

**TOWN OF TONOPAH, NEVADA**  
**REPORT ON FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2025**

**TOWN OF TONOPAH, NEVADA  
REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTAL MATERIAL  
FOR THE YEAR ENDED JUNE 30, 2025  
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**TOWN OF TONOPAH, NEVADA**

**ORGANIZATION**

**TOWN OFFICERS** at June 30, 2025:

Chairman	Don Kaminski
Vice Chairman	Joni Eastley
Clerk	Marc Grigory
Board Member	Douglas Baker
Board Member	Steven Stringer

# DANIEL C. McARTHUR, LTD

*Certified Public Accountant*

Quail Park III • 501 So. Rancho Dr., Ste. E-30 • Las Vegas, NV 89106 • (702) 385-1899 • (702) 385-9619

## INDEPENDENT AUDITOR'S REPORT

Honorable Board Members  
Town of Tonopah, Nevada  
Tonopah, Nevada

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tonopah, Nevada (the Town), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2025, and the respective changes in financial position, and where applicable, cash flows thereof, the respective budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Change in Accounting Principle*

As discussed in Note E5 to the financial statements, in 2025 the Town adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5-14, Schedule of Changes in the Town's Total OPEB Liability and Related Ratios on pages 60-61, Schedule of the Town's Contributions to the Public Employees' Retirement System of the State of Nevada on page 62, and Schedule of the Town's Proportionate Share of the Net Pension Liability of the Public Employees' Retirement System of the State of Nevada on page 63 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Town's basic financial statements for the year ended June 30, 2024 which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively compromise the Town's basic financial statements as a whole. The combining and individual fund financial statements and schedules for the year ended June 30, 2024, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2024 basic financial statements. The information was subjected to the audit procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2026 on our consideration of the Town's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Las Vegas, Nevada  
January 30, 2026

**TOWN OF TONOPAH, NEVADA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

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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, 2025. 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 2025 fiscal year by \$29,867,548 (net position). Total net position represents approximately \$22,914,479 of net investment in capital assets, \$297,082 in assets restricted for debt services, \$797,558 in assets restricted for capital projects, \$265,283 in assets restricted for culture and recreation, and \$700,090 in assets restricted for public safety. The remaining \$4,893,056 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 2025, from \$25,490,092 to \$29,867,548.

The Town’s primary revenue sources for governmental activities were ad valorem taxes (property taxes) of \$233,856, room taxes of \$880,611, consolidated taxes (sales taxes) of \$969,096, and public safety sales taxes of \$266,468. These revenue sources comprised 8.37%, 31.51%, 34.67%, and 9.53%, respectively, or 84.08% of total governmental activities revenues.

The Town had investment income of \$475,200 due primarily to gains in fair market value of investments during the year.

The Town’s total expenses were \$4,066,392. The greatest governmental activities expenses were \$996,570 in culture and recreation and \$534,264 in the general government function. The business-type activities contributed \$1,978,619 to the Town’s total expenses.

**Fund Financial Statements**

At the end of fiscal year 2025, the Town’s governmental funds reported combined fund balances of \$6,400,960, an increase of \$640,964 when compared to the previous year. Approximately 39.91% of this amount, \$2,554,407, is available for spending at the government’s discretion (unassigned fund balance).

At the end of fiscal year 2025, the Town’s General Fund had a fund balance of \$5,004,780, an increase of \$632,045 when compared to the previous year. Approximately 51.04% of this amount, \$2,554,407, 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, 2025**

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**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 are considered to be major funds. 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, 2025**

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**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, 2025**

**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, 2025 and 2024.

	<b>Net Position</b>					
	<b>Governmental</b>		<b>Business-type</b>		<b>Total</b>	
	<b>Activities</b>		<b>Activities</b>		<b>Primary Government</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Assets:</b>						
Current and other assets	\$ 6,564,413	\$ 5,886,031	\$ 3,248,313	\$ 3,387,842	\$ 9,812,726	\$ 9,273,873
Net capital assets	5,172,328	5,152,761	22,224,114	18,472,003	27,396,442	23,624,764
Total assets	<u>11,736,741</u>	<u>11,038,792</u>	<u>25,472,427</u>	<u>21,859,845</u>	<u>37,209,168</u>	<u>32,898,637</u>
<b>Deferred outflows of resources</b>	<u>569,807</u>	<u>570,307</u>	<u>359,659</u>	<u>358,507</u>	<u>929,466</u>	<u>928,814</u>
<b>Liabilities:</b>						
Current liabilities	159,373	122,503	337,584	226,759	496,957	349,262
Long-term liabilities	1,402,595	1,519,737	5,787,352	6,023,699	7,189,947	7,543,436
Total liabilities	<u>1,561,968</u>	<u>1,642,240</u>	<u>6,124,936</u>	<u>6,250,458</u>	<u>7,686,904</u>	<u>7,892,698</u>
<b>Deferred inflows of resources</b>	<u>345,756</u>	<u>253,176</u>	<u>238,426</u>	<u>191,485</u>	<u>584,182</u>	<u>444,661</u>
<b>Net position:</b>						
Invested in capital assets, net of related debt	5,172,328	5,152,761	17,742,151	13,871,499	22,914,479	19,024,260
Restricted	1,396,180	1,387,261	663,833	831,891	2,060,013	2,219,152
Unrestricted	3,830,316	3,173,661	1,062,740	1,073,019	4,893,056	4,246,680
Total net position	<u>\$10,398,824</u>	<u>\$9,713,683</u>	<u>\$19,468,724</u>	<u>\$15,776,409</u>	<u>\$29,867,548</u>	<u>\$25,490,092</u>

The Town's assets exceeded liabilities by \$29,867,548 at the close of the current fiscal year and total net position increased by \$4,377,456, resulting in a 17.33% increase in net position.

The largest portion of the Town's net position, 76.72%, 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 \$29,867,548 includes unrestricted net position totaling \$4,893,056, or 16.38%. 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 \$2,060,013, or 6.90%.

**Net Position:**

Governmental activities increased the Town's net position by \$685,141. Business-type activities increased the Town's net position by \$3,692,315.

**TOWN OF TONOPAH, NEVADA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

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

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u> <u>Primary Governmental</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 79,899	\$ 79,386	\$ 1,298,498	\$ 1,158,110	\$ 1,378,397	\$ 1,237,496
Operating grants	25,164	-	-	-	25,164	-
Capital grants	-	84,344	3,779,615	271,714	3,779,615	356,058
General revenues:						
Ad valorem taxes	233,856	227,041	-	-	233,856	227,041
Room taxes	880,611	978,465	-	-	880,611	978,465
Consolidated taxes	969,096	952,804	-	-	969,096	952,804
Public safety taxes	266,468	248,612	-	-	266,468	248,612
Fuel taxes	19,832	32,023	-	-	19,832	32,023
Investment income (loss)	318,450	207,945	156,750	116,607	475,200	324,552
Miscellaneous	1,611	437	453,676	430,181	455,287	430,618
Total revenues	<u>2,794,987</u>	<u>2,811,057</u>	<u>5,688,539</u>	<u>1,976,612</u>	<u>8,483,526</u>	<u>4,787,669</u>
<b>Expenses:</b>						
General government	534,264	524,411	-	-	534,264	524,411
Public safety	228,425	217,161	-	-	228,425	217,161
Public works	328,514	324,213	-	-	328,514	324,213
Culture and recreation	996,570	917,153	-	-	996,570	917,153
Utility operations	-	-	1,978,619	1,934,474	1,978,619	1,934,474
Total expenses	<u>2,087,773</u>	<u>1,982,938</u>	<u>1,978,619</u>	<u>1,934,474</u>	<u>4,066,392</u>	<u>3,917,412</u>
Change in net position	<u>707,214</u>	<u>828,119</u>	<u>3,709,920</u>	<u>42,138</u>	<u>4,417,134</u>	<u>870,257</u>
Net position - beginning of year	9,713,683	8,885,564	15,776,409	15,734,271	25,490,092	24,619,835
Restatement - GASB 101	(22,073)	-	(17,605)	-	(39,678)	-
Beginning of year as restated	<u>9,691,610</u>	<u>8,885,564</u>	<u>15,758,804</u>	<u>15,734,271</u>	<u>25,450,414</u>	<u>24,619,835</u>
Net position - ending	<u>\$ 10,398,824</u>	<u>\$ 9,713,683</u>	<u>\$ 19,468,724</u>	<u>\$ 15,776,409</u>	<u>\$ 29,867,548</u>	<u>\$ 25,490,092</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 room tax. The second largest revenue was consolidated 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, 2025**

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**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 \$6,400,960. This is an increase over the prior year of \$640,964, or 11.13%. 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 \$1,396,180, or 21.81%, 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 \$430,807 for capital projects, \$700,090 for public safety, and \$265,283 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 \$5,004,780, an increase of \$632,045, or 14.45%, from the prior year.

Revenues increased by \$17,796, or 0.76%. Tax revenues decreased by \$90,487, or 8.08%, due to decreases in room taxes. Intergovernmental revenues increased by \$38,480, or 3.83%, primarily due to increases in gaming licenses and consolidated taxes. Miscellaneous revenues increased \$84,630, or 51.07% due to improvements in investment income due to gains in fair market value of investments.

Expenditures increased by \$329,040, or 23.40%. General government expenditures increased by \$57,476, or 13.73%, due to increased benefits and services and supplies expenditures. Public safety increased by \$7,295, or 8.27%, due to increases in benefits and services and supplies expenditures for fire. Public works expenditures increased by \$125,232, or 39.71%, due to increases in salaries, benefits and services and supplies, and capital outlay expenditures. Culture and recreation expenditures increased by \$139,037, or 23.80%, primarily due to increased parks supplies, mining park salaries and benefits, swimming pool salaries and benefits, and convention center salaries and benefits.

**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 \$1,062,740. Total net position in the enterprise funds increased \$3,709,920.

**Tonopah Public Utilities Water:** Operating revenues increased by \$95,072, or 17.24%. Operating expenses increased by \$91,144, or 8.43%, primarily due to an increase in administration and water operations costs. Nonoperating revenues/(expenses) were \$3,553,557, or 550.70%, higher than the prior year mainly due to grant income for the water rehabilitation project.

**Tonopah Public Utilities Sewer:** Operating revenues increased by \$45,316, or 7.47%. Operating expenses decreased by \$44,576, or 5.90%, from the prior year. This increase is attributed to decreased general operations and depreciation costs. Nonoperating revenues/(expenses) were \$20,405, or 26.82%, higher than the prior year due to improvements in the fair market value of investments.

**TOWN OF TONOPAH, NEVADA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2025**

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**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 \$5,004,780 was \$2,554,407 higher than anticipated to begin the 2025-2026 year. This is reflected in the General Fund as unassigned fund balance.

**Original budget compared to final budget:** During the year there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations. Generally, the movement of the appropriations between departments was not significant.

**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 \$592,487, or 33.38%. Significant revenues in excess of budgeted amounts were \$316,799 in room taxes, \$32,286 in property taxes, and \$240,134 in investment income.

A review of actual expenditures compared to the appropriations in the final budget shows that expenditures were \$666,420 lower than budgeted, or 27.75%. Expenditures were under budget for all functions of the General Fund as follows: general government by \$142,785, public safety by \$111,993, public works by \$107,617, and culture and recreation by \$304,025.

**CAPITAL ASSETS**

At June 30, 2025, the Town's governmental type activities had \$5,172,328 (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 \$19,567 from the previous year.

At June 30, 2025, the Town's business-type activities had \$22,224,114 (net) invested in land, utility distributions systems, and equipment. This amount represents a net increase (including additions, disposals, and depreciation) of \$3,752,111 from the previous year.

Capital assets, net of related debt, reflect 76.72% 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, 2025**

**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, 2024	Additions	Transfer	Deletions	Balance June 30, 2025
<b>Capital assets not being depreciated:</b>					
Land	\$ 2,223,063	\$ -	\$ -	\$ -	\$ 2,223,063
Construction in progress	95,316	-	(95,316)	-	-
<b>Total capital assets not being depreciated</b>	<b>2,318,379</b>	<b>-</b>	<b>(95,316)</b>	<b>-</b>	<b>2,223,063</b>
<b>Capital assets being depreciated:</b>					
Land improvements	553,293	24,990	95,316	-	673,599
Building and improvements	2,655,434	-	-	-	2,655,434
Equipment	2,873,704	281,106	-	-	3,154,810
<b>Total capital assets being depreciated</b>	<b>6,082,431</b>	<b>306,096</b>	<b>95,316</b>	<b>-</b>	<b>6,483,843</b>
<b>Less accumulated depreciation for:</b>					
Land improvements	42,762	25,637	-	-	68,399
Building and improvements	1,234,068	85,928	-	-	1,319,996
Equipment	1,971,219	174,964	-	-	2,146,183
<b>Total accumulated depreciation</b>	<b>3,248,049</b>	<b>286,529</b>	<b>-</b>	<b>-</b>	<b>3,534,578</b>
<b>Total capital assets being depreciated, net</b>	<b>2,834,382</b>	<b>19,567</b>	<b>95,316</b>	<b>-</b>	<b>2,949,265</b>
<b>Governmental activities assets, net</b>	<b>\$ 5,152,761</b>	<b>\$ 19,567</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,172,328</b>

Capital additions included park equipment, horseshoe pit, hvac, trailer, vehicles and fire equipment.

**Business-type Activities:**

	Balance June 30, 2024	Additions	Transfer	Deletions	Balance June 30, 2025
<b>Capital assets not being depreciated:</b>					
Land	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000
Construction in progress	271,714	4,397,975	-	-	4,669,689
<b>Total capital assets not being depreciated</b>	<b>326,714</b>	<b>4,397,975</b>	<b>-</b>	<b>-</b>	<b>4,724,689</b>
<b>Capital assets being depreciated:</b>					
Systems and equipment	35,120,186	55,955	-	-	35,176,141
<b>Less accumulated depreciation for:</b>					
Systems and equipment	16,974,897	701,819	-	-	17,676,716
<b>Total capital assets being depreciated, net</b>	<b>18,145,289</b>	<b>(645,864)</b>	<b>-</b>	<b>-</b>	<b>17,499,425</b>
<b>Business-type activities assets, net</b>	<b>\$ 18,472,003</b>	<b>\$ 3,752,111</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,224,114</b>

Capital additions included tanks and roofing. Construction in progress is for watermain rehabilitation. (See Note E2).

