

CITY OF WINNEMUCCA

JUNE 30, 2011

**CITY OF WINNEMUCCA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 6 – Capital Assets (Continued):

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

| | |
|---|-------------------|
| Governmental Activities | |
| General government | \$ 19,343 |
| Public safety | 82,474 |
| Public works | 385,428 |
| Culture and recreation | <u>185,902</u> |
| Total depreciation expense – governmental activities | <u>\$ 673,147</u> |
| Business-Type Activities | |
| Sewer Fund | \$ 216,377 |
| Water Fund | <u>327,819</u> |
| Total depreciation expense – business-type activities | <u>\$ 544,196</u> |

NOTE 7 – Long-Term Obligations:

The lawful City general obligation bonded debt limit at June 30, 2011, was \$48,286,734. In addition, other indebtedness excepting the bond indebtedness, was not to exceed \$32,191,156 (NRS 266.600). The City was within these legal limits as shown below.

NOTE 8 – Changes in General Long-Term Debt:

Governmental Activities:

| | Balance June 30, 2010 | Additions | Used/ Payments | Balance June 30, 2011 | Due Within One Year |
|---|-----------------------------|-------------------|-------------------|-----------------------------|------------------------|
| Accrued vacation, compensatory and sick pay | \$ 237,518 | \$ 206,840 | \$ 223,452 | \$ 220,906 | \$ 209,971 |
| Public safety note payable | 300,000 | - | 300,000 | - | - |
| Special assessment debt with governmental commitment | <u>1,042,105</u> | <u>-</u> | <u>173,684</u> | <u>868,421</u> | <u>173,684</u> |
| | <u>\$ 1,579,623</u> | <u>\$ 206,840</u> | <u>\$ 697,136</u> | <u>\$ 1,089,327</u> | <u>\$ 383,655</u> |

The City issued special assessment bonds in November 2006 to provide cash flow while collecting special assessment receivables, for which the City is obligated to the extent that there are insufficient funds in the Debt Service Fund to pay these bonds and the interest thereon. The bond is payable in semi-annual principal installments of \$86,842 plus interest which is set at a rate of 4.7%. The bond matures in May of 2016.

The City took out a \$300,000 note to fund the purchase of the new public safety building during the 2010 fiscal year. The note was paid in full as of June 30, 2011.

**CITY OF WINNEMUCCA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 8 – Changes in General Long-Term Debt (Continued):

Business-type Activities

| | Balance June 30, 2010 | Additions | Used/ Payments | Balance June 30, 2011 | Due Within One Year |
|---|-----------------------------|------------------|-------------------|-----------------------------|------------------------|
| Accrued vacation, compensatory and sick pay | \$ 30,727 | \$ 16,985 | \$ 15,468 | \$ 32,244 | \$ 14,965 |
| Water revenue bond debt with governmental commitment | 1,470,112 | - | 67,833 | 1,402,279 | 69,835 |
| | <u>\$ 1,500,839</u> | <u>\$ 16,985</u> | <u>\$ 83,301</u> | <u>\$ 1,434,523</u> | <u>\$ 84,800</u> |

A Series 2007 Water Revenue Bond was authorized in May of 2007 in the maximum aggregate principal sum of \$1,600,000 for making improvements to the City water system by providing financial assistance for the North-Side Water Project. As of June of 2008, the City of Winnemucca had drawn the entire \$1,600,000. The interest rate is 2.93%. Payments are due on a semi-annual basis in the amount of \$55,207 each and will be paid over a 20-year period from the date of the first draw. The bond matures in January of 2027.

