

**TOWN OF CLARKDALE, ARIZONA**

Annual Expenditure Limitation Report  
and Independent Accountants' Report  
June 30, 2015

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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 the Town of Clarkdale, Arizona for the year ended June 30, 2015. 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 the 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**.

A handwritten signature in cursive script that reads 'Colby &amp; Powell'.

December 17, 2015

**TOWN OF CLARKDALE, ARIZONA**  
**Annual Expenditure Limitation Report - Part I**  
**Year Ended June 30, 2015**

1. Voter approved expenditure limitation (Approved April 22, 2014)	\$ 17,358,758
2. Amount subject to the expenditure limitation (total amount from <b>Part II, Line C</b> )	<u>6,711,906</u>
3. Amount under the expenditure limitation	<u><u>\$ 10,646,852</u></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: \_\_\_\_\_

Name and Title: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Date: \_\_\_\_\_

*See accompanying notes to report.*

**TOWN OF CLARKDALE, ARIZONA**  
**Annual Expenditure Limitation Report – Part II**  
**Year Ended June 30, 2015**

Description	Governmental Funds	Enterprise Funds	Total
A. Amounts reported on the <b>Reconciliation, Line D</b>	<u>\$ 3,443,737</u>	<u>\$ 3,268,169</u>	<u>\$ 6,711,906</u>
B. Less exclusions claimed:	<u>-</u>	<u>-</u>	<u>-</u>
C. Amounts subject to the expenditure limitation	<u><u>\$ 3,443,737</u></u>	<u><u>\$ 3,268,169</u></u>	<u><u>\$ 6,711,906</u></u>

*See accompanying notes to report.*

**TOWN OF CLARKDALE, ARIZONA**  
**Annual Expenditure Limitation Report – Reconciliation**  
**Year Ended June 30, 2015**

Description	Governmental Funds	Enterprise Funds	Total
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements	<u>\$ 3,443,737</u>	<u>\$ 2,195,296</u>	<u>\$ 5,639,033</u>
B. Subtractions			
Items not requiring use of working capital			
Depreciation and amortization	-	506,853	506,853
Pension expense	-	50,563	50,563
Total subtractions	<u>-</u>	<u>557,416</u>	<u>557,416</u>
C. Additions			
Principal payments on long-term debt	-	1,120,662	1,120,662
Pension contributions paid in the current year	-	39,754	39,754
Acquisition of capital assets	-	469,873	469,873
Total additions	<u>-</u>	<u>1,630,289</u>	<u>1,630,289</u>
D. Amounts reported on <b>Part II, Line A</b>	<u><u>\$ 3,443,737</u></u>	<u><u>\$ 3,268,169</u></u>	<u><u>\$ 6,711,906</u></u>

*See accompanying notes to report.*

**TOWN OF CLARKDALE, ARIZONA**  
**Notes to Annual Expenditure Limitation Report**  
**Year Ended June 30, 2015**

***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 April 22, 2015, 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.

***NOTE 2 – PENSIONS***

The subtraction of \$50,563 for pension expense consists of the change in the net pension liability recognized in the current year in the Enterprise Funds. The addition of \$39,754 for pension contributions paid in the current year consists of the required pension contributions made to the Arizona State Retirement System from the Enterprise Funds.