**TOWN OF TONOPAH, NEVADA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2025**

**CAPITAL ASSETS (Continued)**

**Construction Commitments**

The Town had no active construction commitments as of June 30, 2025:

**DEBT ADMINISTRATION**

**Changes in Long-term Debt:** During the year ended June 30, 2025, the following changes occurred in long-term debt:

**Governmental activities:**

	Balance June 30, 2024	Net Additions	Net Deletions	Balance June 30, 2025	Due within One Year
Compensated absences*	\$ 73,859	\$ -	\$ 229	\$ 73,630	\$ 31,661
Net pension liability	823,592	-	97,581	726,011	-
Net OPEB liability	644,359	-	41,405	602,954	-
Total	<u>\$ 1,541,810</u>	<u>\$ -</u>	<u>\$ 139,215</u>	<u>\$ 1,402,595</u>	<u>\$ 31,661</u>

**Business-type activities:**

	Balance June 30, 2024	Net Additions	Net Deletions	Balance June 30, 2025	Due within One Year
Compensated absences*	\$ 49,421	\$ 3,781	\$ -	\$ 53,202	\$ 38,305
Net pension liability	750,811	-	55,657	695,154	-
Net OPEB liability	640,568	-	83,535	557,033	-
Bond payable	4,600,504	-	118,541	4,481,963	121,010
Total	<u>\$ 6,041,304</u>	<u>\$ 3,781</u>	<u>\$ 257,733</u>	<u>\$ 5,787,352</u>	<u>\$ 159,315</u>

\*Compensated absences were restated due to implementation of Governmental Accounting Standards Board Statement No. 101, Compensated Absences. See **Note E5**.

The Town's debt decreased by \$139,215 for governmental activities during the current fiscal year. The decrease was primarily due to decreases in the Town's proportionate share of the OPEB and net pension liability.

The Town's debt decreased by \$253,952 for business-type activities during the current fiscal year. The decrease was mainly due to a decrease in the Town's proportionate share of the net pension liability and OPEB liability, and bond payments.

Per Nevada Revised Statutes Chapter 269.425, the debt limitations for the Town cannot exceed 25% of assessed valuation of property within the town. The debt limitation currently applicable at June 30, 2025 was \$28,281,724.

**TOWN OF TONOPAH, NEVADA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2025**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Town approved the budget for the 2025-2026 year on May 28, 2025. The following factors were considered in the development of the budget:

- The assessed valuation for the Town decreased by approximately 0.61% and tax rates remained unchanged.
- Consolidated taxes are anticipated to decrease slightly.
- Full time equivalent number of employees are expected to increase.

**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, 2025**

	Governmental Activities	Business-type Activities	Total Primary Government
<b>Assets:</b>			
Cash and cash equivalents	\$ 6,154,362	\$ 2,368,795	\$ 8,523,157
Interest receivable	16,829	7,450	24,279
Property taxes receivable	4,824	-	4,824
Room taxes receivable	88,332	-	88,332
Due from other governments	300,066	-	300,066
Accounts receivable net of allowance for doubtful	-	152,097	152,097
Inventory	-	56,138	56,138
Restricted assets - cash	-	663,833	663,833
Capital assets (net of accumulated depreciation)	<u>5,172,328</u>	<u>22,224,114</u>	<u>27,396,442</u>
Total assets	<u>11,736,741</u>	<u>25,472,427</u>	<u>37,209,168</u>
<b>Deferred Outflows of Resources:</b>			
Deferred charge on pension	435,526	271,393	706,919
Deferred charge on OPEB	<u>134,281</u>	<u>88,266</u>	<u>222,547</u>
Total deferred outflows of resources	<u>569,807</u>	<u>359,659</u>	<u>929,466</u>
<b>Liabilities:</b>			
Accounts payable	108,839	268,073	376,912
Accrued payroll	50,534	19,727	70,261
Accrued interest payable	-	6,659	6,659
Payable from restricted assets:			
Customer deposits	-	43,125	43,125
Noncurrent liabilities:			
Due within one year:			
Accrued compensated absences	31,661	38,305	69,966
Bonds payable	-	121,010	121,010
Due in more than one year:			
Net OPEB liability	602,954	557,033	1,159,987
Net pension liability	726,011	695,154	1,421,165
Accrued compensated absences	41,969	14,897	56,866
Bonds payable	<u>-</u>	<u>4,360,953</u>	<u>4,360,953</u>
Total liabilities	<u>1,561,968</u>	<u>6,124,936</u>	<u>7,686,904</u>
<b>Deferred Inflows of Resources:</b>			
Deferred charge on pension	174,919	108,855	283,774
Deferred charge on OPEB	<u>170,837</u>	<u>129,571</u>	<u>300,408</u>
Total deferred inflows of resources	<u>345,756</u>	<u>238,426</u>	<u>584,182</u>
<b>Net Position:</b>			
Net investment in capital assets	5,172,328	17,742,151	22,914,479
Restricted	1,396,180	663,833	2,060,013
Unrestricted	<u>3,830,316</u>	<u>1,062,740</u>	<u>4,893,056</u>
Total net position	<u>\$ 10,398,824</u>	<u>\$ 19,468,724</u>	<u>\$ 29,867,548</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, 2025**

Functions/Programs	Expenses	Program Revenues			Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary Governments:</b>							
General government	\$ (534,264)	\$ 43,195	\$ -	\$ -	\$ (491,069)	\$ -	\$ (491,069)
Public safety	(228,425)	-	-	-	(228,425)	-	(228,425)
Public works	(328,514)	-	-	-	(328,514)	-	(328,514)
Culture and recreation	(996,570)	36,704	25,164	-	(934,702)	-	(934,702)
Total governmental activities	<u>(2,087,773)</u>	<u>79,899</u>	<u>25,164</u>	<u>-</u>	<u>(1,982,710)</u>	<u>-</u>	<u>(1,982,710)</u>
<b>Business-Type Activities:</b>							
Water	(1,267,669)	646,580	-	3,779,615	-	3,158,526	3,158,526
Sewer	(710,950)	651,918	-	-	-	(59,032)	(59,032)
Total business-type activities	<u>(1,978,619)</u>	<u>1,298,498</u>	<u>-</u>	<u>3,779,615</u>	<u>-</u>	<u>3,099,494</u>	<u>3,099,494</u>
Total primary governments	<u>\$ (4,066,392)</u>	<u>\$ 1,378,397</u>	<u>\$ 25,164</u>	<u>\$ 3,779,615</u>	<u>(1,982,710)</u>	<u>3,099,494</u>	<u>1,116,784</u>
<b>General Revenues:</b>							
Ad valorem taxes					233,856	-	233,856
Room taxes					880,611	-	880,611
Consolidated taxes					969,096	-	969,096
Public safety taxes					266,468	-	266,468
Fuel taxes					19,832	-	19,832
Investment income (loss)					318,450	156,750	475,200
Capital projects fees					-	32,069	32,069
Surcharge					-	336,395	336,395
Miscellaneous					1,611	85,212	86,823
Total general revenues					<u>2,689,924</u>	<u>610,426</u>	<u>3,300,350</u>
Change in net position					<u>707,214</u>	<u>3,709,920</u>	<u>4,417,134</u>
Net position - beginning of year					9,713,683	15,776,409	25,490,092
Prior period restatement - GASB 101					<u>(22,073)</u>	<u>(17,605)</u>	<u>(39,678)</u>
Beginning of year as restated					<u>9,691,610</u>	<u>15,758,804</u>	<u>25,450,414</u>
Net position - end of year					<u>\$10,398,824</u>	<u>\$19,468,724</u>	<u>\$29,867,548</u>

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

**TOWN OF TONOPAH, NEVADA**  
**BALANCE SHEET- GOVERNMENTAL FUNDS**  
**JUNE 30, 2025**

	<u>Major Fund</u>	Other	Total
	General Fund	Governmental Funds	Governmental Funds
<b>Assets:</b>			
Pooled cash and investments	\$ 4,795,661	\$ 1,358,701	\$ 6,154,362
Interest receivable	13,295	3,534	16,829
Property taxes receivable	4,824	-	4,824
Room taxes receivable	81,931	6,401	88,332
Due from other governments	<u>237,572</u>	<u>62,494</u>	<u>300,066</u>
Total assets	<u>\$ 5,133,283</u>	<u>\$ 1,431,130</u>	<u>\$ 6,564,413</u>
<b>Liabilities:</b>			
Accounts payable	\$ 79,991	\$ 28,848	\$ 108,839
Accrued payroll and benefits	<u>44,432</u>	<u>6,102</u>	<u>50,534</u>
Total liabilities	<u>124,423</u>	<u>34,950</u>	<u>159,373</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue - property taxes	<u>4,080</u>	<u>-</u>	<u>4,080</u>
<b>Fund Balance:</b>			
Restricted for:			
Capital projects	-	430,807	430,807
Public safety	-	700,090	700,090
Culture and recreation	-	265,283	265,283
Assigned for subsequent year	2,450,373	-	2,450,373
Unassigned	<u>2,554,407</u>	<u>-</u>	<u>2,554,407</u>
Total fund balance	<u>5,004,780</u>	<u>1,396,180</u>	<u>6,400,960</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 5,133,283</u>	<u>\$ 1,431,130</u>	<u>\$ 6,564,413</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, 2025**

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<b>Total fund balance - governmental funds</b>	<b>\$ 6,400,960</b>
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.	5,172,328
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	4,080
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.	(73,630)
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.	134,281
Net other postemployment benefits liability.	(602,954)
Deferred inflows from other postemployment benefits.	(170,837)
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.	435,526
Net pension liability.	(726,011)
Deferred inflows from pension activity.	(174,919)
<b>Total net position - governmental activities</b>	<b>\$ <u>10,398,824</u></b>

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, 2025**

	<u>Major Fund</u>	Other	Total
	General Fund	Governmental Funds	Governmental Funds
<b>Revenues:</b>			
Taxes	\$ 1,029,085	\$ 63,812	\$ 1,092,897
Licenses and permits	375	-	375
Intergovernmental	1,043,727	287,490	1,331,217
Charges for services	36,704	-	36,704
Fines and forfeitures	7,060	-	7,060
Miscellaneous	<u>250,334</u>	<u>75,852</u>	<u>326,186</u>
 Total revenues	 <u>2,367,285</u>	 <u>427,154</u>	 <u>2,794,439</u>
<b>Expenditures:</b>			
Current:			
General government	475,965	-	475,965
Public safety	95,507	153,642	249,149
Public works	440,583	-	440,583
Culture and recreation	723,185	149,643	872,828
Capital projects	<u>-</u>	<u>114,950</u>	<u>114,950</u>
 Total expenditures	 <u>1,735,240</u>	 <u>418,235</u>	 <u>2,153,475</u>
 Excess (deficiency) of revenues over expenditures	 632,045	 8,919	 640,964
<b>Fund Balance:</b>			
Beginning of year	<u>4,372,735</u>	<u>1,387,261</u>	<u>5,759,996</u>
 End of year	 <u>\$ 5,004,780</u>	 <u>\$ 1,396,180</u>	 <u>\$ 6,400,960</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, 2025**

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**Net change in fund balance - governmental funds** **\$ 640,964**

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. 19,567

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. 548

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. 229

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). 75,351

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 (2025 contributions). 97,095

Net pension income (expense). (126,540)

**Change in net position of governmental activities** **\$ 707,214**

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

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Taxes:</b>				
Property taxes	\$ 180,000	\$ 180,000	\$ 212,286	\$ 32,286
Room taxes	<u>500,000</u>	<u>500,000</u>	<u>816,799</u>	<u>316,799</u>
Total taxes	<u>680,000</u>	<u>680,000</u>	<u>1,029,085</u>	<u>349,085</u>
<b>Licenses and Permits</b>	<u>500</u>	<u>500</u>	<u>375</u>	<u>(125)</u>
<b>Intergovernmental:</b>				
County liquor license	1,000	1,000	3,000	2,000
County gaming license	12,000	12,000	32,760	20,760
Consolidated tax	962,031	962,031	969,096	7,065
Gas tax \$1.75	21,367	21,367	19,832	(1,535)
Grants	<u>15,000</u>	<u>15,000</u>	<u>19,039</u>	<u>4,039</u>
Total intergovernmental	<u>1,011,398</u>	<u>1,011,398</u>	<u>1,043,727</u>	<u>32,329</u>
<b>Charges for Services:</b>				
Swimming pool fees	5,000	5,000	6,539	1,539
Convention Center rental	10,000	10,000	8,835	(1,165)
Sports complex fees	2,400	2,400	2,650	250
Mining park entrance	12,000	12,000	15,219	3,219
Fairgrounds rental	<u>2,000</u>	<u>2,000</u>	<u>3,461</u>	<u>1,461</u>
Total charges for services	<u>31,400</u>	<u>31,400</u>	<u>36,704</u>	<u>5,304</u>
<b>Fines and Forfeitures</b>	<u>40,000</u>	<u>40,000</u>	<u>7,060</u>	<u>(32,940)</u>
<b>Miscellaneous:</b>				
Investment income (loss)	10,000	10,000	250,134	240,134
Donation	500	500	-	(500)
Other	<u>1,000</u>	<u>1,000</u>	<u>200</u>	<u>(800)</u>
Total miscellaneous	<u>11,500</u>	<u>11,500</u>	<u>250,334</u>	<u>238,834</u>
Total revenues	<u>1,774,798</u>	<u>1,774,798</u>	<u>2,367,285</u>	<u>592,487</u>