The special assessment bond debt service requirements to maturity are as follows:

| | Principal | Interest | Total |
|--|-------------------|-------------------|-------------------|
| 2012 | \$ 173,684 | \$ 38,775 | \$ 212,459 |
| 2013 | 173,684 | 30,612 | 204,296 |
| 2014 | 173,684 | 22,449 | 196,133 |
| 2015 | 173,684 | 14,286 | 187,970 |
| 2016 | 173,685 | 6,121 | 179,806 |
| Total Governmental Activities Debt Service | <u>\$ 868,421</u> | <u>\$ 112,243</u> | <u>\$ 980,664</u> |

The revenue bond debt service requirements to maturity are as follows:

| | Principal | Interest | Total |
|----------------------------------|---------------------|-------------------|---------------------|
| 2012 | \$ 69,835 | \$ 40,579 | \$ 110,414 |
| 2013 | 71,896 | 38,518 | 110,414 |
| 2014 | 74,018 | 36,396 | 110,414 |
| 2015 | 76,203 | 34,211 | 110,414 |
| 2016 | 78,452 | 31,962 | 110,414 |
| 2017-2021 | 428,389 | 123,681 | 552,070 |
| 2022-2026 | 495,452 | 56,618 | 552,070 |
| 2027 | 108,034 | 2,380 | 110,414 |
| Total Business-type Debt Service | <u>\$ 1,402,279</u> | <u>\$ 364,345</u> | <u>\$ 1,766,624</u> |

**CITY OF WINNEMUCCA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 8 – Changes in General Long-Term Debt (Continued):

The compensated absence liabilities estimated to be due within one year are \$209,971 for governmental activities, and \$14,965 for business-type activities.

Compensated absences typically have been liquidated by the General Fund and enterprise funds. Governmental activities debt is liquidated by the Debt Service Fund. Business-type activities debt is liquidated by the Water Fund.

NOTE 9 – Unearned Revenue:

Unearned revenue as of June 30, 2011, consists of the following:

Federal Grant Revenues:

| | |
|---------------------------|-------------------|
| General Fund | \$ 16,291 |
| Capital Improvements Fund | <u>746,278</u> |
| | <u>\$ 762,569</u> |

NOTE 10 - Defined Benefit Pension Plan:

Plan Description. The City of Winnemucca contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost-sharing, multiple-employer, defined benefit pension 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. Chapter 286 of the Nevada Revised Statutes 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 report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, NV 89703-1599 or by calling (775) 687-4200.

Funding Policy. Plan members' benefits are funded under the employer pay contribution plan, in which the City is required to contribute all amounts due under the plan. The contribution requirements of plan members and the City are established by Chapter 286 of the Nevada Revised Statutes. Funding provisions may only be amended through legislation. The City's contribution rates and amounts contributed (which was 100% of the required contribution) for the last three years are as follows:

| Fiscal Year | Contribution Rate | | | Total Contribution |
|-------------|-------------------|--------|--------|-----------------------|
| | Regular Member | Police | Fire | |
| 2010-11 | 21.50% | 37.00% | 37.00% | \$ 734,750 |
| 2009-10 | 21.50% | 37.00% | 37.00% | 777,320 |
| 2008-09 | 20.50% | 33.50% | 33.50% | 716,370 |

**CITY OF WINNEMUCCA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 11 – Risk Management:

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries of employees; and natural disasters, as are all entities.

The City has joined together with similar public agencies (cities, counties and special districts) throughout the State of Nevada to create a pool under the Nevada Inter-local Cooperation Act. The Nevada Public Agency Insurance Pool (Pool) is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The City pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The Pool is considered a self-sustaining risk pool that will provide liability coverage for its members for up to \$10,000,000 per event and a \$10,000,000 general aggregate per member. Property, crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities.

The City continues to carry commercial insurance for other risks of loss, including specific risks of loss not covered by the Pool (airport liability, bonding, and boiler coverage) and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City has also joined together with similar public agencies effective December 16, 1997, to create a pool under the Nevada Interlocal Cooperation Act. The Public Agency Compensation Trust (PACT) is an intergovernmental self-insured association for workers compensation insurance.

The City pays premiums based on payroll costs to the PACT. The PACT is considered a self-sustaining pool that will provide coverage based on established statutory limits.

