



## *Request for City Council Action*

<b>Title:</b>	Request authority to purchase one 2016 Chevy Tahoe 4WD with Police Equipment and Police Package.		
	February 10, 2016	<b>Agenda Item Number:</b>	
<b>Agenda Section:</b>	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Other	<b>Action:</b>	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
<b>Originating Department:</b>	Page Police Department	<b>Supporting Documents:</b>	Information
<b>Prepared By:</b>	Chief of Police, F.Balkcom	<b>Presented By:</b>	Lt. Tim Lange
<b>Reviewed By:</b>		<b>Approved By:</b>	
<b>Proposed Action:</b>	Authorization for the Police Department to purchase one 2016 Chevy Tahoe 4WD with Police Equipment and Police Package from Midway Chevrolet Nissan Isuzu		

**BACKGROUND:**

The Page Police Department has budgeted for the purchase of a Police car for this fiscal year. Authority is being requested to purchase one 2016 Chevy Tahoe 4WD with Police Equipment and Police Package from Midway Chevrolet Nissan Isuzu. Midway Chevrolet has a contract with the State of Arizona for purchasing, State of Arizona Vehicle contract #ADSP012-016669.

**BUDGET IMPACT:**

The Purchase price is **\$53,469.94**

**ALTERNATIVES CONSIDERED:**

N/A

**ADVISORY BOARD RECOMMENDATION:**

N/A

**STAFF RECOMMENDATION:**

I move to authorize the Page Police Department permission to purchase one 2016 Chevy Tahoe 4WD with Police Equipment and Police Package from Midway Chevrolet Nissan Isuzu.



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## PAGE POLICE DEPARTMENT

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02/02/16

Purchase of a 2016 Chevrolet Tahoe police vehicle.

Cost of vehicle: \$40,370.00

Cost for police outfitting: \$13,212.52

Cost for in vehicle (MDC) computer stand/ modem and radar system: \$6,088.40

Total without computer and radar equipment \$53,469.94

Total with computer and radar equipment \$59,558.34

Common questions:

1. Why a new vehicle?

-In January of 2015 Page Police Department's fleet consisted of 31 vehicles; 17 fully marked patrol units, 2 marked K-9 units, 8 unmarked units and 4 special use units.

- In March of 2015 the Page Police Department started a "Hot car" program. This program eliminated take home units and personal vehicle assignments. Patrol officers now share vehicles which are transferred during each shift change. This causes the current patrol vehicles to be operated non-stop.

-Additionally, in March of 2015 the Page Police Department reduced its patrol fleet by 8 vehicles taking our total from 31 to 23. Out of the eight vehicles removed from the fleet a total of 7 were fully marked patrol and one was a K-9 unit. This left the patrol division with only one K-9 unit and 11 marked patrol units.

-In 2013-2015 Page Police patrol units accrued approximately 10K miles per year. After implementing the "Hot Car" program in 2015-2016 our patrol vehicles now accrue approximately 20K miles per year.

-Of the 12 patrol vehicles currently on patrol we only have two that are fewer than 50K miles. The remaining 10 vehicles average between 60K and 80K miles. The average police patrol vehicles life is 100K. It is projected that within the next two years, four of our patrol vehicles will have reached this mileage cap deeming them unfit and or unsafe for patrol use.

-Our department consists of 14 sworn patrol officers one of which is a K-9 officer. Placing two officers in each of the 11 available patrol vehicle leaves patrol with only 4 remaining vehicles for use in the event of breakdowns or scheduled maintenance. Considering within the next two years, four of our vehicles will be over the mileage cap we will be putting severe strain on the patrol division. This will affect the police department's duties to protect life and property within the City of Page, AZ.

2. Why a sport utility vehicle?

-Page, AZ is a rural town surrounded by desert landscape. During the course of officer's duties, at times we are required to render assistance to victims and or suspects who are located or end up in these rural areas. These areas are inaccessible by car or a crossover type vehicle.