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

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Budget Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Salaries and wages	\$ 209,000	\$ 209,000	\$ 180,181	\$ 28,819
Employee benefits	140,000	140,000	142,014	(2,014)
Services and supplies	<u>269,750</u>	<u>269,750</u>	<u>153,770</u>	<u>115,980</u>
Total general government	<u>618,750</u>	<u>618,750</u>	<u>475,965</u>	<u>142,785</u>
<b>Public Safety:</b>				
<b>Fire:</b>				
Employee benefits	17,000	17,000	11,563	5,437
Services and supplies	<u>190,500</u>	<u>190,500</u>	<u>83,944</u>	<u>106,556</u>
Total public safety	<u>207,500</u>	<u>207,500</u>	<u>95,507</u>	<u>111,993</u>
<b>Public Works:</b>				
<b>Highways and Streets:</b>				
Salaries and wages	208,700	208,700	153,670	55,030
Employee benefits	100,000	100,000	86,702	13,298
Services and supplies	164,500	164,500	126,984	37,516
Capital outlay	<u>75,000</u>	<u>75,000</u>	<u>73,227</u>	<u>1,773</u>
Total public works	<u>548,200</u>	<u>548,200</u>	<u>440,583</u>	<u>107,617</u>
<b>Culture and Recreation:</b>				
<b>Parks:</b>				
Services and supplies	61,500	61,500	67,446	(5,946)
Capital outlay	<u>40,000</u>	<u>40,000</u>	<u>7,529</u>	<u>32,471</u>
Total parks	<u>101,500</u>	<u>101,500</u>	<u>74,975</u>	<u>26,525</u>
<b>Mining Parks:</b>				
Salaries and wages	183,800	183,800	158,109	25,691
Employee benefits	95,000	95,000	98,049	(3,049)
Services and supplies	<u>142,850</u>	<u>142,850</u>	<u>34,692</u>	<u>108,158</u>
Total mining parks	<u>421,650</u>	<u>421,650</u>	<u>290,850</u>	<u>130,800</u>
<b>Swimming Pool:</b>				
Salaries and wages	72,050	72,050	49,028	23,022
Employee benefits	12,800	12,800	6,911	5,889
Services and supplies	30,600	30,600	19,515	11,085
Capital outlay	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total swimming pool	<u>125,450</u>	<u>125,450</u>	<u>75,454</u>	<u>49,996</u>

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

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Budget Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>Culture and Recreation (Continued):</b>				
<b>Fairgrounds:</b>				
Services and supplies	\$ 8,500	\$ 8,500	\$ 6,442	\$ 2,058
<b>Ball Fields:</b>				
Services and supplies	59,500	59,500	57,108	2,392
<b>Convention Center:</b>				
Salaries and wages	124,110	124,110	91,922	32,188
Employee benefits	65,000	65,000	60,092	4,908
Services and supplies	121,500	121,500	66,342	55,158
Total convention center	310,610	310,610	218,356	92,254
Total culture and recreation	1,027,210	1,027,210	723,185	304,025
Total expenditures	2,401,660	2,401,660	1,735,240	666,420
Excess (deficiency) of revenues over expenditures	(626,862)	(626,862)	632,045	1,258,907
<b>Other Financing Sources (Uses):</b>				
Operating transfers out	(1,295,500)	(1,295,500)	-	1,295,500
Net change in fund balance	(1,922,362)	(1,922,362)	632,045	2,554,407
<b>Fund Balance:</b>				
Beginning of year	2,807,450	2,807,450	4,372,735	1,565,285
End of year	\$ 885,088	\$ 885,088	\$ 5,004,780	\$ 4,119,692

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, 2025**

	<b>MAJOR FUNDS</b>		
	Tonopah Public Utility Water Fund	Tonopah Public Utility Sewer Fund	Total Enterprise Funds
<b>Assets:</b>			
Current assets:			
Pooled cash and investments	\$ 1,058,390	\$ 1,310,405	\$ 2,368,795
Interest receivable	4,367	3,083	7,450
Accounts receivable, net of allowance for doubtful accounts	86,006	66,091	152,097
Inventory	50,564	5,574	56,138
Restricted assets - cash	646,315	17,518	663,833
Total current assets	1,845,642	1,402,671	3,248,313
Property, plant and equipment, net of accumulated depreciation	17,101,130	5,122,984	22,224,114
Total assets	18,946,772	6,525,655	25,472,427
<b>Deferred Outflows of Resources:</b>			
Deferred charge on pension	123,008	148,385	271,393
Deferred charge on OPEB	32,032	56,234	88,266
Total deferred outflows of resources	155,040	204,619	359,659
<b>Liabilities:</b>			
Current liabilities, payable from unrestricted assets:			
Accounts payable	261,388	6,685	268,073
Accrued payroll	11,850	7,877	19,727
Accrued interest payable	6,659	-	6,659
Accrued compensated absences	23,596	14,709	38,305
Current portion of bonds payable	121,010	-	121,010
Total current liabilities-unrestricted	424,503	29,271	453,774
Current liabilities, payable from restricted assets:			
Customer deposits	43,125	-	43,125
Total current liabilities	467,628	29,271	496,899
Non-current liabilities:			
Net OPEB liability	68,362	488,671	557,033
Net pension liability	351,604	343,550	695,154
Accrued compensated absences	9,176	5,721	14,897
Bonds payable	4,360,953	-	4,360,953
Total non-current liabilities	4,790,095	837,942	5,628,037
Total liabilities	5,257,723	867,213	6,124,936
<b>Deferred Inflows of Resources:</b>			
Deferred charge on pension	49,765	59,090	108,855
Deferred charge on OPEB	47,460	82,111	129,571
Total deferred inflows of resources	97,225	141,201	238,426
<b>Net Position:</b>			
Net investment in capital assets	12,619,167	5,122,984	17,742,151
Restricted for debt	297,082	-	297,082
Restricted for capital projects	349,233	17,518	366,751
Unrestricted	481,382	581,358	1,062,740
Total net position	\$ 13,746,864	\$ 5,721,860	\$ 19,468,724

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, 2025**

	<b>MAJOR FUNDS</b>		
	Tonopah Public Utility Water Fund	Tonopah Public Utility Sewer Fund	Total Enterprise Funds
<b>Operating Revenues:</b>			
<b>Charges for Services:</b>			
Water fees	\$ 646,580	\$ -	\$ 646,580
Sewer fees	-	651,918	651,918
Total operating revenues	<u>646,580</u>	<u>651,918</u>	<u>1,298,498</u>
<b>Operating Expenses:</b>			
<b>Water Department:</b>			
Administration	178,965	-	178,965
General operations	284,200	-	284,200
Water operations	226,053	-	226,053
Depreciation	<u>483,746</u>	<u>-</u>	<u>483,746</u>
Total water department	<u>1,172,964</u>	<u>-</u>	<u>1,172,964</u>
<b>Sewer Department:</b>			
Administration	-	262,655	262,655
General operations	-	205,340	205,340
Sewer operations	-	24,882	24,882
Depreciation	<u>-</u>	<u>218,073</u>	<u>218,073</u>
Total sewer department	<u>-</u>	<u>710,950</u>	<u>710,950</u>
Total operating expenses	<u>1,172,964</u>	<u>710,950</u>	<u>1,883,914</u>
Operating income (loss)	<u>(526,384)</u>	<u>(59,032)</u>	<u>(585,416)</u>
<b>Nonoperating Revenue (Expense):</b>			
Investment income (loss)	92,321	64,429	156,750
Capital projects fees	-	32,069	32,069
Water surcharge	336,395	-	336,395
Miscellaneous	85,212	-	85,212
Grants	3,779,615	-	3,779,615
Interest expense	<u>(94,705)</u>	<u>-</u>	<u>(94,705)</u>
Total nonoperating revenue (expense)	<u>4,198,838</u>	<u>96,498</u>	<u>4,295,336</u>
Change in net position	<u>3,672,454</u>	<u>37,466</u>	<u>3,709,920</u>
<b>Net Position:</b>			
Beginning of year	10,083,433	5,692,976	15,776,409
Prior period restatement - GASB 101	<u>(9,023)</u>	<u>(8,582)</u>	<u>(17,605)</u>
Beginning of year as restated	<u>10,074,410</u>	<u>5,684,394</u>	<u>15,758,804</u>
End of year	<u>\$ 13,746,864</u>	<u>\$ 5,721,860</u>	<u>\$ 19,468,724</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, 2025**

	<b>MAJOR FUNDS</b>		
	Tonopah Public Utility Water Fund	Tonopah Public Utility Sewer Fund	Total Enterprise Funds
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 640,921	\$ 647,339	\$ 1,288,260
Cash paid for salaries, wages, and employee benefits	(301,482)	(378,620)	(680,102)
Cash paid for services and supplies	(309,410)	(184,862)	(494,272)
Net cash provided (used) by operating activities	<u>30,029</u>	<u>83,857</u>	<u>113,886</u>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Miscellaneous revenue	85,212	-	85,212
Grants	3,874,250	-	3,874,250
Capital projects fees	-	32,069	32,069
Surcharges	336,395	-	336,395
Net cash provided (used) by noncapital financing activities	<u>4,295,857</u>	<u>32,069</u>	<u>4,327,926</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Purchase of capital assets	(4,453,930)	-	(4,453,930)
Principal paid	(118,541)	-	(118,541)
Interest paid	(94,878)	-	(94,878)
Net cash provided (used) by capital and related financing activities	<u>(4,667,349)</u>	<u>-</u>	<u>(4,667,349)</u>
<b>Cash Flows from Investing Activities:</b>			
Investment income (loss)	91,818	63,672	155,490
Net increase (decrease) in cash	<u>(249,645)</u>	<u>179,598</u>	<u>(70,047)</u>
<b>Cash:</b>			
Beginning of year	<u>1,954,350</u>	<u>1,148,325</u>	<u>3,102,675</u>
End of year	<u>\$ 1,704,705</u>	<u>\$ 1,327,923</u>	<u>\$ 3,032,628</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash</b>			
<b>Provided by Operating Activities:</b>			
Operating income (loss)	<u>\$ (526,384)</u>	<u>\$ (59,032)</u>	<u>\$ (585,416)</u>
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash</b>			
<b>Provided by Operating Activities:</b>			
Depreciation	483,746	218,073	701,819
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(16,159)	(4,579)	(20,738)
(Increase) decrease in inventory	(3,030)	(125)	(3,155)
(Increase) decrease in deferred outflows on pension	(22,276)	6,849	(15,427)
(Increase) decrease in deferred outflows on OPEB	5,792	8,483	14,275
Increase (decrease) in accounts payable	115,041	(17,685)	97,356
Increase (decrease) in accrued payroll	1,919	1,223	3,142
Increase (decrease) in customer deposits	10,500	-	10,500
Increase (decrease) in accrued compensated absences	6,557	(2,776)	3,781
Increase (decrease) in net pension liability	(10,761)	(44,896)	(55,657)
Increase (decrease) in deferred inflows on pension	42,314	46,735	89,049
Increase (decrease) in deferred inflows on OPEB	(16,284)	(25,824)	(42,108)
Increase (decrease) in net OPEB liability	(40,946)	(42,589)	(83,535)
Total adjustments	<u>556,413</u>	<u>142,889</u>	<u>699,302</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 30,029</u>	<u>\$ 83,857</u>	<u>\$ 113,886</u>

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

**TOWN OF TONOPAH, NEVADA**  
**FIDUCIARY FUND**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2025**

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	Post Retirement Benefits Trust Fund
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<b>Assets:</b>	
Pooled cash and investments	\$ 534,459
Interest receivable	<u>-</u>
Total assets	534,459
<b>Liabilities:</b>	
Accounts payable	<u>-</u>
<b>Net Position:</b>	
Restricted for other employee benefits	<u>\$ 534,459</u>

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

**TOWN OF TONOPAH, NEVADA**  
**FIDUCIARY FUND**  
**STATEMENT OF CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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	Post Retirement Benefits Trust Fund
<b>Additions:</b>	
Contributions	
Contributions from employer	\$ <u>127,500</u>
Investment earnings	
Interest	10,243
Net change in fair value	<u>14,284</u>
Total investment earnings	<u>24,527</u>
Total additions	152,027
<b>Deductions</b>	
Benefit payments	<u>48,952</u>
Change in net position	103,075
<b>Net Position:</b>	
Beginning of the year	<u>431,384</u>
End of the year	<u>\$ 534,459</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, 2025**

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**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 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, 2025**

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**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 fund:

**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.

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, 2025**

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**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 uses the economic resources measurement focus and 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, 2025**

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**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 Town Manager may transfer appropriations within any function within a fund. The Town 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 augmented funds 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, 2025**

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**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, 2025**

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**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**

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and utility repair parts. 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 and equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of one year. Intangible lease and Subscription-Based Information Technology Arrangements (SBITA) assets are amortized over the shorter of the lease or SBITA term or the estimated life of the underlying asset.

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.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**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:

Capital Assets	Years
Vehicles	8
Buildings and Improvements	25-50
Various Other Equipment	5-20
Intangible – SBITA Agreements	3-5
Intangible – Lease Agreements	3-5

The Town is required to report and depreciate new infrastructure assets. 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.

**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. Subscription-Based Information Technology Arrangements (SBITAs)**

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), which include software contracts, are reported in the governmental column in the government-wide financial statement. A SBITA is a contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software as specified in the contract for a period of time in an exchange or exchange-like transaction. SBITA contracts contain non-cancellable terms of 12 months or greater; OR non-cancellable terms of 12 months or less with the option to extend (regardless of the probability of being exercised). SBITAs are recorded at the net present value of subscription payments expected to be made during the subscription term, plus any payments made to the SBITA vendor before commencement of the subscription term and certain direct costs (less any incentives). A subscription asset should be amortized over the shorter of the subscription term or the useful life of the underlying IT asset. The Town established its SBITA contract threshold at \$10,000 or greater per fiscal year. There were no contracts that met these criteria.

**h. 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.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**h. Deferred Outflows/Inflows of Resources (Continued)**

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.

**i. 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.

**j. 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.

**k. 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.

**l. Accrued Salaries and Benefits**

Town salaries earned but not paid by June 30, 2025, have been accrued as liabilities and shown as expenditures for the year ending June 30, 2025.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**m. 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.

**n. 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.

**o. 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.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**p. 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.

**q. 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 \$ 187,003
  - b) NRS 354.6113 Capital Projects Fund (Town) \$ 177,306
  - c) NRS 354.6113 Capital Projects Fund (Mining Park) \$ 66,498
  - d) NRS 244.3354 Culture and Recreation \$ 265,283
  - e) Special Acts - NRS 545 - Public Safety Tax for Sheriff and Fire \$ 700,090
- 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.

