Long-Run Medical Cost Trend model, which starts at an initial rate of 5.75% in 2022 decreasing gradually to an ultimate rate of 3.94% in 2075.
 - b. Dental trend rates have been reset to an initial rate of 4.00% in 2022 decreasing by 0.25% annually to an ultimate rate of 3.50%.

**TOWN OF TONOPAH, NEVADA
MAJOR FUND - GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021**

	2022	2021
Assets:		
Pooled cash and investments	\$ 3,086,403	\$ 2,964,178
Interest receivable	6,883	6,121
Property taxes receivable	45,736	4,702
Room taxes receivable	94,691	75,625
Due from other governments	200,547	196,707
Due from others	-	125
Prepaid items	<u>26,838</u>	<u>-</u>
 Total assets	 <u>\$ 3,461,098</u>	 <u>\$ 3,247,458</u>
Liabilities:		
Accounts payable	\$ 226,789	\$ 69,766
Accrued payroll	<u>24,143</u>	<u>54,701</u>
 Total liabilities	 <u>250,932</u>	 <u>124,467</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	<u>45,334</u>	<u>4,684</u>
Fund balance:		
Nonspendable	26,838	-
Assigned for subsequent year	1,679,034	2,122,531
Unassigned	<u>1,458,960</u>	<u>995,776</u>
Total fund balance	<u>3,164,832</u>	<u>3,118,307</u>
 Total liabilities, deferred inflows of resources, and fund balance	 <u>\$ 3,461,098</u>	 <u>\$ 3,247,458</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - GENERAL FUND (GAAP BASIS)
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 450,000	\$ 973,910	\$ 523,910	\$ 917,185
Licenses and permits	2,500	700	(1,800)	1,150
Intergovernmental	356,013	1,008,216	652,203	898,541
Charges for services	24,050	36,907	12,857	21,940
Fines and forfeitures	15,000	52,244	37,244	42,270
Miscellaneous	8,000	(171,249)	(179,249)	(6,140)
Total revenues	<u>855,563</u>	<u>1,900,728</u>	<u>1,045,165</u>	<u>1,874,946</u>
Expenditures:				
General government	603,289	352,277	251,012	304,883
Public safety	210,446	73,379	137,067	85,302
Public works	441,349	317,359	123,990	344,446
Culture and recreation	811,198	546,188	265,010	493,129
Contingency	15,000	-	15,000	-
Total expenditures	<u>2,081,282</u>	<u>1,289,203</u>	<u>792,079</u>	<u>1,227,760</u>
Excess (deficiency) of revenues over expenditures	(1,225,719)	611,525	1,837,244	647,186
Other financing sources (uses):				
Operating transfers out	(565,000)	(565,000)	-	(184,100)
Net change in fund balance	(1,790,719)	46,525	1,837,244	463,086
Fund balance:				
Beginning of year	<u>2,122,531</u>	<u>3,118,307</u>	<u>995,776</u>	<u>2,655,221</u>
End of year	<u>\$ 331,812</u>	<u>\$ 3,164,832</u>	<u>\$ 2,833,020</u>	<u>\$ 3,118,307</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - GENERAL FUND (GAAP BASIS)
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Property taxes	\$ 150,000	\$ 160,637	\$ 10,637	\$ 291,292
Room taxes	300,000	813,273	513,273	625,893
Total taxes	<u>450,000</u>	<u>973,910</u>	<u>523,910</u>	<u>917,185</u>
Licenses and permits	<u>2,500</u>	<u>700</u>	<u>(1,800)</u>	<u>1,150</u>
Intergovernmental:				
County liquor license	1,800	2,840	1,040	4,280
County gaming license	16,000	27,427	11,427	46,935
Consolidated tax	300,000	916,466	616,466	751,763
Gas tax \$1.75	38,213	42,490	4,277	46,497
Grants	-	18,993	18,993	49,066
Total intergovernmental	<u>356,013</u>	<u>1,008,216</u>	<u>652,203</u>	<u>898,541</u>
Charges for services:				
Rescue runs	200	-	(200)	-
Swimming pool fees	6,000	4,339	(1,661)	5,582
Convention Center rental	10,000	10,061	61	7,260
Sports complex fees	2,400	2,400	-	100
Mining park entrance	5,000	16,296	11,296	5,986
Fairgrounds rental	450	3,811	3,361	3,012
Total charges for services	<u>24,050</u>	<u>36,907</u>	<u>12,857</u>	<u>21,940</u>
Fines and forfeitures	<u>15,000</u>	<u>52,244</u>	<u>37,244</u>	<u>42,270</u>
Miscellaneous:				
Investment income (loss)	6,000	(171,249)	(177,249)	(8,650)
Donations	-	-	-	2,500
Other	2,000	-	(2,000)	10
Total miscellaneous	<u>8,000</u>	<u>(171,249)</u>	<u>(179,249)</u>	<u>(6,140)</u>
Total revenues	<u>\$ 855,563</u>	<u>\$ 1,900,728</u>	<u>\$ 1,045,165</u>	<u>\$ 1,874,946</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - GENERAL FUND (GAAP BASIS)
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Expenditures:				
General government:				
Salaries and wages	\$ 190,300	\$ 123,181	\$ 67,119	\$ 119,828
Employee benefits	154,935	74,856	80,079	79,788
Services and supplies	<u>258,054</u>	<u>154,240</u>	<u>103,814</u>	<u>105,267</u>
Total general government	<u>603,289</u>	<u>352,277</u>	<u>251,012</u>	<u>304,883</u>
Public safety:				
Fire:				
Salaries and wages	12,000	-	12,000	-
Employee benefits	18,146	9,025	9,121	9,005
Services and supplies	<u>180,300</u>	<u>64,354</u>	<u>115,946</u>	<u>76,297</u>
Total public safety	<u>210,446</u>	<u>73,379</u>	<u>137,067</u>	<u>85,302</u>
Public works:				
Highways and streets:				
Salaries and wages	151,319	118,493	32,826	118,729
Employee benefits	110,317	64,732	45,585	71,166
Services and supplies	179,713	123,434	56,279	154,551
Capital outlay	<u>-</u>	<u>10,700</u>	<u>(10,700)</u>	<u>-</u>
Total public works	<u>441,349</u>	<u>317,359</u>	<u>123,990</u>	<u>344,446</u>
Culture and recreation:				
Parks:				
Services and supplies	<u>55,200</u>	<u>47,715</u>	<u>7,485</u>	<u>45,635</u>
Mining parks:				
Salaries and wages	149,382	130,853	18,529	102,947
Employee benefits	82,709	62,318	20,391	49,856
Services and supplies	<u>50,400</u>	<u>30,935</u>	<u>19,465</u>	<u>26,943</u>
Total mining parks	<u>282,491</u>	<u>224,106</u>	<u>58,385</u>	<u>179,746</u>
Swimming pool:				
Salaries and wages	37,494	20,042	17,452	8,063
Employee benefits	6,155	2,919	3,236	1,085
Services and supplies	<u>29,600</u>	<u>21,720</u>	<u>7,880</u>	<u>11,474</u>
Total swimming pool	<u>73,249</u>	<u>44,681</u>	<u>28,568</u>	<u>20,622</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - GENERAL FUND (GAAP BASIS)
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Expenditures:				
Culture and recreation (continued):				
Fairgrounds:				
Services and supplies	\$ 7,300	\$ 3,166	\$ 4,134	\$ 4,796
Ball fields:				
Services and supplies	42,500	34,833	7,667	39,289
Convention Center:				
Salaries and wages	155,635	90,332	65,303	103,043
Employee benefits	99,723	47,765	51,958	62,231
Services and supplies	95,100	53,590	41,510	37,767
Total convention center	350,458	191,687	158,771	203,041
Total culture and recreation	811,198	546,188	265,010	493,129
Contingency	15,000	-	15,000	-
Total expenditures	\$ 2,081,282	\$ 1,289,203	\$ 792,079	\$ 1,227,760