-Studies have shown that officers who primarily patrol in low vehicles such as cars tend to suffer more back, hip and knee injuries. This is caused by the excessive amount of entering and exiting the low vehicle. Having a sport utility vehicle that is up high will put less strain on these joints during these excessive entering and exiting times which will reduce overall workman's compensation claims and medical leave.

3. Why purchase a Chevrolet?

-Chevrolet currently is the only model available in the vehicle market which offers a "Police package" ready vehicle in a full size sport utility model. Ford offers a full size Expedition model which we currently have in our fleet, however these are standard "Civilian" models. These civilian models do not come equipped from the factory with upgraded suspension, brakes, engine, on board electronics etc... These upgrades are needed to stand up to the severe duties a police patrol vehicle is put through. Ford Expeditions can be outfitted with these upgrades but will be at additional costs whereas the Chevrolet Tahoe is fully equipped with these upgrades that are provided from the factory which would also grant factory warranty repairs if needed.

4. What about warranty issues?

-If a factory recall or warranty issue arises with the Chevrolet we can drive this vehicle to Flagstaff, AZ where a Chevrolet dealer can take care of the issue. Page PD staff already travels to Flagstaff, AZ every week for required law enforcement duties. The vehicle can be transported during these times in the event of a recall or warranty issue. Remaining a "Hot car" this vehicle will accrue its mileage warranty cap within 1.5 years.



## *Request for City Council Action*

<b>Title:</b>	Request authority to accept the delivery of a 2006 Ford F150, seized vehicle from the Northern Arizona Street Crimes Task Force (METRO). The Truck will be used for Law Enforcement purposes by the Page Police Department.		
	February 10, 2016	<b>Agenda Item Number:</b>	
<b>Agenda Section:</b>	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Other	<b>Action:</b>	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
<b>Originating Department:</b>	Page Police Department	<b>Supporting Documents:</b>	Photographs
<b>Prepared By:</b>	Chief of Police, F. Balkcom	<b>Presented By:</b>	Lt. Tim Lange
<b>Reviewed By:</b>		<b>Approved By:</b>	
<b>Proposed Action:</b>	Request authority to accept the delivery of a 2006 Ford F150, seized vehicle from the Northern Arizona Street Crimes Task Force (METRO). The Truck will be used for Law Enforcement purposes by the Page Police Department.		

**BACKGROUND:**

Request authority to accept the delivery of a 2006 Ford F150, seized vehicle from the Northern Arizona Street Crimes Task Force (METRO). The Truck will be used for Law Enforcement purposes by the Page Police Department.

**BUDGET IMPACT:**

None/ Battery, Blue Book value of donated truck is approximately \$13,000.

