

TOWN OF CLIFTON, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2017

**TOWN OF CLIFTON, ARIZONA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2017**

INDEPENDENT ACCOUNTANTS' REPORT	1
ANNUAL EXPENDITURE LIMITATION REPORT – PART I	2
ANNUAL EXPENDITURE LIMITATION REPORT – PART II	3
ANNUAL EXPENDITURE LIMITATION REPORT – RECONCILIATION	4
NOTE TO ANNUAL EXPENDITURE LIMITATION REPORT	5

INDEPENDENT ACCOUNTANTS' REPORT

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

We have examined the accompanying Annual Expenditure Limitation Report of the Town of Clifton, Arizona (Town), for the year ended June 30, 2017. 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.

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 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 referred to above is presented in accordance with the uniform expenditure reporting system as described in Note 1 in all material respects.

CliftonLarsonAllen LLP

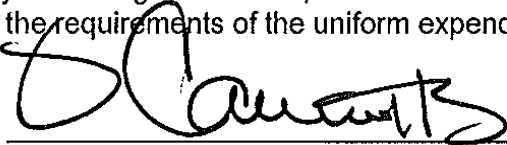
CliftonLarsonAllen LLP

Phoenix, Arizona
November 15, 2017

**TOWN OF CLIFTON, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – PART I
YEAR ENDED JUNE 30, 2017**

1. Economic Estimates Commission expenditure limitation	\$ -	
2. Voter approved alternative expenditure limitation	5,667,992	
3. Enter applicable amount from Line 1 or Line 2		\$ 5,667,992
4. Amount subject to the expenditure limitation (total amount from Part II, Line C)	3,705,151	
5. Board-authorized expenditures necessitated by a disaster not declared by the Governor [Article IX, §20(2)(a), Arizona Constitution]	-	
6. Board-authorized expenditures necessitated by a disaster not declared by the Governor [Article IX, §20(2)(b), Arizona Constitution]	-	
7. Prior-year voter approved expenditures to exceed the expenditure limitation for the reporting fiscal year [Article IX, §20(2)(c), Arizona Constitution]	-	
8. Subtotal	3,705,151	
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, §20(2)(b), Arizona Constitution]	-	
10. Total adjusted amount subject to the expenditure limitation		3,705,151
11. Amount under (in excess of) the expenditure limitation (If excess expenditures are reported, provide an explanation.)		\$ 1,962,841

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: Felix Callicotte, Mayor

Telephone Number: (928) 865-4146

Date: November 15, 2017

**TOWN OF CLIFTON, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – PART II
YEAR ENDED JUNE 30, 2017**

<u>Description</u>	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
A. Amounts reported on the Reconciliation, Line D	\$ 3,377,558	\$ 327,143	\$ -	\$ 450	\$ 3,705,151
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	-	-	-	-	-
6. Amounts received from the state	-	-	-	-	-
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	-	-	-	-	-
C. Amounts subject to the expenditure limitation (If an individual fund category/type amount is negative, reduce exclusions claimed to net to zero.)	<u>\$ 3,377,558</u>	<u>\$ 327,143</u>	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ 3,705,151</u>

See accompanying Note to Annual Expenditure Limitation Report.

**TOWN OF CLIFTON, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – RECONCILIATION
YEAR ENDED JUNE 30, 2017**

<u>Description</u>	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
A. Total Expenditures within the fund-based financial statements	\$ 3,377,558	\$ 272,620	\$ -	\$ 450	\$ 3,650,628
B. Subtractions					
1. Items not requiring use of working capital:					
Depreciation and amortization	-	41,081	-	-	41,081
Loss on disposal of capital assets	-	-	-	-	-
Claims incurred but not reported	-	-	-	-	-
Landfill closure and disclosure 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. Charges for services paid to the Internal Service Funds	-	-	-	-	-
5. Involuntary court judgments	-	-	-	-	-
6. Total subtractions	<u>-</u>	<u>41,081</u>	<u>-</u>	<u>-</u>	<u>41,081</u>
C. Additions:					
1. Principal payments on long-term debt	-	-	-	-	-
2. Acquisition of capital assets	-	95,604	-	-	95,604
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	<u>-</u>	<u>95,604</u>	<u>-</u>	<u>-</u>	<u>95,604</u>
D. Amounts reported on Part II, Line A	<u>\$ 3,377,558</u>	<u>\$ 327,143</u>	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ 3,705,151</u>

See accompanying Note to Annual Expenditure Limitation Report.

**TOWN OF CLIFTON, ARIZONA
NOTE TO ANNUAL EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2017**

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 §41-1279.07, and in accordance with the voter-approved alternative expenditure limitation, as authorized by the Arizona Constitution, Article IX, §20(9).