TOWN OF TONOPAH, NEVADA
MAJOR FUND - CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021

	2022	2021
Assets:		
Pooled cash and investments	\$ 183,670	\$ 4,994
Interest receivable	<u>461</u>	<u>194</u>
Total assets	<u>\$ 184,131</u>	<u>\$ 5,188</u>
Liabilities:		
Accounts payable	\$ -	\$ -
Fund Balance:		
Restricted for capital projects	<u>184,131</u>	<u>5,188</u>
Total liabilities and fund balance	<u>\$ 184,131</u>	<u>\$ 5,188</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Revenues:				
Intergovernmental:				
Grants	\$ -	\$ -	\$ -	\$ 6,750
Charges for services:				
Rescue runs	500	-	(500)	-
Miscellaneous:				
Investment income (loss)	<u>-</u>	<u>(13,125)</u>	<u>(13,125)</u>	<u>(1,657)</u>
Total revenues	500	(13,125)	(13,625)	5,093
Expenditures:				
Capital projects	<u>437,891</u>	<u>237,932</u>	<u>199,959</u>	<u>356,796</u>
Excess (deficiency) of revenues over expenditures	(437,391)	(251,057)	186,334	(351,703)
Other financing sources (uses):				
Operating transfers in	<u>430,000</u>	<u>430,000</u>	<u>-</u>	<u>70,000</u>
Net change in fund balance	(7,391)	178,943	186,334	(281,703)
Fund balance:				
Beginning of year	<u>7,391</u>	<u>5,188</u>	<u>(2,203)</u>	<u>286,891</u>
End of year	<u>\$ -</u>	<u>\$ 184,131</u>	<u>\$ 184,131</u>	<u>\$ 5,188</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - TONOPAH PUBLIC UTILITIES WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2022 and 2021