NOTE 12 – Commitments:

As of June 30, 2011 the City had the following construction commitments outstanding

| <u>Project Description</u> | <u>Commitment Authorization</u> | <u>Project Expended/Retainage</u> | <u>Balance at June 30, 2011</u> |
|------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|
| Minor St. Water Main Project | \$ 62,470 | \$ 26,114 | \$ 36,356 |

NOTE 13 – Postemployment Benefits Other Than Pensions:

Plan Description:

The City administers a single-employer defined benefit healthcare plan, the City of Winnemucca Health Insurance Plan (CWHIP). Additionally, the City contributes to an agent multi-employer defined benefit postemployment healthcare plan, Public Employees' Benefit Plan (PEBP). Each plan provides medical, vision, dental, and life insurance benefits to eligible retired City retirees and their beneficiaries.

**CITY OF WINNEMUCCA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 13 – Postemployment Benefits Other Than Pensions (Continued):

Benefit provisions for the CWHIP are established pursuant to Nevada Revised Statute (NRS) 287.023 and amended through negotiations between the City and the respective associations. NRS 288.150 assigns authority to establish benefit provisions to the City of Winnemucca Council. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the City'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 benefiting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. Eligible retirees are participants in the Nevada Public Employee Retirement System (PERS) and retired from the City at the time of their election to participate. As of June 30, 2011, 4 retirees were using this plan. The CWHIP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. City employees who met the eligibility requirements effective September 1, 2008 for retirement within Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunsetted the option to join PEBP for City employees who retired after November 29, 2008. Local governments are required to pay the same portion of cost of coverage for their retirees joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan. As of June 30, 2011, 20 City retirees were utilizing this benefit. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV, 89701, by calling (775) 684-7000, or by accessing the website at www.pebp.state.nv.us/informed/financial.htm.

Funding Policy:

For the CWHIP, contribution requirements of the plan members and the City are established and may be amended through negotiations between the City and the associations. Retirees pay 100% of the pay-as-you-go premiums based on a blended rate that blends active participants and retirees. The City's contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates and is determined in actuarial studies contracted for by the City. The implicit subsidy as determined by the actuary is \$384.

For the PEBP plan, NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired City employees. Plan members receiving benefits have their monthly contribution deducted from their pension checks based on the health plan chosen by the retiree as reduced by the amount of the subsidy, therefore, their contributions are not available. For the plan year ended June 30, 2011, retirees qualify for a subsidy of \$86 at five years of service and \$473 at 20 years of service with incremental increases for years of service between. The contribution requirements of plan members and the City are established and amended by the PEBP board of trustees. As a participating employer, the City is billed for the subsidy on a monthly basis and is legally required under NRS 287.023 to provide for it. For fiscal year 2011, the City contributed \$56,864 to the plan for current premiums. The City did not prefund any future benefits.

**CITY OF WINNEMUCCA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 13 – Postemployment Benefits Other Than Pensions (Continued):

Annual OPEB Cost and Net OPEB Obligation:

The City’s annual other postemployment benefit (OPEB) cost (expense) for the plan is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations (assets), by plan, for fiscal years 2011 and 2010 were as follows:

| | Fiscal Year Ended | Annual OPEB Cost | Employer Contributions | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-----------------|-------------------|------------------|------------------------|--|---------------------|
| CWHIP | 6/30/11 | \$ 50,362 | \$ 384 | 0.76% | \$ 100,749 |
| CWHIP | 6/30/10 | \$ 51,155 | \$ 384 | 0.75% | \$ 50,771 |
| PEBP | 6/30/11 | \$ 87,183 | \$ 56,480 | 64.78% | \$ 65,887 |
| PEBP | 6/30/10 | \$ 87,767 | \$ 52,583 | 59.91% | \$ 35,184 |
| Combined Totals | 6/30/11 | \$ 137,545 | \$ 56,864 | | \$ 166,636 |
| Combined Totals | 6/30/10 | \$ 138,922 | \$ 52,967 | | \$ 85,955 |

Note that fiscal year 2009-2010 is the first year of prospective implementation; therefore, only one of the prior two years was available for disclosure.

