CITY OF COOLIDGE, ARIZONA

Report on Audit of
Annual Expenditure Limitation Report

June 30, 2013

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying Annual Expenditure Limitation Report of the City of Coolidge, Arizona, for the year ended June 30, 2013. This report is the responsibility of the City's management. Our responsibility is to express an opinion on this report based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the report. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall report presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Annual Expenditure Limitation Report was prepared for the purpose of complying with the uniform expenditure reporting system as discussed in Note 1, and is not intended to be a presentation in conformity with U.S. generally accepted accounting principles.

In our opinion, the Annual Expenditure Limitation Report of the City of Coolidge, Arizona, for the year ended June 30, 2013, referred to above presents fairly, in all material respects, the information required by the uniform expenditure reporting system on the basis of accounting described in Note 1.

This report is intended solely for the information and use of management, and for filing with the Auditor General of the State of Arizona, and is not intended to be and should not be used by anyone other then these specified parties.

Colby + Powell

November 20, 2013

CITY OF COOLIDGE, ARIZONA

Annual Expenditure Limitation Report - Part I
Year Ended June 30, 2013

1.	Economic Estimates Commission expenditure limitation	$ -	
2.	Voter-approved alternative expenditure limitation (Approved March 9, 2010)	39,919,546	
3.	Enter applicable amount from Line 1 or Line 2		$ 39,919,546
4.	Amount subject to the expenditure limitation (total amount from Part II, Line C)	16,031,548	
5.	Board-authorized expenditures necessitated by a disaster declared by the Governor (Article IX, Sec. 20[2][a], Arizona Constitution)	-	
6.	Board-authorized expenditures necessitated by a disaster not declared by the Governor (Article IX, Sec. 20[2][b], Arizona Constitution)	-	
7.	Prior-year voter-approved expenditures to exceed the expenditure limitation for the reporting fiscal year (Article IX, Sec. 20[2][c], Arizona Constitution)	-	
8.	Subtotal	16,031,548	
9.	Board-authorized excess expenditures for the previous fiscal year not declared by the Governor and not approved by the voters (Article IX, Sec. 20[2][b], Arizona Constitution)	-	
10.	Total adjusted amount subject to the expenditure limitation		16,031,548
11.	Amount under (in excess of) the expenditure limitation (if excess expenditures are reported, provide an explanation.)		$ 23,887,998

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: Lisa Pannella

Name and Title: Lisa Pannella, Finance Director/CFO

Telephone No.: (520) 723-5361 Date: 11-20-2013

See accompanying notes.

CITY OF COOLIDGE, ARIZONA

Annual Expenditure Limitation Report - Part II
Year Ended June 30, 2013

Description	Governmental Funds	Enterprise Funds	Fiduciary Funds	Total
A. Amounts reported on the reconciliation, Line D	$ 12,979,855	$ 3,050,303	$ 1,390	$ 16,031,548
B. Less exclusions claimed (Note 1)	-	-	-	-
C. Amounts subject to the expenditure limitation	$ 12,979,855	$ 3,050,303	$ 1,390	$ 16,031,548

See accompanying notes.

CITY OF COOLIDGE, ARIZONA

Annual Expenditure Limitation Report - Reconciliation
Year Ended June 30, 2013

Description	Governmental Funds	Enterprise Funds	Fiduciary Funds	Total
A. Total expenditures/expenses and applicable other financing uses reported within the general purpose financial statements	$ 12,979,855	$ 2,296,732	$ 1,390	$ 15,277,977
B. Subtractions:				
1. Items not requiring the use of working capital:				
Depreciation	-	(633,382)	-	(633,382)
Loss on disposal of capital assets	-	-	-	-
Bad debt expense	-	(64,845)	-	(64,845)
Claims incurred but not reported	-	-	-	-
Landfill closure and postclosure care costs	-	-	-	-
2. Expenditures of separate legal entities established under Arizona Revised Statutes	-	-	-	-
3. Present value of net minimum capital lease and installment purchase contract payments recorded as expenditures at inception of the agreements	-	-	-	-
4. Involuntary court judgments	-	-	-	-
5. Total Subtractions	-	(698,227)	-	(698,227)
C. Additions:				
1. Principal payments on long-term debt	-	120,458	-	120,458
2. Acquisition of capital assets	-	1,331,340	-	1,331,340
3. Claims paid in the current year but reported as expenses incurred but not reported in previous years	-	-	-	-
4. Landfill closure and postclosure care costs recorded as expended in previous years	-	-	-	-
5. Total Additions	-	1,451,798	-	1,451,798
D. Amounts reported on Part II, Line A	$ 12,979,855	$ 3,050,303	$ 1,390	$ 16,031,548

See accompanying notes.

CITY OF COOLIDGE, ARIZONA

Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2013

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-based 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 Assets for the Proprietary Funds, and the Statement of Cash Flows for the Proprietary Funds, and the Statement of Fiduciary Net Assets for the Fiduciary Funds.

NOTE 2 – LONG-TERM DEBT PRINCIPAL PAYMENTS

The addition for principal payments on long-term debt in the enterprise funds consists of the following debt payments:

Note Payable - Liquid waste fund	$ 120,458

NOTE 3 – CAPITAL ASSET ACQUISITION

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

Liquid waste - Equipment	$ 79,791
Solid waste - Equipment	77,726
Airport - Land improvements	445,093
Airport - Construction in progress	728,730
	$ 1,331,340