

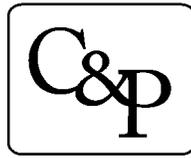
CITY OF COOLIDGE, ARIZONA

Annual Expenditure Limitation Report
and Independent Accountants' Report

June 30, 2019

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANTS' REPORT

The Auditor General of the State of Arizona
The Honorable Mayor and City Council of the
City of Coolidge, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of the City of Coolidge, Arizona, for the year ended June 30, 2019, and the related notes to the report. The City's management is responsible for presenting this report in accordance with the uniform expenditure reporting system as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the uniform expenditure reporting system in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion

In our opinion, the annual expenditure limitation report referred to above is presented in accordance with the uniform expenditure reporting system as described in Note 1 in all material respects.

Colby + Powell

December 27, 2019

CITY OF COOLIDGE, ARIZONA
Annual Expenditure Limitation Report - Part I
Year Ended June 30, 2019

1. Economic Estimates Commission expenditure limitation	\$ 44,853,120
2. Amount subject to the expenditure limitation (total amount from Part II, Line C)	<u>16,558,675</u>
3. Amount under (in excess of) the expenditure limitation (if excess expenditures are reported, provide an explanation.)	<u><u>\$ 28,294,445</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.

CITY OF COOLIDGE, ARIZONA
Annual Expenditure Limitation Report - Part II
Year Ended June 30, 2019

Description	Governmental Funds	Enterprise Funds	Fiduciary Funds	Total
A. Amounts reported on the reconciliation, line D	\$ 14,389,995	\$ 2,508,458	\$ 2,250	\$ 16,900,703
B. Less exclusions claimed:	-	-	-	-
C. Amounts subject to the expenditure limitation	<u>\$ 14,389,995</u>	<u>\$ 2,508,458</u>	<u>\$ 2,250</u>	<u>\$ 16,900,703</u>

See accompanying notes to report.

CITY OF COOLIDGE, ARIZONA
Annual Expenditure Limitation Report - Reconciliation
Year Ended June 30, 2019

Description	Governmental Funds	Enterprise Funds	Fiduciary Funds	Total
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements	\$ 14,420,456	\$ 2,476,665	\$ 2,250	\$ 16,899,371
B. Subtractions:				
1. Items not requiring use of current financial resources:				
a. Depreciation	-	758,726	-	758,726
Required fees paid to the Arizona Department of Revenue	30,461	-	-	30,461
Total Subtractions	<u>30,461</u>	<u>758,726</u>	<u>-</u>	<u>789,187</u>
C. Additions:				
1. Principal payments on long-term debt	-	163,398	-	163,398
2. Capital asset acquisitions	-	439,251	-	439,251
3. Pension and OPEB contributions paid in the current year	-	187,870	-	187,870
Total additions	<u>-</u>	<u>790,519</u>	<u>-</u>	<u>790,519</u>
D. Amounts reported on Part II, Line A	<u>\$ 14,389,995</u>	<u>\$ 2,508,458</u>	<u>\$ 2,250</u>	<u>\$ 16,900,703</u>

See accompanying notes to report.

CITY OF COOLIDGE, ARIZONA
Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual expenditure limitation report (AELR) is presented as prescribed by the uniform expenditure reporting system (UERS), as required by Arizona Revised Statutes §41-1279.07. The AELR excludes expenditures, expenses, or deductions of certain revenues specified in the Arizona Constitution, Article IX, §20, from the total expenditures, expenses, or deductions reported in the fund financial statements.

In accordance with the UERS, a note to the AELR is presented below for any exclusion claimed on part II and each subtraction 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 balances for the governmental funds; statement of revenues, expenses, and changes in fund net position for the proprietary funds; statement of cash flows for the proprietary funds; and the statement of changes in fiduciary net position for the fiduciary funds.

NOTE 2 – PENSION AND OTHER POST-EMPLOYMENT BENEFITS EXPENSE AND CONTRIBUTIONS

The \$187,870 addition for pension and OPEB contributions paid in the current year consists of the required pension and OPEB contributions made to the Arizona State Retirement System from the enterprise funds.

NOTE 3 – LONG-TERM DEBT PRINCIPAL PAYMENTS

The addition of \$163,398 for principal payments on long-term debt in the enterprise funds consists of principal paid on loans payable in the Liquid Waste Fund of \$113,258 and principal paid on capital leases in the Airport Fund of \$50,140.

NOTE 3 – CAPITAL ASSET ACQUISITION

Capital asset acquisitions presented as additions in the enterprise funds are as follows:

Liquid waste - Equipment	\$ 62,963	
Airport - Work in progress	376,288	
	\$ 439,251	

NOTE 4 – REQUIRED FEES PAID TO THE ARIZONA DEPARTMENT OF REVENUE

The subtraction of \$30,461 are fees paid to the Arizona Department of Revenue pursuant to ARS §42-5041 to recover a portion of administrative, program, and other operating costs the Department incurred in providing administrative and collection services to the City of Coolidge.