**r. 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.

**s. 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.

**t. 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.

**u. New Accounting Pronouncement**

There were new accounting pronouncements during the year see **Note E6**.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**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	\$ 306,096
Depreciation expense	<u>(286,529)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 19,567</u>

**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, 2025. 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, 2025, 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	\$ 7,252	\$ 136,800	\$ -	\$ 144,052
Carrying amount of deposits with Treasurer	<u>6,147,110</u>	<u>2,895,828</u>	<u>534,459</u>	<u>9,577,397</u>
Total	<u>\$ 6,154,362</u>	<u>\$ 3,032,628</u>	<u>\$ 534,459</u>	<u>\$ 9,721,449</u>
Cash and cash equivalents	\$ 6,154,362	\$ 2,368,795	\$ 534,459	\$ 9,057,616
Restricted assets - cash	<u>-</u>	<u>663,833</u>	<u>-</u>	<u>663,833</u>
Total	<u>\$ 6,154,362</u>	<u>\$ 3,032,628</u>	<u>\$ 534,459</u>	<u>\$ 9,721,449</u>

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)**

**1. Pooled Cash and Investments (Continued)**

Except for financial reporting purposes, the cash balance of \$534,459 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, 2025.

**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 2.35 years. As of June 30, 2025, 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
U.S. Agencies	53.65%	26.48%	67.35%	6.17%	0.00%
Asset Backed Securities	23.76%	16.61%	68.16%	15.23%	0.00%
Commercial Paper	13.57%	30.70%	69.30%	0.00%	0.00%
Negotiable Certificates of Deposit	5.10%	27.03%	58.34%	14.63%	0.00%
Money Market Mutual Funds	3.28%	100.00%	0.00%	0.00%	0.00%
NV Local Government Investment Pool	0.64%	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, 2025, the Nye County Treasurer’s investment pool ratings were as follows:

Investment Type	Quality Ratings by Moody's		
	Aaa	Aa1	N/A
U.S. Agencies	94.71%	5.29%	0.00%
Asset Backed Securities	13.14%	86.86%	0.00%
Commercial Paper	100.00%	0.00%	0.00%
Negotiable Certificates of Deposit	0.00%	0.00%	100.00%
Money Market Mutual Funds	0.00%	0.00%	100.00%
NV Local Government Investment Pool	0.00%	0.00%	100.00%

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)**

**1. Pooled Cash and Investments (Continued)**

**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, 2025, are as follows:

Federal Home Loan Bank (FHLB)	27.13%	Federal Farm Credit Bank	26.52%
Freddie Mac (FHLMC)	16.86%	Fannie Mae (FNMA)	6.30%
Inter-American Devel Bk	5.48%		

**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, 2025:

Investment Type	Fair Value	Level 1	Level 2	Level 3	N/A
U.S. Agencies	53.65%	0.00%	100.00%	0.00%	0.00%
Asset Backed Securities	23.76%	0.00%	100.00%	0.00%	0.00%
Commercial Paper	13.57%	0.00%	100.00%	0.00%	0.00%
Negotiable Certificates of Deposit	5.10%	0.00%	100.00%	0.00%	0.00%
Money Market Mutual Funds	3.28%	100.00%	0.00%	0.00%	0.00%
NV Local Government Investment Pool	0.64%	39.88%	60.12%	0.00%	0.00%
	100.00%				

**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:

	Governmental Activities	Business-Type Activities	Government Wide
Interest income	\$ 142,526	\$ 70,383	\$ 212,909
Unrealized fair value loss	175,924	86,367	262,291
Investment income (loss)	\$ 318,450	\$ 156,750	\$ 475,200

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)**

**2. Receivables**

Below is the detail of receivables as of June 30, 2025, for each major fund and the nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General	Other Governmental	Water	Sewer	Total
Interest	\$ 13,295	\$ 3,534	\$ 4,367	\$ 3,083	\$ 24,279
Property Taxes	4,824	-	-	-	4,824
Room taxes	81,931	6,401	-	-	88,332
Due from other governments:					
Consolidated taxes	214,948	-	-	-	214,948
Fuel taxes	3,585	-	-	-	3,585
Grant	19,039	-	-	-	19,039
Public safety sales tax	-	62,494	-	-	62,494
Accounts receivable, net	-	-	86,006	66,091	152,097
<b>Total receivables</b>	<b><u>\$ 337,622</u></b>	<b><u>\$ 72,429</u></b>	<b><u>\$ 90,373</u></b>	<b><u>\$ 69,174</u></b>	<b><u>\$ 569,598</u></b>

**3. Capital Assets**

Capital assets activity for the year ended June 30, 2025, was as follows:

**Governmental Activities:**

	Balance June 30, 2024	Additions	Transfer	Deletions	Balance June 30, 2025
<b>Capital assets not being depreciated:</b>					
Land	\$ 2,223,063	\$ -	\$ -	\$ -	\$ 2,223,063
Construction in progress	95,316	-	(95,316)	-	-
<b>Total capital assets not being depreciated</b>	<b><u>2,318,379</u></b>	<b><u>-</u></b>	<b><u>(95,316)</u></b>	<b><u>-</u></b>	<b><u>2,223,063</u></b>
<b>Capital assets being depreciated:</b>					
Land improvements	553,293	24,990	95,316	-	673,599
Building and improvements	2,655,434	-	-	-	2,655,434
Equipment	2,873,704	281,106	-	-	3,154,810
<b>Total capital assets being depreciated</b>	<b><u>6,082,431</u></b>	<b><u>306,096</u></b>	<b><u>95,316</u></b>	<b><u>-</u></b>	<b><u>6,483,843</u></b>
<b>Less accumulated depreciation for:</b>					
Land improvements	42,762	25,637	-	-	68,399
Building and improvements	1,234,068	85,928	-	-	1,319,996
Equipment	1,971,219	174,964	-	-	2,146,183
<b>Total accumulated depreciation</b>	<b><u>3,248,049</u></b>	<b><u>286,529</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>3,534,578</u></b>
<b>Total capital assets being depreciated, net</b>	<b><u>2,834,382</u></b>	<b><u>19,567</u></b>	<b><u>95,316</u></b>	<b><u>-</u></b>	<b><u>2,949,265</u></b>
<b>Governmental activities assets, net</b>	<b><u>\$ 5,152,761</u></b>	<b><u>\$ 19,567</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5,172,328</u></b>

Capital additions included park equipment, horseshoe pit, hvac, trailer, vehicles and fire equipment.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)**

**3. Capital Assets (Continued)**

**Business-type Activities:**

	Balance June 30, 2024	Additions	Transfer	Deletions	Balance June 30, 2025
<b>Capital assets not being depreciated:</b>					
Land	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000
Construction in progress	271,714	4,397,975	-	-	4,669,689
<b>Total capital assets not being depreciated</b>	326,714	4,397,975	-	-	4,724,689
<b>Capital assets being depreciated:</b>					
Systems and equipment	35,120,186	55,955	-	-	35,176,141
<b>Less accumulated depreciation for:</b>					
Systems and equipment	16,974,897	701,819	-	-	17,676,716
<b>Total capital assets being depreciated, net</b>	18,145,289	(645,864)	-	-	17,499,425
<b>Business-type activities assets, net</b>	\$ 18,472,003	\$ 3,752,111	\$ -	\$ -	\$ 22,224,114

Capital additions included tanks and roofing. Construction in progress is for watermain rehabilitation. (See Note E2).

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

**Governmental activities:**

General government	\$ 67,724
Public safety	78,173
Culture and recreation	140,632
	\$ 286,529

**Business activities:**

Water	\$ 483,746
Sewer	218,073
	\$ 701,819

**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 \$4,080 as of June 30, 2025.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE D – DETAILED NOTES ON ALL FUNDS (Continued)**

**5. Restricted Assets Accounts**

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

21515	Cash – Water customer deposits	\$	46,683
21517	Cash – Water short lived assets		42,200
21551	Cash – Water arsenic debt service		53,897
21555	Cash – Water capital replacement		201,101
21561	Cash – Water arsenic debt reserve		184,102
21554	Cash – Water revenue bond debt service		36,390
21564	Cash – Water revenue bond debt reserve		81,943
	Total restricted assets	\$	<u>646,316</u>

21543	Cash – Sewer short lived assets	\$	<u>17,517</u>
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**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, 2025, was \$2,961,078. 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, 2025 was \$139,248. The balance in the reserve at June 30, 2025, was \$184,102. 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, 2025, was \$56,673. The balance in the reserve at June 30, 2025, was \$42,200. A water projects capital replacement reserve is also to be funded \$56,000 annually. The required reserve as of June 30, 2025, was \$160,452. The balance in the water replacement reserve at June 30, 2025, was \$201,101.

Maturity requirements of the bonds payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 84,451	\$ 54,797
2027	86,049	53,199
2028	87,676	51,572
2029	89,334	49,914
2030	91,024	48,224
2031-2035	481,600	214,640
2036-2040	528,895	167,345
2041-2045	580,835	115,405
2046-2050	637,876	58,364
2051-2053	293,338	6,185
	<u>\$ 2,961,078</u>	<u>\$ 819,645</u>

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**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 2014. 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, 2025, was \$1,520,885. 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, 2025, was \$74,172. The balance in the reserve at June 30, 2025, was \$118,332.

Maturity requirements of the bonds payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 36,559	\$ 37,613
2027	37,484	36,688
2028	38,432	35,740
2029	39,404	34,768
2030	40,400	33,772
2031-2035	217,852	153,008
2036-2040	246,826	124,034
2041-2045	279,654	91,206
2046-2050	316,849	54,011
2051-2054	267,425	13,155
	<u>\$ 1,520,885</u>	<u>\$ 613,995</u>

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**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, 2025, the following changes occurred:

**Governmental activities:**

	Balance June 30, 2024	Net Additions	Net Deletions	Balance June 30, 2025	Due within One Year
Compensated absences*	\$ 73,859	\$ -	\$ 229	\$ 73,630	\$ 31,661
Net pension liability	823,592	-	97,581	726,011	-
Net OPEB liability	644,359	-	41,405	602,954	-
Total	<u>\$ 1,541,810</u>	<u>\$ -</u>	<u>\$ 139,215</u>	<u>\$ 1,402,595</u>	<u>\$ 31,661</u>

**Business-type activities:**

	Balance June 30, 2024	Net Additions	Net Deletions	Balance June 30, 2025	Due within One Year
Compensated absences*	\$ 49,421	\$ 3,781	\$ -	\$ 53,202	\$ 38,305
Net pension liability	750,811	-	55,657	695,154	-
Net OPEB liability	640,568	-	83,535	557,033	-
Bond payable	4,600,504	-	118,541	4,481,963	121,010
Total	<u>\$ 6,041,304</u>	<u>\$ 3,781</u>	<u>\$ 257,733</u>	<u>\$ 5,787,352</u>	<u>\$ 159,315</u>

\*Compensated absences were restated due to implementation of Governmental Accounting Standards Board Statement No. 101, Compensated Absences. See **Note E5**.

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 \$28,281,724.

**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. There were no transfers between fund types during the year ended June 30, 2025.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**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 of \$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, 2025**

**NOTE E – OTHER INFORMATION (Continued)**

**2. Contingent Liabilities (Continued)**

**Construction Commitments**

The Town has active construction commitments as of June 30, 2025:

Business-Type Activities		
Project	Spent-to-Date	Commitment
TPU Watermain Rehab	<u>\$ 4,669,689</u>	<u>\$ 613,664</u>

**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](http://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 33 and 1/3 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	
	<u>Age</u>	<u>STM%</u>	<u>Age</u>	<u>STM%</u>	<u>Age</u>	<u>STM%</u>	<u>Age</u>	<u>STM%</u>
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	
	<u>Age</u>	<u>STM%</u>	<u>Age</u>	<u>STM%</u>	<u>Age</u>	<u>STM%</u>	<u>Age</u>	<u>STM%</u>
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%				

\* 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, 2025**

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**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, 2024, was 33.50% for regular members and 50.00% for police and firemen, shared equally by employer and employee. The Town has fully funded the amounts due for the year ending June 30, 2024. The Town's required contribution rate for the year ending June 30, 2025, was 33.50% for regular members and 50.00% for police and firemen, shared equally by employer and employee. The Town has fully funded the amounts due for the year ending June 30, 2025. 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, 2025, the Town reported a liability of \$1,421,165 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, 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, 2024. The Town's proportionate share of the net pension liability decreased from 0.00863 percent measured at June 30, 2023, to 0.00787 percent measured at June 30, 2024.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE E – OTHER INFORMATION (Continued)**

**3. Defined Benefit Pension Plan (Continued)**

For the year ended June 30, 2025, the Town recognized pension expense of \$205,287. At June 30, 2025, 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	\$ 368,554	\$ 0
Net difference between projected and actual earnings on pension plan investments	0	171,143
Changes in proportion	112,101	112,631
Changes of assumptions	68,387	0
Town Contributions subsequent to measurement date	157,877	0
Total	\$ 706,919	\$ 283,774

Average expected remaining service lives 5.64 years

The Town reported \$157,877 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, 2026. 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:	
2026	\$ 48,286
2027	244,960
2028	(8,814)
2029	(32,903)
2030	13,739
	\$ 265,268

**Actuarial Assumptions:** The System's net pension liability was measured as of June 30, 2024, 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, 2024 funding actuarial valuation

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE E – OTHER INFORMATION (Continued)**

**3. Defined Benefit Pension Plan (Continued)**

Mortality rates were based on the following:

Post-Retirement Mortality Rates:

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. \*

**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. \*

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE E – OTHER INFORMATION (Continued)**

**3. Defined Benefit Pension Plan (Continued)**

Mortality rates were based on the following (Continued):

Post-Retirement Mortality Rates (Continued):

Beneficiaries (Continued): **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.\*

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-2010 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, 2024 valuation were based on the results of the experience study for the period of July 1, 2016 through June 30, 2020.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE E – OTHER INFORMATION (Continued)**

**3. Defined Benefit Pension Plan (Continued)**

**Investment Policy:** 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, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Geometric Expected Real Rate of Return*</u>
U.S. Stock	34%	5.50%
International Stock	14%	5.50%
U.S. Bonds	28%	2.25%
Private Markets	12%	6.65%
Short-term Investments	12%	0.50%

\*As of June 30, 2024, PERS' long-term inflation assumption was 2.50%

**Discount Rate:** The discount rate used to measure the total pension liability was 7.25% as of June 30, 2024. 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, 2024.

There have been no changes in assumptions related to the discount rate since the last valuation.

