

**TOWN OF CLARKDALE, ARIZONA**

**Annual Expenditure Limitation Report  
and Independent Accountants' Report  
June 30, 2014**

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CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT ACCOUNTANTS' REPORT

The Auditor General of the State of Arizona and  
The Honorable Mayor and Town Council  
of the Town of Clarkdale, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Town of Clarkdale, Arizona for the year ended June 30, 2014. This report is the responsibility of the management. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report of Town of Clarkdale, Arizona referred to above presents, in all material respects, the information prescribed by the uniform expenditure reporting system as described in **Note 1**.

October 24, 2014

**TOWN OF CLARKDALE, ARIZONA**  
**Annual Expenditure Limitation Report - Part I**  
**Year Ended June 30, 2014**

|  |                      |
|--|----------------------|
| 1. Voter approved expenditure limitation<br>(Approved March 9, 2010)                           | \$ 20,306,579        |
| 2. Amount subject to the expenditure limitation (total amount<br>from <b>Part II, Line C</b> ) | <u>6,840,992</u>     |
| 3. Amount under the expenditure limitation   | <u>\$ 13,465,587</u> |

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of Chief Fiscal Officer: Kathy Bainbridge  
Name and Title: Kathy Bainbridge Clerk-Finance Dir  
Telephone Number: 928-639-2445 Date: 11-19-2014

*See accompanying notes to report.*

**TOWN OF CLARKDALE, ARIZONA**  
**Annual Expenditure Limitation Report – Part II**  
**Year Ended June 30, 2014**

| <u>Description</u>  | <u>Governmental<br/>Funds</u> | <u>Enterprise<br/>Funds</u> | <u>Total</u>               |
|---|-------------------------------|-----------------------------|----------------------------|
| A. Amounts reported on the<br><b>Reconciliation, Line D</b> | <u>\$ 3,367,330</u>           | <u>\$ 3,473,662</u>         | <u>\$ 6,840,992</u>        |
| B. Less exclusions claimed:                                 | <u>-</u>                      | <u>-</u>                    | <u>-</u>                   |
| C. Amounts subject to the<br>expenditure limitation         | <u><u>\$ 3,367,330</u></u>    | <u><u>\$ 3,473,662</u></u>  | <u><u>\$ 6,840,992</u></u> |

*See accompanying notes to report.*

**TOWN OF CLARKDALE, ARIZONA**  
**Annual Expenditure Limitation Report – Reconciliation**  
**Year Ended June 30, 2014**

| Description   | Governmental<br>Funds | Enterprise<br>Funds | Total        |
|---|-----------------------|---------------------|--------------|
| A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements | \$ 3,367,330          | \$ 2,118,110        | \$ 5,485,440 |
| B. Subtractions   |                       |                     |              |
| 1. Items not requiring use of working capital   |                       |                     |              |
| a. Depreciation and amortization  | -                     | 452,826             | 452,826      |
| b. Loss on disposal of capital assets   | -                     | 49,427              | 49,427       |
| 2. Expenditures of separate legal entities established under Arizona Revised Statutes   | -                     | -                   | -            |
| 3. Present value of minimum capital lease and installment purchase contract payments recorded as expenditures at inception of the agreements                        | -                     | -                   | -            |
| 4. Involuntary court judgments  | -                     | -                   | -            |
| Total subtractions  | -                     | 502,253             | 502,253      |
| C. Additions  |                       |                     |              |
| 1. Principal payments on long-term debt   | -                     | 428,793             | 428,793      |
| 2. Acquisition of capital assets  | -                     | 1,429,012           | 1,429,012    |
| Total additions   | -                     | 1,857,805           | 1,857,805    |
| D. Amounts reported on Part II, Line A  | \$ 3,367,330          | \$ 3,473,662        | \$ 6,840,992 |

*See accompanying notes to report.*

**TOWN OF CLARKDALE, ARIZONA**  
**Notes to Annual Expenditure Limitation Report**  
**Year Ended June 30, 2014**

***NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The Annual Expenditure Limitation Report (AELR) is presented on the basis of accounting prescribed by the *Uniform Expenditure Reporting System* (UERS), as required by Arizona Revised Statutes Section 41-1279.07, and in accordance with the voter approved alternative expenditure limitation adopted March 9, 2010, as authorized by the Arizona Constitution, Article IX, Section 20(9).

In accordance with the UERS requirements, a note to the AELR is presented below for any exclusion claimed on Part II and each deduction or addition in the Reconciliation that cannot be traced directly to an amount reported in the fund financial statements. All references to financial statement amounts in the following notes refer to the Statement of Revenues, Expenditures, and Changes in Fund Balance for the Governmental Funds, Statement of Revenues, Expenses, and Changes in Fund Net Position for the Proprietary Funds, and the Statement of Cash Flows for the Proprietary Funds.