	2022	2021
Assets		
Current assets:		
Pooled cash and investments	\$ 955,649	\$ 998,122
Interest receivable	3,781	3,153
Accounts receivable, net of allowance for doubtful accounts	104,983	82,866
Inventory	51,748	63,225
Prepaid items	12,783	-
Restricted assets - cash	<u>603,589</u>	<u>549,372</u>
Total current assets	1,732,533	1,696,738
Property, plant and equipment, net of accumulated depreciation	<u>13,791,716</u>	<u>14,146,135</u>
Total assets	<u>15,524,249</u>	<u>15,842,873</u>
Deferred outflows of resources		
Deferred charge on pension	130,707	56,829
Deferred charge on OPEB	<u>15,832</u>	<u>15,912</u>
Total deferred outflows of resources	<u>146,539</u>	<u>72,741</u>
Liabilities		
Current liabilities, payable from unrestricted assets:		
Accounts payable	97,075	38,223
Accrued payroll	8,913	18,482
Accrued interest payable	7,068	7,228
Accrued compensated absences	9,269	10,691
Current portion of bonds payable	<u>113,756</u>	<u>111,438</u>
Total current liabilities-unrestricted	236,081	186,062
Current liabilities, payable from restricted assets:		
Customer deposits	<u>28,702</u>	<u>27,750</u>
Total current liabilities	<u>264,783</u>	<u>213,812</u>
Non-current liabilities:		
Net OPEB liability	90,990	164,935
Net pension liability	195,000	290,761
Accrued compensated absences	6,469	13,374
Bonds payable	<u>4,716,635</u>	<u>4,830,391</u>
Total non-current liabilities	<u>5,009,094</u>	<u>5,299,461</u>
Total liabilities	<u>5,273,877</u>	<u>5,513,273</u>
Deferred inflows of resources		
Deferred charge on pension	166,329	26,493
Deferred charge on OPEB	<u>108,959</u>	<u>58,052</u>
Total deferred inflows of resources	<u>275,288</u>	<u>84,545</u>
Net position		
Net investment in capital assets	8,961,325	9,204,306
Restricted for debt	253,083	264,168
Restricted for capital projects	350,506	285,204
Unrestricted	<u>556,709</u>	<u>564,118</u>
Total net position	<u>\$ 10,121,623</u>	<u>\$ 10,317,796</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - TONOPAH PUBLIC UTILITIES WATER ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actuals
	Budget	Actual		
Operating Revenues:				
Charges for services:				
Water fees	\$ 515,200	\$ 632,331	\$ 117,131	\$ 605,488
Operating Expenses:				
Water department:				
Administration	206,625	100,281	106,344	88,149
General operations	340,977	242,445	98,532	273,326
Water operations	194,200	145,324	48,876	144,373
Depreciation	400,000	496,539	(96,539)	495,044
Total operating expenses	<u>1,141,802</u>	<u>984,589</u>	<u>157,213</u>	<u>1,000,892</u>
Operating income (loss)	<u>(626,602)</u>	<u>(352,258)</u>	<u>274,344</u>	<u>(395,404)</u>
Nonoperating Revenue (Expense):				
Investment income (loss)	5,000	(104,254)	(109,254)	(5,043)
Water surcharge	225,000	290,284	65,284	303,992
Miscellaneous	23,000	71,878	48,878	15,534
Interest expense	<u>(101,975)</u>	<u>(101,823)</u>	<u>152</u>	<u>(119,632)</u>
Total nonoperating revenue (expense)	<u>151,025</u>	<u>156,085</u>	<u>5,060</u>	<u>194,851</u>
Change in net position	<u>\$ (475,577)</u>	(196,173)	<u>\$ 279,404</u>	(200,553)
Net Position:				
Beginning of year		<u>10,317,796</u>		<u>10,518,349</u>
End of year		<u>\$ 10,121,623</u>		<u>\$ 10,317,796</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - TONOPAH PUBLIC UTILITIES WATER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022	2021
Cash flows from operating activities:		
Cash received from customers	\$ 611,166	\$ 593,443
Cash paid for salaries, wages, and employee benefits	(270,443)	(259,685)
Cash paid for services and supplies	<u>(230,628)</u>	<u>(223,728)</u>
Net cash provided (used) by operating activities	<u>110,095</u>	<u>110,030</u>
Cash flows from noncapital financing activities:		
Miscellaneous revenue	71,878	15,534
Surcharges	<u>290,284</u>	<u>303,992</u>
Net cash provided (used) by noncapital financing activities	<u>362,162</u>	<u>319,526</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(142,120)	(17,019)
Principal paid	(111,438)	(97,441)
Interest paid	<u>(101,983)</u>	<u>(115,979)</u>
Net cash provided (used) by capital and related financing activities	<u>(355,541)</u>	<u>(230,439)</u>
Cash flows from investing activities:		
Investment income (loss)	<u>(104,882)</u>	<u>(5,487)</u>
Net increase (decrease) in cash	11,834	193,630
Cash:		
Beginning of year	<u>1,547,494</u>	<u>1,353,864</u>
End of year	<u>\$ 1,559,328</u>	<u>\$ 1,547,494</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	<u>\$ (352,258)</u>	<u>\$ (395,404)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	496,539	495,044
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(22,117)	(15,995)
(Increase) decrease in prepaid items	(12,783)	9,105
(Increase) decrease in inventory	11,477	6,876
(Increase) decrease in deferred outflows on pension	(73,878)	(253)
(Increase) decrease in deferred outflows on OPEB	80	6,130
Increase (decrease) in accounts payable	58,852	24,443
Increase (decrease) in accrued payroll	(9,569)	2,246
Increase (decrease) in customer deposits	952	3,950
Increase (decrease) in accrued compensated absences	(8,327)	(3,329)
Increase (decrease) in net pension liability	(95,761)	16,019
Increase (decrease) in deferred inflows on pension	139,836	(18,895)
Increase (decrease) in deferred inflows on OPEB	50,907	(13,603)
Increase (decrease) in net OPEB liability	<u>(73,945)</u>	<u>(6,304)</u>
Total adjustments	<u>462,263</u>	<u>505,434</u>
Net cash provided by operating activities	<u>\$ 110,005</u>	<u>\$ 110,030</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - TONOPAH PUBLIC UTILITIES SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2022 and 2021