The net OPEB obligation (NOPEBO) as of June 30, 2011, was calculated as follows:

| | CWHIP | PEBP | Total |
|--|------------|-----------|------------|
| Annual required contribution (ARC) | \$ 51,155 | \$ 87,767 | \$ 138,922 |
| Interest on beginning net OPEB obligation | 2,031 | 1,407 | 3,438 |
| ARC adjustment | (2,824) | (1,991) | (4,815) |
| Annual OPEB cost | 50,362 | 87,183 | 137,545 |
| Contributions made | (384) | (56,480) | (56,864) |
| Increase (decrease) in net OPEB obligation | 49,978 | 30,703 | 80,681 |
| Net OPEB obligation (asset), beginning of year | 50,771 | 35,184 | 85,955 |
| Net OPEB obligation (asset), end of year | \$ 100,749 | \$ 65,887 | \$ 166,636 |

**CITY OF WINNEMUCCA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 13 – Postemployment Benefits Other Than Pensions (Continued):

Funded Status and Funding Progress:

The funded status of the plans as of June 30, 2011, was as follows:

| | <u>CWHIP</u> | <u>PEBP</u> | <u>Total</u> |
|---|--------------|--------------|--------------|
| Accrued actuarial liability (a) | \$ 379,412 | \$ 1,578,378 | \$ 1,957,790 |
| Actuarial value of plan assets (b) | - | - | - |
| Unfunded actuarial accrued liability (a-b) | \$ 379,412 | \$ 1,578,378 | \$ 1,957,790 |
| Funded ratio (b) / (a) | 0.00% | 0.00% | 0.00% |
| Covered payroll (c) | \$ 2,204,337 | N/A | |
| Unfunded actuarial accrued liability as a A percentage of covered payroll ((a) – (b)) / (c) | 17.21% | N/A | |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events for into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the City and the plan members to that point. Actuarial calculations reflect long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are displayed on the next page:

**CITY OF WINNEMUCCA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 13 – Postemployment Benefits Other Than Pensions (Continued):

| | CWHIP | PEBP |
|---|---------------------------------------|--|
| Actuarial valuation date | 01/01/08 | 01/01/08 |
| Actuarial cost method | Entry Age Normal Cost | Entry Age Normal Cost |
| Amortization method | Level Dollar | Level Dollar |
| Amortization period (open and closed) | 30 years | 29 years |
| Asset valuation method | Market value | Market value |
| <u>Actuarial Assumptions:</u> | | |
| Investment rate of return | 4.00% | 4.00% |
| Projected salary increases | 6.50% -Regular 8.00% - Police/Fire | 6.50% - Regular 8.00% - Police/Fire |
| Health care inflation rate* | 9.00% | 9.00% |
| *Decreasing 1.0% each year until ultimate trend rate of 5.0% is reached | | |

NOTE 14 – Accounting Changes and Restatements:

The City implemented Governmental Accounting Standards Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which changed the classification of fund balances and clarified the definitions of the General Fund and other fund types. The City's Vacation and Sick Leave Liability Fund, Unemployment Compensation Fund, and Retiree Health Insurance Subsidy Fund no longer meet the definition of a special revenue fund under GASB statement 54 and, for financial reporting purposes, they are combined with the General Fund. A reconciliation has been provided in the notes to required supplementary information to reflect this change. Beginning fund balances in the General Fund and other governmental funds have been restated by \$516,968 to reflect this change. The adjustment can be seen on the face of the Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds on page 13.

**CITY OF WINNEMUCCA
SCHEDULE OF FUNDING PROGRESS
JUNE 30, 2011**

| | Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) – Entry Age Normal Cost (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|-------|--------------------------------|-------------------------------------|---|------------------------------------|--------------------------|------------------------|---|
| PEBP | 01/01/08 | \$ - | \$ 1,578,378 | \$ 1,578,378 | - | N/A** | N/A |
| CWHIP | 01/01/08 | - | 379,412 | 379,412 | - | 2,204,337 | 17.21% |

