

TOWN OF SUPERIOR, ARIZONA

Annual Expenditure Limitation Report
and Independent Auditors' Report
June 30, 2011

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Independent Auditors' Report on AELR

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

We have audited the accompanying Annual Expenditure Limitation Report of the Town of Superior, Arizona, for the year ended June 30, 2011. This report is the responsibility of the Town of Superior, Arizona's management. Our responsibility is to express an opinion on this report based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual expenditure limitation 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.

During the course of our audit of the financial statements of the Town of Superior, Arizona as of and for the year ended June 30, 2011, management was unable to provide documentation related to several significant revenue and cash disbursement transactions or an accurate listing of accounts receivable for the Ambulance Fund. As a result, we were unable to form opinions on whether the financial statements of the Governmental Activities, Business-Type Activities, General Fund, Utilities Fund, and the Ambulance Fund were free of material misstatement. Therefore, we did not express an opinion on the financial statements of the Governmental Activities, Business-Type Activities, General Fund, Utilities Fund, and the Ambulance Fund of the Town of Superior, Arizona as of and for the year ended June 30, 2011.

Because of the significance of the matters discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the Annual Expenditure Limitation Report of the Town of Superior, Arizona, for the year ended June 30, 2011.

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 accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Town and filing with the Auditor General of the State of Arizona and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

HintonBurdick, PLLC
Flagstaff, Arizona
June 5, 2015

TOWN OF SUPERIOR, ARIZONA
Annual Expenditure Limitation Report – Part I
Year Ended June 30, 2011

1. Voter-approved alternative expenditure limitation (Approved December 18, 2008)	\$ 4,936,825
2. Amount subject to the expenditure limitation (total amount from Part II, Line C)	<u>3,971,153</u>
3. Amount under the expenditure limitation	<u><u>\$ 965,672</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 SUPERIOR, ARIZONA
Annual Expenditure Limitation Report – Part II
Year Ended June 30, 2011

Description	Governmental Funds	Enterprise Funds	Fiduciary Funds	Total
A. Amounts reported on the Reconciliation, Line D	\$ 2,826,120	\$ 1,144,112	\$ 921	\$ 3,971,153
B. Less exclusions claimed: (Note 1)	-	-	-	-
C. Amounts subject to the expenditure limitation	<u>\$ 2,826,120</u>	<u>\$ 1,144,112</u>	<u>\$ 921</u>	<u>\$ 3,971,153</u>

See accompanying notes to report.

TOWN OF SUPERIOR, ARIZONA
Annual Expenditure Limitation Report – Reconciliation
Year Ended June 30, 2011

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	\$ 2,965,205	\$ 1,273,597	\$ 921	\$ 4,239,723
B. Subtractions				
Items not requiring use of working capital:				
Depreciation	-	132,952	-	132,952
Expenditures of separate legal entities established under Arizona Revised Statutes	139,085	-	-	139,085
Total subtractions	139,085	132,952	-	272,037
C. Additions				
Acquisition of capital assets	-	3,467	-	3,467
Total additions	-	3,467	-	3,467
D. Amounts reported on Part II, Line A	\$ 2,826,120	\$ 1,144,112	\$ 921	\$ 3,971,153

See accompanying notes to report.

TOWN OF SUPERIOR, ARIZONA
Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2011

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 December 18, 2008, as authorized by the Arizona Constitution, Article IX, Section 20(9).

In accordance with the UERS requirements, a note to the AELR is presented 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 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, the Statement of Cash Flows for the Proprietary Funds, and the Statement of Fiduciary Net Position for the Fiduciary Funds.

Using a voter approved alternative expenditure limitation, there are no constitutionally allowed exclusions available to the Town in determining the amount subject to the expenditure limitation. Therefore, there are no exclusions taken in Part II of the Annual Expenditure Limitation Report.