	2022	2021
Assets		
Current assets:		
Pooled cash and investments	\$ 1,124,182	\$ 1,233,132
Interest receivable	2,818	36
Accounts receivable, net of allowance for doubtful accounts	72,518	54,957
Inventory	5,299	5,499
Prepaid items	17,250	-
Restricted assets - cash	<u>16,040</u>	<u>17,085</u>
Total current assets	1,238,107	1,310,709
Property, plant and equipment, net of accumulated depreciation	<u>5,467,048</u>	<u>5,582,771</u>
Total assets	<u>6,705,155</u>	<u>6,893,480</u>
Deferred outflows of resources		
Deferred charge on pension	177,233	74,864
Deferred charge on OPEB	<u>21,776</u>	<u>19,676</u>
Total deferred outflows of resources	<u>199,009</u>	<u>94,540</u>
Liabilities		
Current liabilities, payable from unrestricted assets:		
Accounts payable	16,198	17,434
Accrued payroll	9,802	23,732
Accrued compensated absences	<u>9,269</u>	<u>10,691</u>
Total current liabilities - unrestricted	<u>35,269</u>	<u>51,857</u>
Non-current liabilities:		
Net OPEB liability	499,506	639,456
Net pension liability	134,875	265,824
Accrued compensated absences	<u>6,469</u>	<u>13,374</u>
Total non-current liabilities	<u>640,850</u>	<u>918,654</u>
Total liabilities	<u>676,119</u>	<u>970,511</u>
Deferred inflows of resources		
Deferred charge on pension	228,606	33,885
Deferred charge on OPEB	<u>178,882</u>	<u>80,442</u>
Total deferred inflows of resources	<u>407,488</u>	<u>114,327</u>
Net position		
Net investment in capital assets	5,467,048	5,582,771
Restricted for capital projects	16,040	17,085
Unrestricted	<u>337,469</u>	<u>303,326</u>
Total net position	<u>\$ 5,820,557</u>	<u>\$ 5,903,182</u>

TOWN OF TONOPAH, NEVADA
MAJOR FUND - TONOPAH PUBLIC UTILITIES SEWER ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actuals
	Budget	Actual		
Operating revenues				
Charges for services:				
Sewer fees	\$ 500,000	\$ 555,738	\$ 55,738	\$ 524,054
Operating expenses				
Sewer department:				
Administration	299,509	152,225	147,284	172,618
General operations	375,752	182,933	192,819	231,423
Sewer operations	41,000	18,314	22,686	19,823
Depreciation	260,000	246,262	13,738	241,173
Total operating expenses	976,261	599,734	376,527	665,037
Operating income (loss)	(476,261)	(43,996)	432,265	(140,983)
Nonoperating revenue (expense)				
Investment income (loss)	6,000	(70,324)	(76,324)	(6,688)
Capital projects fees	36,000	31,695	(4,305)	32,413
Total nonoperating revenue (expense)	42,000	(38,629)	(80,629)	25,725
Change in net position	\$ (434,261)	(82,625)	\$ 351,636	(115,258)
Net Position				
Beginning of year		5,903,182		6,018,440
End of year		\$ 5,820,557		\$ 5,903,182

TOWN OF TONOPAH, NEVADA
MAJOR FUND - TONOPAH PUBLIC UTILITIES SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022	2021
Cash flows from operating activities:		
Cash received from customers	\$ 538,177	\$ 534,131
Cash paid for salaries, wages, and employee benefits	(349,349)	(362,658)
Cash paid for services and supplies	<u>(126,873)</u>	<u>(71,466)</u>
Net cash provided (used) by operating activities	61,955	100,007
Cash flows from noncapital financing activities:		
Capital projects fees	31,695	32,413
Cash flows from capital and related financing activities:		
Purchase of capital assets	(130,539)	-
Cash flows from investing activities:		
Investment income (loss)	<u>(73,106)</u>	<u>(4,488)</u>
Net increase (decrease) in cash	(109,995)	127,932
Cash:		
Beginning of year	<u>1,250,217</u>	<u>1,122,285</u>
End of year	<u>\$ 1,140,222</u>	<u>\$ 1,250,217</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	<u>\$ (43,996)</u>	<u>\$ (140,983)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	246,262	241,173
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(17,561)	10,077
(Increase) decrease in prepaid items	(17,250)	13,727
(Increase) decrease in inventory	200	996
(Increase) decrease in deferred outflows on pension	(102,369)	(5,017)
(Increase) decrease in deferred outflows on OPEB	(2,100)	2,030
Increase (decrease) in accounts payable	(1,236)	9,703
Increase (decrease) in accrued payroll	(13,930)	3,686
Increase (decrease) in accrued compensated absences	(8,327)	(3,329)
Increase (decrease) in net pension liability	(130,949)	19,826
Increase (decrease) in deferred inflows on pension	194,721	(20,992)
Increase (decrease) in deferred inflows on OPEB	98,440	(5,026)
Increase (decrease) in net OPEB liability	<u>(139,950)</u>	<u>(25,864)</u>
Total adjustments	<u>105,951</u>	<u>240,990</u>
Net cash provided by operating activities	<u>\$ 61,955</u>	<u>\$ 100,007</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022
(With Comparative Totals for June 30, 2021)