*Prospective implementation as of June 30, 2010

** Plan closed as of 9/1/2008

CITY OF WINNEMUCCA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2011
(PAGE 1 OF 5)

| | BUDGET AMOUNTS | | ACTUAL | VARIANCE TO FINAL BUDGET |
|-----------------------------|------------------|------------------|------------------|--------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Property taxes: | | | | |
| Ad valorem taxes | \$ 1,471,283 | \$ 1,471,283 | \$ 1,537,110 | \$ 65,827 |
| Other taxes: | | | | |
| Franchise taxes | 280,000 | 280,000 | 250,994 | (29,006) |
| Licenses and permits: | | | | |
| Business licenses | 240,000 | 240,000 | 229,361 | (10,639) |
| Local gaming licenses | 140,000 | 140,000 | 139,372 | (628) |
| Animal licenses | 12,000 | 12,000 | 13,549 | 1,549 |
| Building permits | 50,000 | 50,000 | 108,464 | 58,464 |
| City liquor licenses | 30,000 | 30,000 | 26,574 | (3,426) |
| | <u>472,000</u> | <u>472,000</u> | <u>517,320</u> | <u>45,320</u> |
| Intergovernmental revenues: | | | | |
| State shared revenues: | | | | |
| Consolidated tax revenue | 2,000,000 | 2,000,000 | 3,552,393 | 1,552,393 |
| Other local government | | | | |
| Airport fuel optional | 7,500 | 7,500 | 6,488 | (1,012) |
| State gaming license fee | 100,000 | 100,000 | 100,000 | - |
| Gasoline tax (.01 optional) | 52,000 | 52,000 | 61,591 | 9,591 |
| Gasoline tax (1.75) | 40,000 | 40,000 | 45,260 | 5,260 |
| Gasoline tax (2.35) | 144,000 | 144,000 | 143,054 | (946) |
| | <u>2,343,500</u> | <u>2,343,500</u> | <u>3,908,786</u> | <u>1,565,286</u> |
| Charges for services | | | | |
| Airport flow fee | 3,200 | 3,200 | 2,323 | (877) |
| Golf cart storage fee | 18,000 | 18,000 | 14,105 | (3,895) |
| Recreation fees - other | 200 | 200 | 282 | 82 |
| Sage Heights concessions | 800 | 800 | 1,031 | 231 |
| Sage Heights Pool fees | 10,000 | 10,000 | 11,895 | 1,895 |
| Memorial Pool fees | 31,000 | 31,000 | 33,806 | 2,806 |
| Police Department fees | 9,000 | 9,000 | 11,538 | 2,538 |
| Fire code plan fees | - | - | 16,309 | 16,309 |
| Golf course fees | 160,000 | 160,000 | 160,863 | 863 |
| Recreation program fees | 11,000 | 11,000 | 12,820 | 1,820 |
| Softball concessions | 6,000 | 6,000 | 6,000 | - |
| Softball program | 13,000 | 13,000 | 14,160 | 1,160 |
| | <u>262,200</u> | <u>262,200</u> | <u>285,132</u> | <u>22,932</u> |