**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.

	<u>1.0% Decrease (6.25%)</u>	<u>Discount Rate (7.25%)</u>	<u>1.0% Increase (8.25%)</u>
Town's proportionate share of the net pension liability	\$ 2,285,413	\$ 1,421,165	\$ 708,160

**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 <http://www.nvpers.org/>.

**Pension contributions payable.** At June 30, 2025, the Town reported payables to the defined benefit pension plan of \$10,152 for legally required employer contributions which had not yet been remitted to PERS.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE E – OTHER INFORMATION (Continued)**

**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.

Employees covered by benefit terms. As of the July 1, 2023 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 2025, the Town contributed \$80,201 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 \$13,732 and \$75,644 respectively.

For fiscal year 2025, the Town contributed \$89,376 to the plan for current premiums.

**Important Dates used in the Valuation:**

Valuation Date:	July 1, 2023
Measurement Date:	June 30, 2025
Measurement Period:	June 30, 2024 to June 30, 2025
Fiscal Year End:	June 30, 2025

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE E – OTHER INFORMATION (Continued)**

**4. Postemployment Health Care Plan (Continued)**

**Significant Results and Differences from the Prior Valuation:**

Since the prior full valuation, a new health plan has been introduced to employees. This change resulted in a decrease in liability.

The assumptions used to develop the information in this report are the same assumptions used for the July 1, 2023 valuation. Updates were made to mortality assumptions, and to assumed future healthcare trends.

**Net Other Postemployment Benefits (OPEB) Liability:**

The Town’s net OPEB liability of \$1,159,987 was measured as of June 30, 2025 and determined by actuarial valuation as of July 1, 2023.

*Actuarial Assumptions and Other Inputs:* The net OPEB liability in the July 1, 2023, 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	2.50%
Measurement Date	2.50%
Healthcare Cost Trend Rates	Actual for 2025 decreasing gradually to an ultimate rate of 4.14% by 2075
Mortality Rates:	
Pre-Retirement	<p><b>Non-Law Enforcement:</b>  Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Tables projected fully generationally using scale MP-2020.</p> <p><b>Law Enforcement:</b>  Pub-2010 Safety Employee Headcount-Weighted Above-Median Mortality Tables projected fully generationally using scale MP-2020.</p>
Retirement	<p><b>Non-Law Enforcement:</b></p> <ol style="list-style-type: none"> <li>i. For ages before 40: Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Tables projected fully generationally using scale MP-2020</li> <li>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</li> </ol>

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE E – OTHER INFORMATION (Continued)**

**4. Postemployment Health Care Plan (Continued)**

Mortality Rates: (Continued)

Retirement

**Non-Law Enforcement: (Continued)**

- 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, 2023, valuation were based on the results of the NV PERS actuarial experience study for the period from July 1, 2016, through June 30, 2020.

The Town does not have a trust agreement that outlines the investment expectation yet and the Trust is currently invested similarly as all other Town assets. The Town's assumed asset allocation is investments in short-term money market assets and the expected rate of return is assumed to be the inflation rate of 2.50%.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**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	\$ 49,228	\$ -	\$ 49,228
Interest	43,188	-	43,188
Changes of benefit terms	(1,692)	-	(1,692)
Differences between expected and actual experience	(22,315)	-	(22,315)
Changes in assumptions or other inputs	-	-	-
Contributions – employer	-	167,924	(167,924)
Net investment income	-	25,425	(25,425)
Benefit payments	<u>(89,376)</u>	<u>(89,376)</u>	<u>-</u>
Net changes	(20,967)	103,973	(124,940)
Net OPEB liability - beginning of the year	<u>1,715,413</u>	<u>430,486</u>	<u>1,284,927</u>
Net OPEB liability end of year	<u>\$ 1,694,446</u>	<u>\$ 534,459</u>	<u>\$ 1,159,987</u>

The discount rate was 2.50% as of June 30, 2023 and remained at 2.50% as of June 30, 2025.

**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.

	<b>1.0% Decrease (1.50%)</b>	<b>Discount Rate (2.50%)</b>	<b>1.0% Increase (3.50%)</b>
Net OPEB liability (asset)	\$ 1,389,649	\$ 1,159,987	\$ 969,709

**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:

	<b>1.0% Decrease</b>	<b>Discount Rate</b>	<b>1.0% Increase</b>
Net OPEB liability (asset)	\$ 965,709	\$ 1,159,287	\$ 1,397,033

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**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, 2025, the Town recognized OPEB changes which increased the net position by \$186,719. At June 30, 2025, 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	\$ 95,272	\$ 238,479
Changes of assumptions or other inputs	92,083	61,929
Net differences between projected and actual earnings on OPEB plan investments	35,192	0
Town Contributions subsequent to measurement date	0	0
Total	\$ 222,547	\$ 300,408

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:	
2026	\$( 81,753)
2027	( 38,896)
2028	( 36,399)
2029	32,349
2030	25,173
thereafter	21,665
	\$( 77,861)

**5. Change in Accounting Principle**

During the current year, the Town implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the Town now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the “Restatement - GASB 101 implementation” column in the table in **Note E6**.

**TOWN OF TONOPAH, NEVADA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE E – OTHER INFORMATION (Continued)**

**6. Adjustments to Beginning Fund Balances/Net Position**

During Fiscal year 2025, changes to beginning fund balance/net position, are as follows:

	<u>Net Position/ Fund Balance 06/30/2024 as Previously Reported</u>	<u>Restatement - GASB 101 Implementation</u>	<u>Net Position/ Fund Balance 06/30/2024 as Restated/Adjusted</u>
<b>Government-Wide</b>			
Governmental activities	\$ 9,713,683	\$ (22,073)	\$ 9,691,610
Business-type activities	<u>15,776,409</u>	<u>(17,605)</u>	<u>15,758,804</u>
<b>Total Government-Wide Funds</b>	<u>\$ 25,490,092</u>	<u>\$ (39,678)</u>	<u>\$ 25,450,414</u>
<b>Governmental Funds</b>			
Major Funds:			
General Fund	\$ 4,372,735	\$ -	\$ 4,372,735
Nonmajor Governmental Funds	<u>1,387,261</u>	<u>-</u>	<u>1,387,261</u>
<b>Total Governmental Funds</b>	<u>\$ 5,759,996</u>	<u>\$ -</u>	<u>\$ 5,759,996</u>
<b>Proprietary Funds</b>			
<b>Enterprise Funds</b>			
Major Funds:			
Tonopah Public Utility Water Fun	\$ 10,083,433	\$ (9,023)	\$ 10,074,410
Tonopah Public Utility Sewer Fun	<u>5,692,976</u>	<u>(8,582)</u>	<u>5,684,394</u>
<b>Total Enterprise Funds</b>	<u>\$ 15,776,409</u>	<u>\$ (17,605)</u>	<u>\$ 15,758,804</u>

**TOWN OF TONOPAH, NEVADA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE TOWN'S TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**LAST 10 YEARS\***  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>
<b>Total OPEB Liability</b>				
Service cost	\$ 49,228	\$ 38,339	\$ 41,239	\$ 55,520
Interest	43,188	36,793	37,089	53,160
Changes of benefit terms	(1,692)	-	-	-
Differences between expected and actual experience	(22,315)	127,030	(8,883)	(326,411)
Changes of assumptions or other inputs	-	120,211	-	(144,501)
Benefit Payments	<u>(89,376)</u>	<u>(80,201)</u>	<u>(76,571)</u>	<u>(69,453)</u>
<b>Net Change in total OPEB liability</b>	(20,967)	242,172	(7,126)	(431,685)
<b>Total OPEB liability - beginning</b>	<u>1,715,413</u>	<u>1,473,241</u>	<u>1,480,367</u>	<u>1,912,052</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 1,694,446</u>	<u>\$ 1,715,413</u>	<u>\$ 1,473,241</u>	<u>\$ 1,480,367</u>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 167,924	\$ 80,201	\$ 126,821	\$ 114,453
Net investment income (loss)	25,425	17,707	(2,827)	(19,492)
Benefit payments	<u>(89,376)</u>	<u>(80,201)</u>	<u>(76,571)</u>	<u>(69,453)</u>
<b>Net Change in plan fiduciary net position</b>	103,973	17,707	47,423	25,508
<b>Plan fiduciary net - beginning</b>	<u>430,486</u>	<u>412,779</u>	<u>365,356</u>	<u>339,848</u>
<b>Plan fiduciary net - ending (b)</b>	<u>\$ 534,459</u>	<u>\$ 430,486</u>	<u>\$ 412,779</u>	<u>\$ 365,356</u>
<b>Town's net OPEB liability - ending (a)-(b)</b>	<u>\$ 1,159,987</u>	<u>\$ 1,284,927</u>	<u>\$ 1,060,462</u>	<u>\$ 1,115,011</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	31.54%	25.10%	28.02%	24.68%
<b>Covered-employee payroll</b>	\$ 951,288	\$ 774,103	\$ 812,107	\$ 803,613
<b>Town's net OPEB liability as a percentage of covered-employee payroll</b>	121.94%	165.99%	130.58%	138.75%
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.				
	6/30/2025	2.50		
	6/30/2024	2.50		
	6/30/2023	2.50		
	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.

<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
\$ 54,006	\$ 67,098	\$ -	\$ -
52,993	77,291	60,166	67,280
-	-	-	-
(35,091)	(354,699)	-	-
-	(283,598)	109,918	40,923
<u>(65,308)</u>	<u>(64,742)</u>	<u>(55,302)</u>	<u>(56,596)</u>
6,600	(558,650)	114,782	51,607
<u>1,905,452</u>	<u>2,464,102</u>	<u>2,349,320</u>	<u>2,297,713</u>
<u>\$ 1,912,052</u>	<u>\$ 1,905,452</u>	<u>\$ 2,464,102</u>	<u>\$ 2,349,320</u>

\$ 110,308	\$ 100,587	\$ 100,302	\$ 101,596
(1,845)	16,193	6,817	(366)
<u>(65,308)</u>	<u>(64,742)</u>	<u>(55,302)</u>	<u>(56,596)</u>
43,155	52,038	51,817	44,634
<u>296,693</u>	<u>244,655</u>	<u>192,838</u>	<u>148,204</u>
<u>\$ 339,848</u>	<u>\$ 296,693</u>	<u>\$ 244,655</u>	<u>\$ 192,838</u>
<u>\$ 1,572,204</u>	<u>\$ 1,608,759</u>	<u>\$ 2,219,447</u>	<u>\$ 2,156,482</u>

17.77%      15.57%      9.93%      8.21%

\$ 861,245      \$ 642,947      \$ 288,578      \$ 211,362

182.55%      250.22%      769.10%      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  
FOR THE YEAR ENDED JUNE 30, 2025**

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
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%
2023	120,893	120,893	-	799,063	15.13%
2024	142,694	142,694	-	842,147	16.94%
2025	157,877	157,877	-	935,244	16.88%

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**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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
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%
2023	0.00903%	1,630,808	773,609	210.81%	75.10%
2024	0.00863%	1,574,403	799,063	197.03%	76.20%
2025	0.00787%	1,421,165	842,147	168.75%	78.10%

*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, 2025**

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**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.* Since the prior full valuation, a new health plan has been introduced to employees. This change resulted in a decrease in liability.

*Changes in assumptions:* There have been no changes in assumptions since the last valuation.

The final equivalent single discount rate used for accounting disclosure is the expected rate of return of the trust (2.50%) with the expectation that the Town will continue to pay for retiree health care expenses. Under this funding scenario, the Trust is not expected to be depleted in the future.

**TOWN OF TONOPAH, NEVADA  
MAJOR FUND - GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 4,795,661	\$ 4,207,926
Interest receivable	13,295	8,690
Property taxes receivable	4,824	6,295
Room taxes receivable	81,931	73,579
Due from other governments	<u>237,572</u>	<u>182,536</u>
 Total assets	 <u>\$ 5,133,283</u>	 <u>\$ 4,479,026</u>
<b>Liabilities:</b>		
Accounts payable	\$ 79,991	\$ 71,431
Accrued payroll	<u>44,432</u>	<u>31,328</u>
 Total liabilities	 <u>124,423</u>	 <u>102,759</u>
<b>Deferred Inflows of Resources:</b>		
Unavailable revenue - property taxes	<u>4,080</u>	<u>3,532</u>
<b>Fund Balance:</b>		
Assigned for subsequent year	2,450,373	2,807,450
Unassigned	<u>2,554,407</u>	<u>1,565,285</u>
Total fund balance	<u>5,004,780</u>	<u>4,372,735</u>
 Total liabilities, deferred inflows of resources, and fund balance	 <u>\$ 5,133,283</u>	 <u>\$ 4,479,026</u>

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
Taxes	\$ 680,000	\$ 1,029,085	\$ 349,085	\$ 1,119,572
Licenses and permits	500	375	(125)	300
Intergovernmental	1,011,398	1,043,727	32,329	1,005,247
Charges for services	31,400	36,704	5,304	47,941
Fines and forfeitures	40,000	7,060	(32,940)	10,725
Miscellaneous	11,500	250,334	238,834	165,704
	<u>1,774,798</u>	<u>2,367,285</u>	<u>592,487</u>	<u>2,349,489</u>
<b>Total revenues</b>				
<b>Expenditures:</b>				
<b>Current:</b>				
General government	618,750	475,965	142,785	418,489
Public safety	207,500	95,507	111,993	88,212
Public works	548,200	440,583	107,617	315,351
Culture and recreation	1,027,210	723,185	304,025	584,148
	<u>2,401,660</u>	<u>1,735,240</u>	<u>666,420</u>	<u>1,406,200</u>
<b>Total expenditures</b>				
Excess (deficiency) of revenues over expenditures	(626,862)	632,045	1,258,907	943,289
<b>Other Financing Sources (Uses):</b>				
Operating transfers out	(1,295,500)	-	1,295,500	(563,000)
	<u>(1,295,500)</u>	<u>-</u>	<u>1,295,500</u>	<u>(563,000)</u>
<b>Net change in fund balance</b>				
	(1,922,362)	632,045	2,554,407	380,289
<b>Fund Balance:</b>				
Beginning of year	2,807,450	4,372,735	1,565,285	3,992,446
	<u>2,807,450</u>	<u>4,372,735</u>	<u>1,565,285</u>	<u>3,992,446</u>
End of year	\$ 885,088	\$ 5,004,780	\$ 4,119,692	\$ 4,372,735
	<u>\$ 885,088</u>	<u>\$ 5,004,780</u>	<u>\$ 4,119,692</u>	<u>\$ 4,372,735</u>