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	2022 Totals	2021 Totals
Assets:				
Pooled cash and investments	\$ 402,943	\$ 134,520	\$ 537,463	\$ 515,095
Interest receivable	940	293	1,233	1,109
Room taxes receivable	7,397	-	7,397	5,908
Due from other governments	<u>30,376</u>	<u>-</u>	<u>30,376</u>	<u>39,316</u>
 Total assets	 <u>\$ 441,656</u>	 <u>\$ 134,813</u>	 <u>\$ 576,469</u>	 <u>\$ 561,428</u>
Liabilities:				
Accounts payable	\$ 12,647	\$ -	\$ 12,647	\$ 36,986
Accrued payroll and benefits	<u>2,543</u>	<u>-</u>	<u>2,543</u>	<u>5,580</u>
 Total liabilities	 <u>15,190</u>	 <u>-</u>	 <u>15,190</u>	 <u>42,566</u>
Fund Balance:				
Restricted for capital projects	-	134,813	134,813	124,150
Restricted for public safety	199,189	-	199,189	217,607
Restricted for culture & recreation	<u>227,277</u>	<u>-</u>	<u>227,277</u>	<u>177,105</u>
 Total fund balance	 <u>426,466</u>	 <u>134,813</u>	 <u>561,279</u>	 <u>518,862</u>
 Total liabilities and fund balance	 <u>\$ 441,656</u>	 <u>\$ 134,813</u>	 <u>\$ 576,469</u>	 <u>\$ 561,428</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	2022 Totals	2021 Totals
Revenues:				
Taxes	\$ 63,537	\$ -	\$ 63,537	\$ 48,898
Intergovernmental	207,888	17,621	225,509	211,056
Miscellaneous	<u>(16,923)</u>	<u>(6,958)</u>	<u>(23,881)</u>	<u>5,525</u>
Total revenues	<u>254,502</u>	<u>10,663</u>	<u>265,165</u>	<u>265,479</u>
Expenditures:				
Current:				
Public safety	224,567	-	224,567	193,385
Culture and recreation	133,181	-	133,181	120,556
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,968</u>
Total expenditures	<u>357,748</u>	<u>-</u>	<u>357,748</u>	<u>391,909</u>
Excess (deficiency) of revenues over expenditures	(103,246)	10,663	(92,583)	(126,430)
Other Financing Sources (Uses):				
Operating transfers in	<u>135,000</u>	<u>-</u>	<u>135,000</u>	<u>114,100</u>
Net change in fund balance	31,754	10,663	42,417	(12,330)
Fund Balance:				
Beginning of year	<u>394,712</u>	<u>124,150</u>	<u>518,862</u>	<u>531,192</u>
End of year	<u>\$ 426,466</u>	<u>\$ 134,813</u>	<u>\$ 561,279</u>	<u>\$ 518,862</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022
(With Comparative Totals for June 30, 2021)

	State Room Tax	Tourism	Mural	Public Safety Sales Tax Sheriff	Public Safety Sales Tax Fire
Assets:					
Pooled cash and investments	\$ 147,506	\$ 71,212	\$ 8,935	\$ 76,425	\$ 98,865
Interest receivable	369	179	22	136	234
Room taxes receivable	7,397	-	-	-	-
Due from other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,188</u>	<u>15,188</u>
 Total assets	 <u>\$ 155,272</u>	 <u>\$ 71,391</u>	 <u>\$ 8,957</u>	 <u>\$ 91,749</u>	 <u>\$ 114,287</u>
Liabilities:					
Accounts payable	\$ 722	\$ 7,621	\$ -	\$ 241	\$ 4,063
Accrued payroll and benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,543</u>	<u>-</u>
 Total liabilities	 <u>722</u>	 <u>7,621</u>	 <u>-</u>	 <u>2,784</u>	 <u>4,063</u>
Fund Balance:					
Restricted for public safety	-	-	-	88,965	110,224
Restricted for culture and recreation	<u>154,550</u>	<u>63,770</u>	<u>8,957</u>	<u>-</u>	<u>-</u>
 Total fund balance	 <u>154,550</u>	 <u>63,770</u>	 <u>8,957</u>	 <u>88,965</u>	 <u>110,224</u>
 Total liabilities and fund balance	 <u>\$ 155,272</u>	 <u>\$ 71,391</u>	 <u>\$ 8,957</u>	 <u>\$ 91,749</u>	 <u>\$ 114,287</u>