**CITY OF WINNEMUCCA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2011
(PAGE 2 OF 5)**

| | BUDGET AMOUNTS | | ACTUAL | VARIANCE TO FINAL BUDGET |
|----------------------------------|------------------|------------------|------------------|--------------------------------|
| | ORIGINAL | FINAL | | |
| Miscellaneous: | | | | |
| Interest | \$ 70,000 | \$ 70,000 | \$ 94,838 | \$ 24,838 |
| Airport rent and leases | 35,000 | 35,000 | 37,834 | 2,834 |
| Miscellaneous sales and rentals | 15,000 | 15,000 | 16,521 | 1,521 |
| Street excavation | 1,000 | 1,000 | 391 | (609) |
| Cemetery plot sales | 7,000 | 7,000 | 5,850 | (1,150) |
| Cemetery burial services | 11,000 | 11,000 | 9,950 | (1,050) |
| Private donations | - | - | 31,666 | 31,666 |
| Management/equipment fees | 423,130 | 423,130 | 423,130 | - |
| | <u>562,130</u> | <u>562,130</u> | <u>620,180</u> | <u>58,050</u> |
| Total Revenues | <u>5,391,113</u> | <u>5,391,113</u> | <u>7,119,522</u> | <u>1,728,409</u> |
| EXPENDITURES | | | | |
| General Government: | | | | |
| Executive | | | | |
| City Council: | | | | |
| Salaries and wages | 44,400 | 44,400 | 44,660 | (260) |
| Employee benefits | 92,250 | 92,250 | 79,339 | 12,911 |
| Services and supplies | 2,500 | 2,500 | 2,197 | 303 |
| | <u>139,150</u> | <u>139,150</u> | <u>126,196</u> | <u>12,954</u> |
| City Clerk and Treasurer: | | | | |
| Salaries and wages | 149,000 | 149,000 | 138,594 | 10,406 |
| Employee benefits | 60,000 | 60,000 | 54,521 | 5,479 |
| Services and supplies | 43,550 | 43,550 | 35,152 | 8,398 |
| Capital outlay | 22,000 | 22,000 | 12,246 | 9,754 |
| | <u>274,550</u> | <u>274,550</u> | <u>240,513</u> | <u>34,037</u> |
| City Manager: | | | | |
| Salaries and wages | 132,000 | 132,000 | 132,132 | (132) |
| Employee benefits | 37,600 | 37,600 | 39,228 | (1,628) |
| Services and supplies | 2,800 | 2,800 | 1,580 | 1,220 |
| | <u>172,400</u> | <u>172,400</u> | <u>172,940</u> | <u>(540)</u> |
| Administration: | | | | |
| Salaries and wages | 39,000 | 39,000 | 39,285 | (285) |
| Employee benefits | 18,400 | 18,400 | 21,550 | (3,150) |
| Services and supplies | 268,300 | 268,300 | 238,685 | 29,615 |
| | <u>325,700</u> | <u>325,700</u> | <u>299,520</u> | <u>26,180</u> |
| Total General Government | <u>911,800</u> | <u>911,800</u> | <u>839,169</u> | <u>72,631</u> |

CITY OF WINNEMUCCA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2011
(PAGE 3 OF 5)

| | BUDGET AMOUNTS | | ACTUAL | VARIANCE TO FINAL BUDGET |
|-----------------------|------------------|------------------|------------------|--------------------------------|
| | ORIGINAL | FINAL | | |
| Public Safety: | | | | |
| Police: | | | | |
| Salaries and wages | \$ 1,455,000 | \$ 1,455,000 | \$ 1,333,119 | \$ 121,881 |
| Employee benefits | 831,500 | 831,500 | 711,668 | 119,832 |
| Services and supplies | 328,480 | 328,480 | 329,525 | (1,045) |
| Capital outlay | 62,100 | 62,100 | 54,252 | 7,848 |
| | <u>2,677,080</u> | <u>2,677,080</u> | <u>2,428,564</u> | <u>248,516</u> |
| Building Inspector: | | | | |
| Salaries and wages | 70,000 | 70,000 | 69,995 | 5 |
| Employee benefits | 24,200 | 24,200 | 24,625 | (425) |
| Services and supplies | 24,147 | 24,147 | 23,183 | 964 |
| | <u>118,347</u> | <u>118,347</u> | <u>117,803</u> | <u>544</u> |
| Fire Department: | | | | |
| Salaries and wages | 73,000 | 73,000 | 66,047 | 6,953 |
| Employee benefits | 95,100 | 95,100 | 88,555 | 6,545 |
| Services and supplies | 35,800 | 35,800 | 38,758 | (2,958) |
| Capital outlay | 14,500 | 14,500 | 26,957 | (12,457) |
| | <u>218,400</u> | <u>218,400</u> | <u>220,317</u> | <u>(1,917)</u> |
| Total Public Safety | <u>3,013,827</u> | <u>3,013,827</u> | <u>2,766,684</u> | <u>247,143</u> |
| Judicial: | | | | |
| City Attorney | | | | |
| Salaries and wages | 74,200 | 74,200 | 74,384 | (184) |
| Employee benefits | 18,700 | 18,700 | 19,368 | (668) |
| Services and supplies | 500 | 500 | 375 | 125 |
| Total Judicial | <u>93,400</u> | <u>93,400</u> | <u>94,127</u> | <u>(727)</u> |
| Public Works: | | | | |
| Street Department | | | | |
| Salaries and wages | 192,000 | 192,000 | 207,463 | (15,463) |
| Employee benefits | 79,800 | 79,800 | 68,525 | 11,275 |
| Services and supplies | 363,750 | 363,750 | 302,179 | 61,571 |
| Capital outlay | 11,500 | 11,500 | 7,709 | 3,791 |
| | <u>647,050</u> | <u>647,050</u> | <u>585,876</u> | <u>61,174</u> |
| Airport: | | | | |
| Salaries and wages | 10,000 | 10,000 | 7,996 | 2,004 |
| Employee benefits | 1,300 | 1,300 | 950 | 350 |
| Services and supplies | 45,050 | 45,050 | 32,665 | 12,385 |
| Capital outlay | - | - | 7,732 | (7,732) |
| | <u>56,350</u> | <u>56,350</u> | <u>49,343</u> | <u>7,007</u> |