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	
	Budget	Actual	Positive (Negative)	2024 Actual
<b>Revenues:</b>				
<b>Taxes:</b>				
Property taxes	\$ 180,000	\$ 212,286	\$ 32,286	\$ 212,010
Room taxes	500,000	816,799	316,799	907,562
Total taxes	<u>680,000</u>	<u>1,029,085</u>	<u>349,085</u>	<u>1,119,572</u>
<b>Licenses and Permits</b>	<u>500</u>	<u>375</u>	<u>(125)</u>	<u>300</u>
<b>Intergovernmental:</b>				
County liquor license	1,000	3,000	2,000	2,840
County gaming license	12,000	32,760	20,760	17,580
Consolidated tax	962,031	969,096	7,065	952,804
Gas tax \$1.75	21,367	19,832	(1,535)	32,023
Grants	15,000	19,039	4,039	-
Total intergovernmental	<u>1,011,398</u>	<u>1,043,727</u>	<u>32,329</u>	<u>1,005,247</u>
<b>Charges for Services:</b>				
Swimming pool fees	5,000	6,539	1,539	12,110
Convention Center rental	10,000	8,835	(1,165)	12,945
Sports complex fees	2,400	2,650	250	2,400
Mining park entrance	12,000	15,219	3,219	17,279
Fairgrounds rental	2,000	3,461	1,461	3,207
Total charges for services	<u>31,400</u>	<u>36,704</u>	<u>5,304</u>	<u>47,941</u>
<b>Fines and Forfeitures</b>	<u>40,000</u>	<u>7,060</u>	<u>(32,940)</u>	<u>10,725</u>
<b>Miscellaneous:</b>				
Investment income (loss)	10,000	250,134	240,134	163,767
Donations	500	-	(500)	1,500
Other	1,000	200	(800)	437
Total miscellaneous	<u>11,500</u>	<u>250,334</u>	<u>238,834</u>	<u>165,704</u>
Total revenues	<u>\$ 1,774,798</u>	<u>\$ 2,367,285</u>	<u>\$ 592,487</u>	<u>\$ 2,349,489</u>

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	
	Budget	Actual	Positive (Negative)	2024 Actual
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Salaries and wages	\$ 209,000	\$ 180,181	\$ 28,819	\$ 191,139
Employee benefits	140,000	142,014	(2,014)	107,277
Services and supplies	<u>269,750</u>	<u>153,770</u>	<u>115,980</u>	<u>120,073</u>
Total general government	<u>618,750</u>	<u>475,965</u>	<u>142,785</u>	<u>418,489</u>
<b>Public Safety:</b>				
<b>Fire:</b>				
Salaries and wages	-	-	-	32
Employee benefits	17,000	11,563	5,437	9,881
Services and supplies	<u>190,500</u>	<u>83,944</u>	<u>106,556</u>	<u>78,299</u>
Total public safety	<u>207,500</u>	<u>95,507</u>	<u>111,993</u>	<u>88,212</u>
<b>Public Works:</b>				
<b>Highways and Streets:</b>				
Salaries and wages	208,700	153,670	55,030	109,936
Employee benefits	100,000	86,702	13,298	64,148
Services and supplies	164,500	126,984	37,516	141,267
Capital outlay	<u>75,000</u>	<u>73,227</u>	<u>1,773</u>	<u>-</u>
Total public works	<u>548,200</u>	<u>440,583</u>	<u>107,617</u>	<u>315,351</u>
<b>Culture and Recreation:</b>				
<b>Parks:</b>				
Services and supplies	61,500	67,446	(5,946)	51,841
Capital Outlay	<u>40,000</u>	<u>7,529</u>	<u>32,471</u>	<u>-</u>
Total parks	<u>101,500</u>	<u>74,975</u>	<u>26,525</u>	<u>51,841</u>
<b>Mining Parks:</b>				
Salaries and wages	183,800	158,109	25,691	147,296
Employee benefits	95,000	98,049	(3,049)	85,776
Services and supplies	<u>142,850</u>	<u>34,692</u>	<u>108,158</u>	<u>43,924</u>
Total mining parks	<u>421,650</u>	<u>290,850</u>	<u>130,800</u>	<u>276,996</u>
<b>Swimming Pool:</b>				
Salaries and wages	72,050	49,028	23,022	36,856
Employee benefits	12,800	6,911	5,889	5,234
Services and supplies	30,600	19,515	11,085	20,294
Capital outlay	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Total swimming pool	<u>125,450</u>	<u>75,454</u>	<u>49,996</u>	<u>62,384</u>

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	
	Budget	Actual	Positive (Negative)	2024 Actual
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>Culture and Recreation (Continued):</b>				
<b>Fairgrounds:</b>				
Services and supplies	\$ 8,500	\$ 6,442	\$ 2,058	\$ 4,983
<b>Ball Fields:</b>				
Services and supplies	59,500	57,108	2,392	36,384
<b>Convention Center:</b>				
Salaries and wages	124,110	91,922	32,188	50,669
Employee benefits	65,000	60,092	4,908	28,467
Services and supplies	121,500	66,342	55,158	72,424
Total convention center	310,610	218,356	92,254	151,560
Total culture and recreation	1,027,210	723,185	304,025	584,148
Total expenditures	\$ 2,401,660	\$ 1,735,240	\$ 666,420	\$ 1,406,200

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - TONOPAH PUBLIC UTILITIES WATER ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Current assets:		
Pooled cash and investments	\$ 1,058,390	\$ 1,139,041
Interest receivable	4,367	3,864
Due from other governments	-	94,635
Accounts receivable, net of allowance for doubtful accounts	86,006	69,847
Inventory	50,564	47,534
Restricted assets - cash	646,315	815,309
Total current assets	1,845,642	2,170,230
Property, plant and equipment, net of accumulated depreciation	17,101,130	13,130,946
Total assets	18,946,772	15,301,176
<b>Deferred Outflows of Resources:</b>		
Deferred charge on pension	123,008	100,732
Deferred charge on OPEB	32,032	37,824
Total deferred outflows of resources	155,040	138,556
<b>Liabilities:</b>		
Current liabilities, payable from unrestricted assets:		
Accounts payable	261,388	146,347
Accrued payroll	11,850	9,931
Accrued interest payable	6,659	6,832
Accrued compensated absences	23,596	12,378
Current portion of bonds payable	121,010	118,541
Total current liabilities-unrestricted	424,503	294,029
Current liabilities, payable from restricted assets:		
Customer deposits	43,125	32,625
Total current liabilities	467,628	326,654
Non-current liabilities:		
Net OPEB liability	68,362	109,308
Net pension liability	351,604	362,365
Accrued compensated absences	9,176	4,814
Bonds payable	4,360,953	4,481,963
Total non-current liabilities	4,790,095	4,958,450
Total liabilities	5,257,723	5,285,104
<b>Deferred Inflows of Resources:</b>		
Deferred charge on pension	49,765	7,451
Deferred charge on OPEB	47,460	63,744
Total deferred inflows of resources	97,225	71,195
<b>Net Position:</b>		
Net investment in capital assets	12,619,167	8,530,442
Restricted for debt	297,082	297,082
Restricted for capital projects	349,233	518,227
Unrestricted	481,382	737,682
Total net position	\$ 13,746,864	\$ 10,083,433

**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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	
	Budget	Actual	Positive (Negative)	2024 Actuals
<b>Operating Revenues:</b>				
<b>Charges for services:</b>				
Water fees	\$ 650,000	\$ 646,580	\$ (3,420)	\$ 551,508
<b>Operating Expenses:</b>				
<b>Water Department:</b>				
Administration	216,600	178,965	37,635	124,728
General operations	417,600	284,200	133,400	289,565
Water operations	296,000	226,053	69,947	176,066
Capital improvements	275,000	-	275,000	-
Depreciation	500,000	483,746	16,254	491,461
Total operating expenses	<u>1,705,200</u>	<u>1,172,964</u>	<u>532,236</u>	<u>1,081,820</u>
Operating income (loss)	<u>(1,055,200)</u>	<u>(526,384)</u>	<u>528,816</u>	<u>(530,312)</u>
<b>Nonoperating Revenue (Expense):</b>				
Investment income (loss)	-	92,321	92,321	73,980
Water surcharge	296,510	336,395	39,885	294,624
Miscellaneous	16,000	85,212	69,212	102,091
Grant	-	3,779,615	3,779,615	271,714
Interest expense	-	(94,705)	(94,705)	(97,128)
Total nonoperating revenue (expense)	<u>312,510</u>	<u>4,198,838</u>	<u>3,886,328</u>	<u>645,281</u>
Net income (loss)	<u>\$ (742,690)</u>	<u>3,672,454</u>	<u>\$ 4,415,144</u>	<u>114,969</u>
<b>Net Position:</b>				
Beginning of year		10,083,433		9,968,464
Prior period restatement - GASB 101		<u>(9,023)</u>		<u>-</u>
Beginning of year as restated		<u>10,074,410</u>		<u>9,968,464</u>
End of year		<u>\$ 13,746,864</u>		<u>\$ 10,083,433</u>

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - TONOPAH PUBLIC UTILITIES WATER ENTERPRISE FUND**  
**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025	2024
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers	\$ 640,921	\$ 567,845
Cash paid for salaries, wages, and employee benefits	(301,482)	(244,052)
Cash paid for services and supplies	<u>(309,410)</u>	<u>(234,391)</u>
Net cash provided (used) by operating activities	<u>30,029</u>	<u>89,402</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Miscellaneous revenue	85,212	102,091
Grants	3,874,250	177,079
Surcharges	<u>336,395</u>	<u>294,624</u>
Net cash provided (used) by noncapital financing activities	<u>4,295,857</u>	<u>573,794</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Purchase of capital assets	(4,453,930)	(295,659)
Principal paid	(118,541)	(116,124)
Interest paid	<u>(94,878)</u>	<u>(97,297)</u>
Net cash provided (used) by capital and related financing activities	<u>(4,667,349)</u>	<u>(509,080)</u>
<b>Cash Flows from Investing Activities:</b>		
Investment income (loss)	<u>91,818</u>	<u>75,745</u>
Net increase (decrease) in cash	(249,645)	229,861
<b>Cash:</b>		
Beginning of year	<u>1,954,350</u>	<u>1,724,489</u>
End of year	<u>\$ 1,704,705</u>	<u>\$ 1,954,350</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash</b>		
<b>Provided by Operating Activities:</b>		
Operating income (loss)	\$ (526,384)	\$ (530,312)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash</b>		
<b>Provided by Operating Activities:</b>		
Depreciation	483,746	491,461
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(16,159)	13,337
(Increase) decrease in inventory	(3,030)	(5,093)
(Increase) decrease in deferred outflows on pension	(22,276)	57,336
(Increase) decrease in deferred outflows on OPEB	5,792	(25,566)
Increase (decrease) in accounts payable	115,041	107,886
Increase (decrease) in accrued payroll	1,919	3,698
Increase (decrease) in customer deposits	10,500	3,000
Increase (decrease) in accrued compensated absences	6,557	5,095
Increase (decrease) in net pension liability	(10,761)	(50,109)
Increase (decrease) in deferred inflows on pension	42,314	6,288
Increase (decrease) in deferred inflows on OPEB	(16,284)	(23,103)
Increase (decrease) in net OPEB liability	<u>(40,946)</u>	<u>35,484</u>
Total adjustments	<u>556,413</u>	<u>619,714</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 30,029</u>	<u>\$ 89,402</u>

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - TONOPAH PUBLIC UTILITIES SEWER ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Current assets:		
Pooled cash and investments	\$ 1,310,405	\$ 1,131,743
Interest receivable	3,083	2,326
Accounts receivable, net of allowance for doubtful accounts	66,091	61,512
Inventory	5,574	5,449
Restricted assets - cash	<u>17,518</u>	<u>16,582</u>
Total current assets	1,402,671	1,217,612
Property, plant and equipment, net of accumulated depreciation	<u>5,122,984</u>	<u>5,341,057</u>
Total assets	<u>6,525,655</u>	<u>6,558,669</u>
<b>Deferred Outflows of Resources:</b>		
Deferred charge on pension	148,385	155,234
Deferred charge on OPEB	<u>56,234</u>	<u>64,717</u>
Total deferred outflows of resources	<u>204,619</u>	<u>219,951</u>
<b>Liabilities:</b>		
Current liabilities, payable from unrestricted assets:		
Accounts payable	6,685	24,370
Accrued payroll	7,877	6,654
Accrued compensated absences	<u>14,709</u>	<u>10,529</u>
Total current liabilities - unrestricted	<u>29,271</u>	<u>41,553</u>
Non-current liabilities:		
Net OPEB liability	488,671	531,260
Net pension liability	343,550	388,446
Accrued compensated absences	<u>5,721</u>	<u>4,095</u>
Total non-current liabilities	<u>837,942</u>	<u>923,801</u>
Total liabilities	<u>867,213</u>	<u>965,354</u>
<b>Deferred Inflows of Resources:</b>		
Deferred charge on pension	59,090	12,355
Deferred charge on OPEB	<u>82,111</u>	<u>107,935</u>
Total deferred inflows of resources	<u>141,201</u>	<u>120,290</u>
<b>Net Position:</b>		
Net investment in capital assets	5,122,984	5,341,057
Restricted for capital projects	17,518	16,582
Unrestricted	<u>581,358</u>	<u>335,337</u>
Total net position	<u>\$ 5,721,860</u>	<u>\$ 5,692,976</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actuals
<b>Operating Revenues</b>				
<b>Charges for Services:</b>				
Sewer fees	\$ 550,000	\$ 651,918	\$ 101,918	\$ 606,602
<b>Operating Expenses:</b>				
<b>Sewer Department:</b>				
Administration	321,000	262,655	58,345	219,595
General operations	398,400	205,340	193,060	236,772
Sewer operations	103,000	24,882	78,118	28,045
Capital improvements	330,000	-	330,000	-
Depreciation	300,000	218,073	81,927	271,114
Total operating expenses	<u>1,452,400</u>	<u>710,950</u>	<u>741,450</u>	<u>755,526</u>
Operating income (loss)	<u>(902,400)</u>	<u>(59,032)</u>	<u>843,368</u>	<u>(148,924)</u>
<b>Nonoperating Revenue (Expense):</b>				
Investment income (loss)	1,000	64,429	63,429	42,627
Capital projects fees	<u>15,000</u>	<u>32,069</u>	<u>17,069</u>	<u>33,466</u>
Total nonoperating revenue (expense)	<u>16,000</u>	<u>96,498</u>	<u>80,498</u>	<u>76,093</u>
Change in net position	<u>\$ (886,400)</u>	<u>37,466</u>	<u>\$ 923,866</u>	<u>(72,831)</u>
<b>Net Position:</b>				
Beginning of year		5,692,976		5,765,807
Prior period restatement - GASB 101		<u>(8,582)</u>		<u>-</u>
Beginning of year as restated		<u>5,684,394</u>		<u>5,765,807</u>
End of year		<u>\$ 5,721,860</u>		<u>\$ 5,692,976</u>