Totals	
2022	2021
\$ 402,943	\$ 384,923
940	802
7,397	5,908
<u>30,376</u>	<u>39,316</u>
<u>\$ 441,656</u>	<u>\$ 430,949</u>
\$ 12,647	\$ 30,657
<u>2,543</u>	<u>5,580</u>
<u>15,190</u>	<u>36,237</u>
199,189	217,607
<u>227,277</u>	<u>177,105</u>
<u>426,466</u>	<u>394,712</u>
<u>\$ 441,656</u>	<u>\$ 430,949</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	State Room Tax	Tourism	Mural	Public Safety Sales Tax Sheriff	Public Safety Sales Tax Fire
Revenues:					
Taxes	\$ 63,537	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	103,944	103,944
Miscellaneous	<u>(9,045)</u>	<u>(5,564)</u>	<u>(575)</u>	<u>7,067</u>	<u>(8,806)</u>
Total revenues	<u>54,492</u>	<u>(5,564)</u>	<u>(575)</u>	<u>111,011</u>	<u>95,138</u>
Expenditures:					
Public safety	-	-	-	112,883	111,684
Culture and recreation	<u>27,272</u>	<u>100,909</u>	<u>5,000</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>27,272</u>	<u>100,909</u>	<u>5,000</u>	<u>112,883</u>	<u>111,684</u>
Excess (deficiency) of revenues over expenditures	27,220	(106,473)	(5,575)	(1,872)	(16,546)
Other Financing Sources (Uses):					
Operating transfers in	<u>-</u>	<u>125,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	27,220	18,527	4,425	(1,872)	(16,546)
Fund Balance:					
Beginning of year	<u>127,330</u>	<u>45,243</u>	<u>4,532</u>	<u>90,837</u>	<u>126,770</u>
End of year	<u>\$ 154,550</u>	<u>\$ 63,770</u>	<u>\$ 8,957</u>	<u>\$ 88,965</u>	<u>\$ 110,224</u>

Totals	
2022	2021
\$ 63,537	\$ 48,898
207,888	191,884
<u>(16,923)</u>	<u>6,172</u>
<u>254,502</u>	<u>246,954</u>
224,567	193,385
<u>133,181</u>	<u>120,556</u>
<u>357,748</u>	<u>313,941</u>
(103,246)	(66,987)
<u>135,000</u>	<u>114,100</u>
31,754	47,113
<u>394,712</u>	<u>347,599</u>
<u>\$ 426,466</u>	<u>\$ 394,712</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - STATE ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021

	2022	2021
Assets:		
Pooled cash and investments	\$ 147,506	\$ 129,543
Interest receivable	369	272
Room taxes receivable	<u>7,397</u>	<u>5,908</u>
 Total assets	 <u>\$ 155,272</u>	 <u>\$ 135,723</u>
 Liabilities:		
Accounts payable	\$ 722	\$ 8,393
 Fund Balance:		
Restricted for culture and recreation	<u>154,550</u>	<u>127,330</u>
 Total liabilities and fund balance	 <u>\$ 155,272</u>	 <u>\$ 135,723</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - STATE ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Room tax	\$ 25,000	\$ 63,537	\$ 38,537	\$ 48,898
Miscellaneous:				
Investment income (loss)	-	(9,045)	(9,045)	(280)
Total revenues	25,000	54,492	29,492	48,618
Expenditures:				
Culture and recreation:				
Services and supplies	118,389	27,272	91,117	17,677
Excess (deficiency) of revenues over expenditures	(93,389)	27,220	120,609	30,941
Fund Balance:				
Beginning of year	93,389	127,330	33,941	96,389
End of year	\$ -	\$ 154,550	\$ 154,550	\$ 127,330

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - TOURISM SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021

	2022	2021
Assets:		
Pooled cash and investments	\$ 71,212	\$ 49,700
Interest receivable	<u>179</u>	<u>112</u>
 Total assets	 <u>\$ 71,391</u>	 <u>\$ 49,812</u>
 Liabilities:		
Accounts payable	\$ 7,621	\$ 4,569
 Fund Balance:		
Restricted for culture and recreation	<u>63,770</u>	<u>45,243</u>
 Total liabilities and fund balance	 <u>\$ 71,391</u>	 <u>\$ 49,812</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - TOURISM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Revenues:				
Miscellaneous:				
Investment income (loss)	\$ 1,800	\$ (5,664)	\$ (7,464)	\$ (350)
Donations	<u>-</u>	<u>100</u>	<u>100</u>	<u>7,660</u>
Total revenues	1,800	(5,564)	(7,364)	7,310
Expenditures:				
Culture and recreation:				
Services and supplies	<u>149,562</u>	<u>100,909</u>	<u>48,653</u>	<u>97,129</u>
Excess (deficiency) of revenues over expenditures	(147,762)	(106,473)	41,289	(89,819)
Other Financing Sources (Uses)				
Operating transfers in	<u>125,000</u>	<u>125,000</u>	<u>-</u>	<u>114,100</u>
Net change in fund balance	(22,762)	18,527	41,289	24,281
Fund Balance:				
Beginning of year	<u>22,762</u>	<u>45,243</u>	<u>22,481</u>	<u>20,962</u>
End of year	<u>\$ -</u>	<u>\$ 63,770</u>	<u>\$ 63,770</u>	<u>\$ 45,243</u>

