TOWN OF SUPERIOR, ARIZONA

Annual Expenditure Limitation Report
and Independent Accountants' Report
June 30, 2019

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HINTON BURDICK
CPAs & ADVISORS

Independent Accountants' Report on AELR

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

We have examined management of the Town of Superior Arizona's assertion that the accompanying Annual Expenditure Limitation Report for the year ended June 30, 2019, presents, in all material respects the information prescribed by the uniform expenditure reporting system as required by Arizona Statute 41-1279.07, and in accordance with the voter-approved alternative expenditure limitation, as authorized by Arizona Constitution, Article IX, Section 20(9). This report and assertion are the responsibility of the Town of Superior, Arizona's management. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted 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 management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, 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, management's assertion that the Annual Expenditure Limitation Report of the Town of Superior, Arizona, referred to above presents, in all material respects, the information prescribed by the uniform expenditure reporting system as described in Note 1.

HintonBurdick, PLLC

HintonBurdick, PLLC
Flagstaff, Arizona
October 1, 2019

TOWN OF SUPERIOR, ARIZONA
Annual Expenditure Limitation Report – Part I
Year Ended June 30, 2019

1. Voter-approved alternative expenditure limitation $ 6,780,892

2. Amount subject to the expenditure limitation (total
   amount from Part II, Line C) 4,110,145

3. Amount under the expenditure limitation $ 2,670,747

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: _____Todd Pryor, Town Manager_____

Telephone Number: __(520) 689-5752_____ Date: ___10/01/2019_____

Description	Governmental Funds	Enterprise Funds	Fiduciary Funds	Total
A. Amounts reported on the Reconciliation, Line D	$ 3,356,424	$ 752,400	$ 1,321	$ 4,110,145
B. Less exclusions claimed: (Note 1)	-	-	-	-
C. Amounts subject to the expenditure limitation	$ 3,356,424	$ 752,400	$ 1,321	$ 4,110,145

See accompanying notes to report.

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	$ 3,365,263	$ 807,851	$ 1,321	$ 4,174,435
B. Subtractions				
Items not requiring use of working capital:				
Depreciation	-	58,130	-	58,130
Pension expense and other postemployment benefits (OPEB) expense	-	35,542	-	35,542
Present value of net minimum capital lease and installment purchase contract payments recorded as expenditures at the agreements' inception	8,839	-	-	8,839
Total subtractions	8,839	93,672	-	102,511
C. Additions				
Capital asset acquisitions	-	5,422	-	5,422
Pension and OPEB contributions paid in the currer	-	32,799	-	32,799
Total additions	-	38,221	-	38,221
D. Amounts reported on Part II, Line A	$ 3,356,424	$ 752,400	$ 1,321	$ 4,110,145

See accompanying notes to report.

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, and in accordance with the voter-approved alternative expenditure limitation adopted September 8, 2016, as authorized by the Arizona Constitution, Article IX, §20(9).

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 POSTEMPLOYMENT BENEFITS (OPEB) EXPENSE AND CONTRIBUTIONS

The subtraction of $35,542 for pension expense consists of the change in the net pension liability recognized in the current year in the enterprise funds. The addition of $32,799 for pension contributions paid in the current year consists of the required pension contributions made to the Arizona State Retirement System and Public Safety Personnel Retirement System from the enterprise funds.