**TOWN OF TONOPAH, NEVADA**  
**MAJOR FUND - TONOPAH PUBLIC UTILITIES SEWER ENTERPRISE FUND**  
**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025	2024
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers	\$ 647,339	\$ 631,227
Cash paid for salaries, wages, and employee benefits	(378,620)	(309,063)
Cash paid for services and supplies	<u>(184,862)</u>	<u>(167,785)</u>
Net cash provided (used) by operating activities	83,857	154,379
<b>Cash Flows from Noncapital Financing Activities:</b>		
Capital projects fees	32,069	33,466
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Purchase of capital assets	-	(264,380)
<b>Cash Flows from Investing Activities:</b>		
Investment income (loss)	<u>63,672</u>	<u>44,257</u>
Net increase (decrease) in cash	179,598	(32,278)
<b>Cash:</b>		
Beginning of year	<u>1,148,325</u>	<u>1,180,603</u>
End of year	<u>\$ 1,327,923</u>	<u>\$ 1,148,325</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>		
Operating income (loss)	<u>\$ (59,032)</u>	<u>\$ (148,924)</u>
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>		
Depreciation	218,073	271,114
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(4,579)	24,625
(Increase) decrease in prepaid items	-	-
(Increase) decrease in inventory	(125)	(606)
(Increase) decrease in deferred outflows on pension	6,849	52,144
(Increase) decrease in deferred outflows on OPEB	8,483	(46,311)
Increase (decrease) in accounts payable	(17,685)	1,351
Increase (decrease) in accrued payroll	1,223	2,227
Increase (decrease) in accrued compensated absences	(2,776)	1,598
Increase (decrease) in net pension liability	(44,896)	(28,840)
Increase (decrease) in deferred inflows on pension	46,735	10,878
Increase (decrease) in deferred inflows on OPEB	(25,824)	(36,783)
Increase (decrease) in net OPEB liability	<u>(42,589)</u>	<u>51,906</u>
Total adjustments	<u>142,889</u>	<u>303,303</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 83,857</u>	<u>\$ 154,379</u>

**TOWN OF TONOPAH, NEVADA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2025  
(With Comparative Totals for June 30, 2024)**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	2025 Totals	2024 Totals
<b>Assets:</b>				
Pooled cash and investments	\$ 929,025	\$ 429,676	\$ 1,358,701	\$ 1,352,783
Interest receivable	2,403	1,131	3,534	2,580
Room taxes receivable	6,401	-	6,401	5,748
Due from other governments	<u>62,494</u>	<u>-</u>	<u>62,494</u>	<u>45,894</u>
 Total assets	 <u>\$ 1,000,323</u>	 <u>\$ 430,807</u>	 <u>\$ 1,431,130</u>	 <u>\$ 1,407,005</u>
<b>Liabilities:</b>				
Accounts payable	\$ 28,848	\$ -	\$ 28,848	\$ 16,365
Accrued payroll and benefits	<u>6,102</u>	<u>-</u>	<u>6,102</u>	<u>3,379</u>
 Total liabilities	 <u>34,950</u>	 <u>-</u>	 <u>34,950</u>	 <u>19,744</u>
<b>Fund Balance:</b>				
Restricted for capital projects	-	430,807	430,807	501,408
Restricted for public safety	700,090	-	700,090	558,867
Restricted for culture & recreation	<u>265,283</u>	<u>-</u>	<u>265,283</u>	<u>326,986</u>
 Total fund balance	 <u>965,373</u>	 <u>430,807</u>	 <u>1,396,180</u>	 <u>1,387,261</u>
 Total liabilities and fund balance	 <u>\$ 1,000,323</u>	 <u>\$ 430,807</u>	 <u>\$ 1,431,130</u>	 <u>\$ 1,407,005</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	2025 Totals	2024 Totals
<b>Revenues:</b>				
Taxes	\$ 63,812	\$ -	\$ 63,812	\$ 70,903
Intergovernmental	266,468	21,022	287,490	332,984
Miscellaneous	<u>52,525</u>	<u>23,327</u>	<u>75,852</u>	<u>61,578</u>
Total revenues	<u>382,805</u>	<u>44,349</u>	<u>427,154</u>	<u>465,465</u>
<b>Expenditures:</b>				
Current:				
Public safety	153,642	-	153,642	39,486
Culture and recreation	149,643	-	149,643	181,983
Capital projects	<u>-</u>	<u>114,950</u>	<u>114,950</u>	<u>154,234</u>
Total expenditures	<u>303,285</u>	<u>114,950</u>	<u>418,235</u>	<u>375,703</u>
Excess (deficiency) of revenues over expenditures	79,520	(70,601)	8,919	89,762
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>563,000</u>
Net change in fund balance	79,520	(70,601)	8,919	652,762
<b>Fund Balance:</b>				
Beginning of year	<u>885,853</u>	<u>501,408</u>	<u>1,387,261</u>	<u>734,499</u>
End of year	<u>\$ 965,373</u>	<u>\$ 430,807</u>	<u>\$ 1,396,180</u>	<u>\$ 1,387,261</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2025**  
**(With Comparative Totals for June 30, 2024)**

	State Room Tax	Tourism	Mural	Public Safety Sales Tax Sheriff	Public Safety Sales Tax Fire
<b>Assets:</b>					
Pooled cash and investments	\$ 211,833	\$ 48,450	\$ 11,874	\$ 297,131	\$ 359,737
Interest receivable	608	148	22	644	981
Room taxes receivable	6,401	-	-	-	-
Due from other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,247</u>	<u>31,247</u>
 Total assets	 <u>\$ 218,842</u>	 <u>\$ 48,598</u>	 <u>\$ 11,896</u>	 <u>\$ 329,022</u>	 <u>\$ 391,965</u>
<b>Liabilities:</b>					
Accounts payable	\$ 2,393	\$ 11,339	\$ -	\$ 401	\$ 14,715
Accrued payroll and benefits	<u>-</u>	<u>321</u>	<u>-</u>	<u>5,781</u>	<u>-</u>
 Total liabilities	 <u>2,393</u>	 <u>11,660</u>	 <u>-</u>	 <u>6,182</u>	 <u>14,715</u>
<b>Fund Balance:</b>					
Restricted for public safety	-	-	-	322,840	377,250
Restricted for culture and recreation	<u>216,449</u>	<u>36,938</u>	<u>11,896</u>	<u>-</u>	<u>-</u>
 Total fund balance	 <u>216,449</u>	 <u>36,938</u>	 <u>11,896</u>	 <u>322,840</u>	 <u>377,250</u>
 Total liabilities and fund balance	 <u>\$ 218,842</u>	 <u>\$ 48,598</u>	 <u>\$ 11,896</u>	 <u>\$ 329,022</u>	 <u>\$ 391,965</u>

Totals	
2025	2024
\$ 929,025	\$ 851,633
2,403	1,574
6,401	5,748
<u>62,494</u>	<u>45,894</u>
<u>\$ 1,000,323</u>	<u>\$ 904,849</u>
\$ 28,848	\$ 15,617
<u>6,102</u>	<u>3,379</u>
<u>34,950</u>	<u>18,996</u>
700,090	558,867
<u>265,283</u>	<u>326,986</u>
<u>965,373</u>	<u>885,853</u>
<u>\$ 1,000,323</u>	<u>\$ 904,849</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	State Room Tax	Tourism	Mural	Public Safety Sales Tax Sheriff	Public Safety Sales Tax Fire
<b>Revenues:</b>					
Taxes	\$ 63,812	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	133,234	133,234
Miscellaneous	<u>12,698</u>	<u>9,590</u>	<u>1,840</u>	<u>9,158</u>	<u>19,239</u>
Total revenues	<u>76,510</u>	<u>9,590</u>	<u>1,840</u>	<u>142,392</u>	<u>152,473</u>
<b>Expenditures:</b>					
Public safety	-	-	-	62,311	91,331
Culture and recreation	<u>103,073</u>	<u>41,866</u>	<u>4,704</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>103,073</u>	<u>41,866</u>	<u>4,704</u>	<u>62,311</u>	<u>91,331</u>
Excess (deficiency) of revenues over expenditures	(26,563)	(32,276)	(2,864)	80,081	61,142
<b>Other Financing Sources (Uses):</b>					
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(26,563)	(32,276)	(2,864)	80,081	61,142
<b>Fund Balance:</b>					
Beginning of year	<u>243,012</u>	<u>69,214</u>	<u>14,760</u>	<u>242,759</u>	<u>316,108</u>
End of year	<u>\$ 216,449</u>	<u>\$ 36,938</u>	<u>\$ 11,896</u>	<u>\$ 322,840</u>	<u>\$ 377,250</u>

Totals	
2025	2024
\$ 63,812	\$ 70,903
266,468	248,612
<u>52,525</u>	<u>44,827</u>
<u>382,805</u>	<u>364,342</u>
153,642	39,486
<u>149,643</u>	<u>181,983</u>
<u>303,285</u>	<u>221,469</u>
79,520	142,873
<u>-</u>	<u>180,000</u>
79,520	322,873
<u>885,853</u>	<u>562,980</u>
<u>\$ 965,373</u>	<u>\$ 885,853</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR FUND - STATE ROOM TAX SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 211,833	\$ 245,295
Interest receivable	608	515
Room taxes receivable	<u>6,401</u>	<u>5,748</u>
 Total assets	 <u>\$ 218,842</u>	 <u>\$ 251,558</u>
 <b>Liabilities:</b>		
Accounts payable	\$ 2,393	\$ 8,546
 <b>Fund Balance:</b>		
Restricted for culture and recreation	<u>216,449</u>	<u>243,012</u>
 Total liabilities and fund balance	 <u>\$ 218,842</u>	 <u>\$ 251,558</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
<b>Taxes:</b>				
Room tax	\$ 40,000	\$ 63,812	\$ 23,812	\$ 70,903
<b>Miscellaneous:</b>				
Investment income (loss)	<u>-</u>	<u>12,698</u>	<u>12,698</u>	<u>9,497</u>
Total revenues	40,000	76,510	36,510	80,400
<b>Expenditures:</b>				
<b>Culture and Recreation:</b>				
Services and supplies	<u>210,000</u>	<u>103,073</u>	<u>106,927</u>	<u>39,448</u>
Excess (deficiency) of revenues over expenditures	(170,000)	(26,563)	143,437	40,952
<b>Fund Balance:</b>				
Beginning of year	<u>187,060</u>	<u>243,012</u>	<u>55,952</u>	<u>202,060</u>
End of year	<u>\$ 17,060</u>	<u>\$ 216,449</u>	<u>\$ 199,389</u>	<u>\$ 243,012</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR FUND - TOURISM SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 48,450	\$ 76,361
Interest receivable	<u>148</u>	<u>168</u>
 Total assets	 <u>\$ 48,598</u>	 <u>\$ 76,529</u>
 <b>Liabilities:</b>		
Accounts payable	\$ 11,339	\$ 6,425
Accrued payroll and benefits	<u>321</u>	<u>890</u>
 Total liabilities	 11,660	 7,315
 <b>Fund Balance:</b>		
Restricted for culture and recreation	<u>36,938</u>	<u>69,214</u>
 Total liabilities and fund balance	 <u>\$ 48,598</u>	 <u>\$ 76,529</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance- Positive (Negative)	2024 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Grant	\$ 15,000	\$ -	\$ (15,000)	\$ -
<b>Miscellaneous:</b>				
Investment income (loss)	1,000	3,465	2,465	2,325
Donations	12,000	6,125	(5,875)	17,400
Total other revenues	13,000	9,590	(3,410)	19,725
Total revenues	28,000	9,590	(18,410)	19,725
<b>Expenditures:</b>				
<b>Culture and Recreation:</b>				
Salaries & wages	59,500	9,059	50,441	27,415
Employee benefits	32,000	2,129	29,871	16,015
Services and supplies	51,000	30,678	20,322	94,348
Total expenditures	142,500	41,866	100,634	137,778
Excess (deficiency) of revenues over expenditures	(114,500)	(32,276)	82,224	(118,053)
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	100,000	-	(100,000)	175,000
Net change in fund balance	(14,500)	(32,276)	(17,776)	56,947
<b>Fund Balance:</b>				
Beginning of year	30,267	69,214	38,947	12,267
End of year	\$ 15,767	\$ 36,938	\$ 21,171	\$ 69,214

**TOWN OF TONOPAH, NEVADA  
MURAL SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 11,874	\$ 14,729
Interest receivable	<u>22</u>	<u>31</u>
 Total assets	 <u>\$ 11,896</u>	 <u>\$ 14,760</u>
 <b>Liabilities:</b>		
Accounts payable	\$ -	\$ -
 <b>Fund Balance:</b>		
Restricted for culture and recreation	<u>11,896</u>	<u>14,760</u>
 Total liabilities and fund balance	 <u>\$ 11,896</u>	 <u>\$ 14,760</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
<b>Miscellaneous:</b>				
Investment income (loss)	\$ -	\$ 429	\$ 429	\$ 767
Other	-	1,411	1,411	-
Total revenues	-	1,840	1,840	767
<b>Expenditures:</b>				
<b>Culture and Recreation:</b>				
Services and supplies	-	454	(454)	-
Capital outlay	10,000	4,250	5,750	4,757
Total expenditures	10,000	4,704	5,296	4,757
Excess (deficiency) of revenues over expenditures	(10,000)	(2,864)	7,136	(3,990)
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	10,000	-	(10,000)	5,000
Net change in fund balance	-	(2,864)	(2,864)	1,010
<b>Fund Balance:</b>				
Beginning of year	13,750	14,760	1,010	13,750
End of year	\$ 13,750	\$ 11,896	\$ (1,854)	\$ 14,760