**TOWN OF TONOPAH, NEVADA
MURAL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021**

	2022	2021
Assets:		
Pooled cash and investments	\$ 8,935	\$ 4,519
Interest receivable	<u>22</u>	<u>13</u>
 Total assets	 <u>\$ 8,957</u>	 <u>\$ 4,532</u>
 Liabilities:		
Accounts payable	\$ -	\$ -
 Fund Balance:		
Restricted for culture and recreation	<u>8,957</u>	<u>4,532</u>
 Total liabilities and fund balance	 <u>\$ 8,957</u>	 <u>\$ 4,532</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - MURAL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Revenues				
Miscellaneous:				
Investment income (loss)	\$ -	\$ (575)	\$ (575)	\$ (80)
Expenditures:				
Culture and recreation:				
Capital outlay	<u>14,562</u>	<u>5,000</u>	<u>9,562</u>	<u>5,750</u>
Excess (deficiency) of revenues over expenditures	(14,562)	(5,575)	8,987	(5,830)
Other Financing Sources (Uses):				
Operating transfers out	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(4,562)	4,425	8,987	(5,830)
Fund Balance:				
Beginning of year	<u>4,562</u>	<u>4,532</u>	<u>(30)</u>	<u>10,362</u>
End of year	<u>\$ -</u>	<u>\$ 8,957</u>	<u>\$ 8,957</u>	<u>\$ 4,532</u>

TONOPAH TOWN, NEVADA
NONMAJOR - PUBLIC SAFETY SALES TAX SHERIFF SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021

	2022	2021
Assets:		
Pooled cash and investments	\$ 76,425	\$ 80,692
Interest receivable	136	162
Due from other governments	<u>15,188</u>	<u>19,658</u>
Total assets	<u>\$ 91,749</u>	<u>\$ 100,512</u>
Liabilities:		
Accounts payable	\$ 241	\$ 4,095
Accrued payroll and benefits	<u>2,543</u>	<u>5,580</u>
Total liabilities	2,784	9,675
Fund Balance:		
Restricted for public safety	<u>88,965</u>	<u>90,837</u>
Total liabilities and fund balance	<u>\$ 91,749</u>	<u>\$ 100,512</u>

TONOPAH TOWN, NEVADA
NONMAJOR - PUBLIC SAFETY SALES TAX SHERIFF SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance-	2021
	Budget	Actual	Positive (Negative)	Actual
Revenues:				
Intergovernmental:				
Public safety tax - Nye County	\$ 80,957	\$ 103,944	\$ 22,987	\$ 95,942
Miscellaneous:				
Investment income (loss)	250	(3,401)	(3,651)	(383)
Other	-	10,468	10,468	-
Total miscellaneous	<u>250</u>	<u>7,067</u>	<u>6,817</u>	<u>(383)</u>
Total revenues	<u>81,207</u>	<u>111,011</u>	<u>29,804</u>	<u>95,559</u>
Expenditures:				
Public safety:				
Salaries and wages	-	47,959	(47,959)	46,221
Employee benefits	-	28,065	(28,065)	26,282
Services and supplies	155,848	29,951	125,897	32,208
Capital outlay	-	6,908	(6,908)	26,402
Total expenditures	<u>155,848</u>	<u>112,883</u>	<u>42,965</u>	<u>131,113</u>
Excess (deficiency) of revenues over expenditures	(74,641)	(1,872)	72,769	(35,554)
Fund Balance:				
Beginning of year	<u>74,641</u>	<u>90,837</u>	<u>16,196</u>	<u>126,391</u>
End of year	<u>\$ -</u>	<u>\$ 88,965</u>	<u>\$ 88,965</u>	<u>\$ 90,837</u>

TONOPAH TOWN, NEVADA
NONMAJOR - PUBLIC SAFETY SALES TAX FIRE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021

	2022	2021
Assets:		
Pooled cash and investments	\$ 98,865	\$ 120,469
Interest receivable	234	243
Due from other governments	<u>15,188</u>	<u>19,658</u>
Total assets	<u>\$ 114,287</u>	<u>\$ 140,370</u>
Liabilities:		
Accounts payable	\$ 4,063	\$ 13,600
Fund Balance:		
Restricted for public safety	<u>110,224</u>	<u>126,770</u>
Total liabilities and fund balance	<u>\$ 114,287</u>	<u>\$ 140,370</u>