CITY OF WINNEMUCCA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2011
(PAGE 4 OF 5)

| | BUDGET AMOUNTS | | ACTUAL | VARIANCE TO FINAL BUDGET |
|-------------------------|----------------|----------------|----------------|--------------------------------|
| | ORIGINAL | FINAL | | |
| Cemetery: | | | | |
| Salaries and wages | \$ 59,000 | \$ 59,000 | \$ 59,237 | \$ (237) |
| Employee benefits | 22,600 | 22,600 | 23,557 | (957) |
| Services and supplies | (1,400) | (1,400) | (684) | (716) |
| Capital outlay | 2,700 | 2,700 | - | 2,700 |
| | <u>82,900</u> | <u>82,900</u> | <u>82,110</u> | <u>790</u> |
| City Engineer: | | | | |
| Services and supplies | <u>775</u> | <u>775</u> | <u>77</u> | <u>698</u> |
| Public Buildings: | | | | |
| Salaries and wages | 44,500 | 44,500 | 21,071 | 23,429 |
| Employee benefits | 19,750 | 19,750 | 17,390 | 2,360 |
| Services and supplies | <u>60,700</u> | <u>60,700</u> | <u>45,839</u> | <u>14,861</u> |
| | <u>124,950</u> | <u>124,950</u> | <u>84,300</u> | <u>40,650</u> |
| Planning Department: | | | | |
| Services and supplies | <u>24,170</u> | <u>24,170</u> | <u>24,376</u> | <u>(206)</u> |
| Total Public Works | <u>936,195</u> | <u>936,195</u> | <u>826,082</u> | <u>110,113</u> |
| Culture and Recreation: | | | | |
| Parks: | | | | |
| Salaries and wages | 280,300 | 280,300 | 255,397 | 24,903 |
| Employee benefits | 122,550 | 122,550 | 119,343 | 3,207 |
| Services and supplies | 7,980 | 7,980 | (66,797) | 74,777 |
| Capital outlay | <u>56,500</u> | <u>56,500</u> | <u>64,774</u> | <u>(8,274)</u> |
| | <u>467,330</u> | <u>467,330</u> | <u>372,717</u> | <u>94,613</u> |
| Recreation | | | | |
| Salaries and wages | 69,000 | 69,000 | 69,219 | (219) |
| Employee benefits | 25,250 | 25,250 | 25,289 | (39) |
| Services and supplies | 31,300 | 31,300 | 26,471 | 4,829 |
| Capital outlay | <u>4,500</u> | <u>4,500</u> | <u>-</u> | <u>4,500</u> |
| | <u>130,050</u> | <u>130,050</u> | <u>120,979</u> | <u>9,071</u> |

