

TOWN OF DEWEY-HUMBOLDT, ARIZONA
REPORT ON AUDIT OF ANNUAL
EXPENDITURE LIMITATION REPORT
FOR THE YEAR ENDED JUNE 30, 2020

TOWN OF DEWEY-HUMBOLDT, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT
FOR THE YEAR ENDED JUNE 30, 2020

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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 Dewey-Humboldt, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Town of Dewey-Humboldt, Arizona for the year ended June 30, 2020. The Town'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.

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 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 judgment, 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 of Town of Dewey-Humboldt, Arizona, referred to above is presented in accordance with the uniform expenditure reporting system as described in Note 1 in all material respects.

Henry + Horne, LLP

Tempe, Arizona
September 29, 2020

TOWN OF DEWEY-HUMBOLDT, ARIZONA
 ANNUAL EXPENDITURE LIMITATION REPORT - RECONCILIATION
 Year Ended June 30, 2020

1	Economic Estimates Commission expenditure limitation	<u>\$ 4,696,950</u>
2	Voter-approved alternative expenditure limitation	N/A
3	Enter applicable amount from line 1 or line 2	<u>\$ 4,696,950</u>
4	Amount subject to the expenditure limitation (total amount from Part II, Line C)	1,700,191
5	Board-authorized expenditures necessitated by a disaster declared by the Governor (Article IX, Sec. 20(2)(a), Arizona Constitution)	N/A
6	Board-authorized expenditures necessitated by a disaster not declared by the Governor (Article IX, Sec. 20(2)(b), Arizona Constitution)	N/A
7	Prior-year voter-approved expenditures to exceed the expenditure limitation for the reporting fiscal year (Article IX, Sec. 20(2)(c), Arizona Constitution)	<u>N/A</u>
8	Subtotal	1,700,191
9	Board-authorized excess expenditures for the previous fiscal year necessitated by a disaster not declared by the Governor and not approved by the voters (Article IX, Sec. 20(2)(b), Arizona Constitution)	N/A
10	Total adjusted amount subject to the expenditure limitation	<u>1,700,191</u>
11	Amount under (in excess of) the expenditure limitation (If excess expenditures are reported, provide an explanation)	<u>\$ 2,996,759</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: Edward Hanks

Name and Title: Ed Hanks, Town Manager

Telephone Number: (928) 632-7362 Date: 9/29/20

TOWN OF DEWEY-HUMBOLDT, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT - RECONCILIATION
Year Ended June 30, 2020

Description	Governmental Funds	Enterprise Funds	Total
A. Amounts reported on the Reconciliation Line D	\$ 1,861,192	\$ -	\$ 1,861,192
B. Less exclusions claimed:			
1 Bond proceeds	-	-	-
Debt service requirements on bonded indebtedness	-	-	-
Proceeds from other long-term obligations	-	-	-
Debt service requirements on other long-term obligations	-	-	-
2 Dividends, interest and gains on the sale or redemption of investment securities	-	-	-
3 Trustee or custodian	-	-	-
4 Grants and aid from the Federal government	-	-	-
5 Grants, aid, contributions, or gifts from a private agency, organization, or individual except amounts received in lieu of taxes	161,001	-	161,001
6 Amounts received from the State of Arizona	-	-	-
7 Quasi-external interfund transactions	-	-	-
8 Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements	-	-	-
9 Highway user revenues in excess of those received in fiscal year 1979-80	-	-	-
10 Contracts with other political subdivisions	-	-	-
11 Refunds, reimbursements, and other recoveries	-	-	-
12 Voter-approved exclusions not identified above (attach resolution)	-	-	-
13 Prior years carryforward	-	-	-
14 Total exclusions claimed	161,001	-	161,001
C. Amount subject to the expenditure limitation (If an individual fund type amount is negative, reduce exclusions claimed to net to zero.)	1,700,191	-	1,700,191
	<u>\$ 1,700,191</u>	<u>\$ -</u>	<u>\$ 1,700,191</u>

TOWN OF DEWEY-HUMBOLDT, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT - RECONCILIATION
Year Ended June 30, 2020

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 based financial statements	\$ 2,173,090	\$ -	\$ 2,173,090
B. Subtractions			
1 Items not requiring use of working capital:			
Depreciation	346,442	-	346,442
Loss on disposal of capital assets	-	-	-
Bad debt expense	-	-	-
Claims incurred but not reported	-	-	-
Landfill closure and postclosure care costs	-	-	-
Pension Expense	-	-	-
2 Expenditures of separate legal entities established under Arizona Revised Statute	-	-	-
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	346,442	-	346,442
C. Additions:			
1 Principal payments on long-term debt	-	-	-
2 Acquisition of capital assets	34,544	-	34,544
3 Claims paid in current year but reported as expenses incurred but not reported in prior years	-	-	-
4 Landfill closure and postclosure care costs paid in the current year but reported as expenses in previous years	-	-	-
5 Pension contributions	-	-	-
6 Total additions	34,544	-	34,544
D. Amounts reported on Part II, Line A	<u>\$ 1,861,192</u>	<u>\$ -</u>	<u>\$ 1,861,192</u>

TOWN OF DEWEY-HUMBOLDT, ARIZONA
NOTES TO ANNUAL EXPENDITURE LIMITATION REPORT
Year Ended June 30, 2020

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.