**TONOPAH TOWN, NEVADA**  
**NONMAJOR - PUBLIC SAFETY SALES TAX SHERIFF SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 297,131	\$ 222,692
Interest receivable	644	255
Due from other governments	<u>31,247</u>	<u>22,947</u>
 Total assets	 <u>\$ 329,022</u>	 <u>\$ 245,894</u>
 <b>Liabilities:</b>		
Accounts payable	\$ 401	\$ 646
Accrued payroll and benefits	<u>5,781</u>	<u>2,489</u>
 Total liabilities	 6,182	 3,135
 <b>Fund Balance:</b>		
Restricted for public safety	<u>322,840</u>	<u>242,759</u>
 Total liabilities and fund balance	 <u>\$ 329,022</u>	 <u>\$ 245,894</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Public safety tax - Nye County	\$ 90,000	\$ 133,234	\$ 43,234	\$ 124,306
<b>Miscellaneous:</b>				
Investment income (loss)	<u>-</u>	<u>9,158</u>	<u>9,158</u>	<u>4,130</u>
Total revenues	<u>90,000</u>	<u>142,392</u>	<u>52,392</u>	<u>128,436</u>
<b>Expenditures:</b>				
<b>Public Safety:</b>				
Salaries and wages	35,000	22,232	12,768	-
Employee benefits	25,000	16,290	8,710	-
Services and supplies	5,000	5,980	(980)	-
Capital outlay	<u>25,000</u>	<u>17,809</u>	<u>7,191</u>	<u>-</u>
Total expenditures	<u>90,000</u>	<u>62,311</u>	<u>27,689</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	80,081	80,081	128,436
<b>Fund Balance:</b>				
Beginning of year	<u>114,323</u>	<u>242,759</u>	<u>128,436</u>	<u>114,323</u>
End of year	<u>\$ 114,323</u>	<u>\$ 322,840</u>	<u>\$ 208,517</u>	<u>\$ 242,759</u>

**TONOPAH TOWN, NEVADA**  
**NONMAJOR - PUBLIC SAFETY SALES TAX FIRE SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 359,737	\$ 292,556
Interest receivable	981	605
Due from other governments	<u>31,247</u>	<u>22,947</u>
 Total assets	 <u>\$ 391,965</u>	 <u>\$ 316,108</u>
 <b>Liabilities:</b>		
Accounts payable	\$ 14,715	\$ -
 <b>Fund Balance:</b>		
Restricted for public safety	<u>377,250</u>	<u>316,108</u>
 Total liabilities and fund balance	 <u>\$ 391,965</u>	 <u>\$ 316,108</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Public safety tax - Nye County	\$ 90,000	\$ 133,234	\$ 43,234	\$ 124,306
<b>Miscellaneous:</b>				
Investment income (loss)	<u>-</u>	<u>19,239</u>	<u>19,239</u>	<u>10,708</u>
Total revenues	90,000	152,473	62,473	135,014
<b>Expenditures:</b>				
<b>Public Safety:</b>				
Capital outlay	<u>300,000</u>	<u>91,331</u>	<u>208,669</u>	<u>39,486</u>
Excess (deficiency) of revenues over expenditures	(210,000)	61,142	271,142	95,528
<b>Fund Balance:</b>				
Beginning of year	<u>305,580</u>	<u>316,108</u>	<u>10,528</u>	<u>220,580</u>
End of year	<u>\$ 95,580</u>	<u>\$ 377,250</u>	<u>\$ 281,670</u>	<u>\$ 316,108</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2025**  
**(With Comparative Totals for June 30, 2024)**

	Capital Projects	Special Ad Valorem	Mining	Totals 2025	Totals 2024
<b>Assets:</b>					
Pooled cash and investments	\$ 176,817	\$ 186,545	\$ 66,314	\$ 429,676	\$ 501,150
Interest receivable	<u>489</u>	<u>458</u>	<u>184</u>	<u>1,131</u>	<u>1,006</u>
Total assets	<u>\$ 177,306</u>	<u>\$ 187,003</u>	<u>\$ 66,498</u>	<u>\$ 430,807</u>	<u>\$ 502,156</u>
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 748
<b>Fund Balance:</b>					
Restricted for capital projects	<u>177,306</u>	<u>187,003</u>	<u>66,498</u>	<u>430,807</u>	<u>501,408</u>
Total liabilities and fund balance	<u>\$ 177,306</u>	<u>\$ 187,003</u>	<u>\$ 66,498</u>	<u>\$ 430,807</u>	<u>\$ 502,156</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	Capital Projects	Special Ad Valorem	Mining	Totals 2025	2024
<b>Revenues:</b>					
Intergovernmental	\$ -	\$ 21,022	\$ -	\$ 21,022	\$ 84,372
Miscellaneous	<u>10,117</u>	<u>8,139</u>	<u>5,071</u>	<u>23,327</u>	<u>16,751</u>
Total revenues	10,117	29,161	5,071	44,349	101,123
<b>Expenditures:</b>					
Capital projects	<u>25,640</u>	<u>-</u>	<u>89,310</u>	<u>114,950</u>	<u>154,234</u>
Excess (deficiency) of revenues over expenditures	(15,523)	29,161	(84,239)	(70,601)	(53,111)
<b>Other Financing Sources (Uses):</b>					
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>383,000</u>
Net change in fund balance	(15,523)	29,161	(84,239)	(70,601)	329,889
<b>Fund Balance:</b>					
Beginning of year	<u>192,829</u>	<u>157,842</u>	<u>150,737</u>	<u>501,408</u>	<u>171,519</u>
End of year	<u>\$ 177,306</u>	<u>\$ 187,003</u>	<u>\$ 66,498</u>	<u>\$ 430,807</u>	<u>\$ 501,408</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR FUND - CAPITAL PROJECTS FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 176,817	\$ 193,174
Interest receivable	<u>489</u>	<u>403</u>
 Total assets	 <u>\$ 177,306</u>	 <u>\$ 193,577</u>
<b>Liabilities:</b>		
Accounts payable	\$ -	\$ 748
 <b>Fund Balance:</b>		
Restricted for capital projects	<u>177,306</u>	<u>192,829</u>
 Total liabilities and fund balance	 <u>\$ 177,306</u>	 <u>\$ 193,577</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR FUND - CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Grants	\$ 288,807	\$ -	\$ (288,807)	\$ 65,444
<b>Miscellaneous:</b>				
Investment income (loss)	<u>-</u>	<u>10,117</u>	<u>10,117</u>	<u>4,792</u>
Total revenues	288,807	10,117	(278,690)	70,236
<b>Expenditures:</b>				
Capital projects	<u>1,317,307</u>	<u>25,640</u>	<u>1,291,667</u>	<u>146,934</u>
Excess (deficiency) of revenues over expenditures	(1,028,500)	(15,523)	1,012,977	(76,698)
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>	<u>250,000</u>
Net change in fund balance	(28,500)	(15,523)	12,977	173,302
<b>Fund Balance:</b>				
Beginning of year	<u>47,781</u>	<u>192,829</u>	<u>145,048</u>	<u>19,527</u>
End of year	<u>\$ 19,281</u>	<u>\$ 177,306</u>	<u>\$ 158,025</u>	<u>\$ 192,829</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR FUND - SPECIAL AD VALOREM CAPITAL PROJECTS FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 186,545	\$ 157,553
Interest receivable	<u>458</u>	<u>289</u>
 Total assets	 <u>\$ 187,003</u>	 <u>\$ 157,842</u>
 <b>Liabilities:</b>		
Accounts payable	\$ -	\$ -
 <b>Fund Balance:</b>		
Restricted for capital projects	<u>187,003</u>	<u>157,842</u>
 Total liabilities and fund balance	 <u>\$ 187,003</u>	 <u>\$ 157,842</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
<b>Intergovernmental</b>	\$ 20,000	\$ 21,022	\$ 1,022	\$ 18,928
<b>Miscellaneous:</b>				
Investment income (loss)	<u>-</u>	<u>8,139</u>	<u>8,139</u>	<u>5,004</u>
Total revenues	20,000	29,161	9,161	23,932
<b>Expenditures:</b>				
Capital projects	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(130,000)	29,161	159,161	23,932
<b>Fund Balance:</b>				
Beginning of year	<u>153,910</u>	<u>157,842</u>	<u>3,932</u>	<u>133,910</u>
End of year	<u>\$ 23,910</u>	<u>\$ 187,003</u>	<u>\$ 163,093</u>	<u>\$ 157,842</u>

**TOWN OF TONOPAH, NEVADA**  
**NONMAJOR FUND - MINING CAPITAL PROJECTS FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2025 and 2024**

	2025	2024
<b>Assets:</b>		
Pooled cash and investments	\$ 66,314	\$ 150,423
Interest receivable	<u>184</u>	<u>314</u>
 Total assets	 <u>\$ 66,498</u>	 <u>\$ 150,737</u>
 <b>Liabilities:</b>		
Accounts payable	\$ -	\$ -
 <b>Fund Balance:</b>		
Restricted for capital projects	<u>66,498</u>	<u>150,737</u>
 Total liabilities and fund balance	 <u>\$ 66,498</u>	 <u>\$ 150,737</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, 2025**  
**(With Comparative Amounts for the Year Ended June 30, 2024)**

	2025		Variance-	2024
	Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
<b>Miscellaneous:</b>				
Investment income (loss)	\$ -	\$ 5,071	\$ 5,071	\$ 6,955
<b>Expenditures:</b>				
Capital projects	<u>286,000</u>	<u>89,310</u>	<u>196,690</u>	<u>7,300</u>
Excess (deficiency) of revenues over expenditures	(286,000)	(84,239)	201,761	(345)
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	<u>143,000</u>	<u>-</u>	<u>(143,000)</u>	<u>133,000</u>
Net change in fund balance	(143,000)	(84,239)	58,761	132,655
<b>Fund Balance:</b>				
Beginning of year	<u>146,139</u>	<u>150,737</u>	<u>4,598</u>	<u>18,082</u>
End of year	<u>\$ 3,139</u>	<u>\$ 66,498</u>	<u>\$ 63,359</u>	<u>\$ 150,737</u>

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Board Members  
Town of Tonopah, Nevada  
Tonopah, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tonopah, Nevada (the Town), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated January 30, 2026.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

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

A handwritten signature in black ink, appearing to read "Daniel McHugh". The signature is written in a cursive, flowing style.

Las Vegas, Nevada  
January 30, 2026

**DANIEL C. McARTHUR, LTD**

*Certified Public Accountant*

Quail Park III • 501 So. Rancho Dr., Ste. E-30 • Las Vegas, NV 89106 • (702) 385-1899 • (702) 385-9619

**INDEPENDENT AUDITOR’S COMMENTS**

Honorable Board Members  
Town of Tonopah, Nevada  
Tonopah, Nevada

In connection with our audit of the financial statements of the Town of Tonopah, Nevada, (the Town) as of and for the year ended June 30, 2025, nothing came to our attention that caused us to believe that the Town failed to comply with the requirements of the Nevada Revised Statutes referenced below insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such compliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Town’s noncompliance with the Nevada Revised Statutes referenced below, insofar as they relate to accounting matters.

**CURRENT YEAR STATUTE COMPLIANCE**

The Town of Tonopah, Nevada conformed to all significant statutory constraints on its financial administration during the year as identified in Note C1 of the accompanying financial statements.

**PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE**

There were no compliance issues in the prior year.

**CURRENT YEAR RECOMMENDATIONS**

We noted no material weakness and no significant deficiency in internal controls.

**PRIOR YEAR RECOMMENDATIONS**

We noted no material weakness and no significant deficiency in internal controls in the prior year.

## **BUSINESS LICENSE COMPLIANCE NRS 354.624**

Nevada Revised Statutes 354.624 Sec 4(a) requires a schedule of all fees imposed by the Town which are subject to the provisions of NRS 354.5989. The Town charges a business license fee that is subject to NRS 354.5989. During the year ended June 30, 2025, the Town did not raise fees on business licenses subject to the limitations of NRS 354.5989.

Business license fees are calculated on a point system at \$0.0125 per point per calendar quarter. Business classes are as follows:

Class A Professional	1,000 Points
Class B Wholesaler	800
Class C Retailer	500
Class D Service	300

Additional points are assessed for the calculation of the license based on number of employees, hours of operation, and number of locations. The points for each category have not changed during the year ended June 30, 2025.

On December 20, 2024 the Town Board voted to not enforce Tonopah Town Ordinance Chapter 22.04, Business License Tax and Regulations for all businesses other than hotels and motels, for calendar years 2025 and 2026.

## **NEVADA REVISED STATUTE 354.6113 – CAPITAL PROJECTS FUND**

The Town established the Capital Projects Fund in accordance with Nevada Revised Statutes 354.6113. Compliance with Nevada Revised Statutes is contained in Note C1 to the financial statements. The Town expended \$25,640 for projects as follows:

Appraisal	\$ 3,000
Mower	1,900
Horseshoe Pits	<u>20,740</u>
	<u>\$ 25,640</u>

The Town anticipates grant revenue of \$388,807 and plans to transfer \$550,000 from the General Fund to the Capital Projects Fund in the following year and expend \$1,042,307 on improvements. The Town does plan to accumulate money in the fund for future projects.

The Town established the Mining Capital Projects Fund in accordance with Nevada Revised Statutes 354.6113. Compliance with Nevada Revised Statutes is contained in Note C1 to the financial statements. The Town expended \$89,310 for projects as follows:

KVA pole mount	\$ 5,100
AC Project	<u>84,210</u>
	<u>\$ 89,310</u>

The Town plans to transfer \$110,000 from the General Fund to the Mining Capital Projects fund and expend \$175,000 on improvements. The Town does plan to accumulate money in the fund for future projects.

**NEVADA REVISED STATUTE 354.59815 – SPECIAL AD VALOREM CAPITAL PROJECTS FUND**

*Special Ad Valorem Capital Projects Fund*

The Town established the Special Ad Valorem Capital Projects Fund in accordance with Nevada Revised Statutes 354.59815. The activity of the fund is reported on page 97 of the financial Statements. There were no projects funded during the year. The Town plans to expend the available balance in the fund in the following year and also plans to accumulate money in the fund.

A handwritten signature in black ink, appearing to read "Daniel McHugh". The signature is written in a cursive style with a large initial "D".

Las Vegas, Nevada  
January 30, 2026