**CITY OF WINNEMUCCA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2011
(PAGE 5 OF 5)**

| | BUDGET AMOUNTS | | ACTUAL | VARIANCE TO FINAL BUDGET |
|--|---------------------|---------------------|---------------------|--------------------------------|
| | ORIGINAL | FINAL | | |
| Pools | | | | |
| Salaries and wages | \$ 82,000 | \$ 82,000 | \$ 82,851 | \$ (851) |
| Employee benefits | 10,700 | 10,700 | 13,852 | (3,152) |
| Services and supplies | 97,050 | 97,050 | 84,446 | 12,604 |
| Capital outlay | 4,500 | 4,500 | 9,829 | (5,329) |
| | <u>194,250</u> | <u>194,250</u> | <u>190,978</u> | <u>3,272</u> |
| Total Culture and Recreation | <u>791,630</u> | <u>791,630</u> | <u>684,674</u> | <u>106,956</u> |
| Total Expenditures | <u>5,746,852</u> | <u>5,746,852</u> | <u>5,210,736</u> | <u>536,116</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(355,739)</u> | <u>(355,739)</u> | <u>1,908,786</u> | <u>2,264,525</u> |
| OTHER FINANCING (USES) | | | | |
| Transfers in (out): | | | | |
| Capital Improvement Fund | (100,000) | (100,000) | (100,000) | - |
| Retiree Health Insurance Subsidy Fund | (100,000) | (100,000) | (100,000) | - |
| Contingency | (162,268) | (162,268) | - | 162,268 |
| Total Other Financing Sources (Uses) | <u>(362,268)</u> | <u>(362,268)</u> | <u>(200,000)</u> | <u>162,268</u> |
| Net Change in Fund Balances | (718,007) | (718,007) | 1,708,786 | 2,426,793 |
| FUND BALANCES, July 1, | <u>5,764,689</u> | <u>5,764,689</u> | <u>7,141,682</u> | <u>1,376,993</u> |
| FUND BALANCES, June 30 | <u>\$ 5,046,682</u> | <u>\$ 5,046,682</u> | <u>\$ 8,850,468</u> | <u>\$ 3,803,786</u> |

See Accompanying Notes

CITY OF WINNEMUCCA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2011

NOTE 1 - Explanation of Differences between Budgetary Revenues and Expenditures and GAAP Revenues and Expenditures.

With the implementation of GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the budgetary basis of accounting for the General Fund differs from generally accepted accounting principles (GAAP). GAAP now requires certain amounts reported in special revenue funds for budgetary purposes to be included in the General Fund for external financial reporting.

These special revenue funds of the City of Winnemucca (Vacation and Sick Leave Liability Fund, Unemployment Compensation Fund, and Retiree Health Insurance Subsidy Fund) no longer meet the GAAP definition of special revenue funds and, therefore, are combined with the General Fund on the Statement of Revenues, Expenditures and Changes in Fund Balance for external reporting purposes. The adjustments to the General Fund actual (budgetary basis) to the General Fund actual (GAAP Basis) are reflected in the reconciliation below.

| | <u>General Fund</u> |
|--|-------------------------|
| Expenditures | |
| "Total Expenditures" from budgetary comparison schedule (p.43) | \$ 5,210,736 |
| Reclassifications: | |
| Budgetary special revenue fund expenditures are reclassified to the General Fund for GAAP reporting as follows: | |
| Unemployment Compensation Fund (General Government Function) | 6,436 |
| Retiree Health Insurance Subsidy Fund (General Government Function) | <u>56,480</u> |
| Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds | <u>\$ 5,273,652</u> |
| Other Financing Sources (Uses) | |
| "Total Other Financing Sources (Uses)" from budgetary comparison schedule (p. 43) | \$ (200,000) |
| Reclassifications: | |
| Transfers from the General Fund to the budgetary special revenue funds are added back to the General Fund for GAAP reporting as follows: | |
| Retiree Health Insurance Subsidy Fund | <u>100,000</u> |
| Total other financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds | <u>\$ (100,000)</u> |