TONOPAH TOWN, NEVADA
NONMAJOR - PUBLIC SAFETY SALES TAX FIRE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance-	2021
	Budget	Actual	Positive (Negative)	Actual
Revenues:				
Intergovernmental:				
Public safety tax - Nye County	\$ 80,957	\$ 103,944	\$ 22,987	\$ 95,942
Grant	<u>250</u>	<u>-</u>	<u>(250)</u>	<u>-</u>
Total intergovernmental	81,207	103,944	22,737	95,942
Miscellaneous:				
Investment income (loss)	<u>-</u>	<u>(8,806)</u>	<u>(8,806)</u>	<u>(395)</u>
Total revenues	81,207	95,138	13,931	95,547
Expenditures:				
Public safety:				
Capital outlay	<u>216,952</u>	<u>111,684</u>	<u>105,268</u>	<u>62,272</u>
Excess (deficiency) of revenues over expenditures	(135,745)	(16,546)	119,199	33,275
Fund Balance:				
Beginning of year	<u>135,745</u>	<u>126,770</u>	<u>(8,975)</u>	<u>93,495</u>
End of year	<u>\$ -</u>	<u>\$ 110,224</u>	<u>\$ 110,224</u>	<u>\$ 126,770</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022
(With Comparative Totals for June 30, 2021)

	Special Ad Valorem	Mining	Totals 2022	Totals 2021
Assets:				
Pooled cash and investments	\$ 116,342	\$ 18,178	\$ 134,520	\$ 130,172
Interest receivable	<u>247</u>	<u>46</u>	<u>293</u>	<u>307</u>
 Total assets	 <u>\$ 116,589</u>	 <u>\$ 18,224</u>	 <u>\$ 134,813</u>	 <u>\$ 130,479</u>
 Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 6,329
 Fund Balance:				
Restricted for capital projects	<u>116,589</u>	<u>18,224</u>	<u>134,813</u>	<u>124,150</u>
 Total liabilities and fund balance	 <u>\$ 116,589</u>	 <u>\$ 18,224</u>	 <u>\$ 134,813</u>	 <u>\$ 130,479</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	Special Ad Valorem	Mining	Totals 2022	Totals 2021
Revenues:				
Intergovernmental	\$ 17,621	\$ -	\$ 17,621	\$ 19,172
Miscellaneous	<u>(5,731)</u>	<u>(1,227)</u>	<u>(6,958)</u>	<u>(647)</u>
Total revenues	11,890	(1,227)	10,663	18,525
Expenditures:				
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,968</u>
Excess (deficiency) of revenues over expenditures	11,890	(1,227)	10,663	(59,443)
Fund Balance:				
Beginning of year	<u>104,699</u>	<u>19,451</u>	<u>124,150</u>	<u>183,593</u>
End of year	<u>\$ 116,589</u>	<u>\$ 18,224</u>	<u>\$ 134,813</u>	<u>\$ 124,150</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - SPECIAL AD VALOREM CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021

	2022	2021
Assets:		
Pooled cash and investments	\$ 116,342	\$ 110,810
Interest receivable	<u>247</u>	<u>218</u>
 Total assets	 <u>\$ 116,589</u>	 <u>\$ 111,028</u>
Liabilities:		
Accounts payable	\$ -	\$ 6,329
Fund Balance:		
Restricted for capital projects	<u>116,589</u>	<u>104,699</u>
 Total liabilities and fund balance	 <u>\$ 116,589</u>	 <u>\$ 111,028</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - SPECIAL AD VALOREM CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance- Positive (Negative)	2021 Actual
	Budget	Actual		
Revenues				
Intergovernmental	\$ 20,000	\$ 17,621	\$ (2,379)	\$ 19,172
Miscellaneous:				
Investment income (loss)	<u>-</u>	<u>(5,731)</u>	<u>(5,731)</u>	<u>(307)</u>
Total revenues	20,000	11,890	(8,110)	18,865
Expenditures:				
Capital projects	<u>132,112</u>	<u>-</u>	<u>132,112</u>	<u>31,278</u>
Excess (deficiency) of revenues over expenditures	(112,112)	11,890	124,002	(12,413)
Fund Balance:				
Beginning of year	<u>112,112</u>	<u>104,699</u>	<u>(7,413)</u>	<u>117,112</u>
End of year	<u>\$ -</u>	<u>\$ 116,589</u>	<u>\$ 116,589</u>	<u>\$ 104,699</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - MINING CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2022 and 2021

	2022	2021
Assets:		
Pooled cash and investments	\$ 18,178	\$ 19,362
Interest receivable	<u>46</u>	<u>89</u>
 Total assets	 <u>\$ 18,224</u>	 <u>\$ 19,451</u>
Liabilities:		
Accounts payable	\$ -	\$ -
Fund Balance:		
Restricted for capital projects	<u>18,224</u>	<u>19,451</u>
 Total liabilities and fund balance	 <u>\$ 18,224</u>	 <u>\$ 19,451</u>

TOWN OF TONOPAH, NEVADA
NONMAJOR FUND - MINING CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022		Variance-	2021
	Budget	Actual	Positive (Negative)	Actual
Revenues:				
Miscellaneous:				
Investment income (loss)	\$ -	\$ (1,227)	\$ (1,227)	\$ (340)
Expenditures:				
Capital projects	<u>21,481</u>	<u>-</u>	<u>21,481</u>	<u>46,690</u>
Excess (deficiency) of revenues over expenditures	(21,481)	(1,227)	20,254	(47,030)
Fund Balance:				
Beginning of year	<u>21,481</u>	<u>19,451</u>	<u>(2,030)</u>	<u>66,481</u>
End of year	<u>\$ -</u>	<u>\$ 18,224</u>	<u>\$ 18,224</u>	<u>\$ 19,451</u>