**ALTERNATIVES CONSIDERED:**

N/A

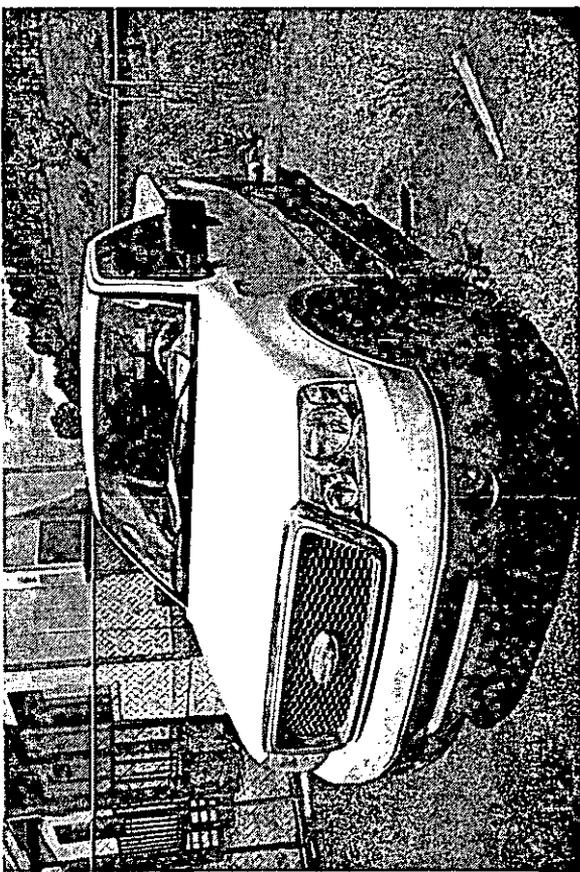
**ADVISORY BOARD RECOMMENDATION:**

N/A

**STAFF RECOMMENDATION:**

I move to accept the delivery of a 2006 Ford F150, seized vehicle from the Northern Arizona Street Crimes Task Force (METRO), the truck to be used for Law Enforcement purposes by the Page Police Department.

Image Preview



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*Request for City Council Action*

<b>Title:</b>	Auditing Services for Fiscal Year 2016		
<b>Meeting Date:</b>	February 10, 2016	<b>Agenda Item Number:</b>	
<b>Agenda Section:</b>	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Other	<b>Action:</b>	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
<b>Originating Department:</b>	Finance Department	<b>Supporting Documents:</b>	
<b>Prepared By:</b>	Linda Watson	<b>Presented By:</b>	Crystal Prentice
<b>Reviewed By:</b>	Crystal Prentice	<b>Approved By:</b>	Crystal Prentice
<b>Proposed Action:</b>	Approval for Auditing Services for Fiscal Year 2016		

**BACKGROUND:**

In April 2012, the City submitted a Request for Proposal (RFP) for auditing services for the City of Page. After following the bid procedures, the City Council awarded the auditing services contract to Hinton, Burdick, PLLC. This firm has completed the annual audit since this award in 2012.

Each year the auditing firm presents an engagement letter that outlines the specifications and cost projections of the upcoming audit.

Staff is seeking Council’s approval of retaining Hinton, Burdick PLLC to conduct the fiscal year audit for 2016.

**BUDGET IMPACT:**

This amount would be budgeted in the upcoming FY 2016-2017 Budget for the Finance Department in the Contract Services line item 10-442-2590.

The base cost of the audit would be \$42,825.

Additional costs may apply based on additional reporting needs.

**ATTACHMENTS:**

Engagement Letter for Fiscal Year 2016

**RECOMMENDED MOTION:**

I move to retain Hinton, Burdick PLLC to complete the professional auditing services for fiscal year 2016.



# HINTONBURDICK

## CPAS & ADVISORS

MEMBERS:

CHAD B. ATKINSON, CPA  
KRIS J. BRAUNBERGER, CPA  
ROBERT S. COX, CPA  
TODD B. FELTNER, CPA  
K. MARK FROST, CPA  
STEVEN D PALMER, CPA

MORRIS J PEACOCK, CPA  
PHILLIP S. PEINE, CPA  
MICHAEL K. SPILKER, CPA  
KEVIN L. STEPHENS, CPA  
MARK E. TICHENOR, CPA

January 31, 2016

Honorable Mayor and City Council  
City of Page, Arizona  
697 Vista Avenue  
P.O. Box 1180  
Page, AZ 86040

We are pleased to confirm our understanding of the services we are to provide the City of Page, Arizona for the year ended June 30, 2016. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Page, Arizona as of and for the year ended June 30, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Page, Arizona's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

As part of our engagement, we will apply certain limited procedures to the City of Page, Arizona's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary Comparison Schedules
- 3) GASB Pension Schedules

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Page, Arizona's financial statements. Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Combining Statements

- 2) Individual Fund Budgetary Comparison Schedules
- 3) Schedule of Expenditures of Federal Awards, if applicable

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information:

- 1) Letter of Transmittal
- 2) Statistical Information

Our responsibility for other information included in documents containing the entity's audited financial statements and auditor's report, if applicable, does not extend beyond the financial information identified in the report. We have no responsibility for determining whether such other information contained in these documents is properly stated.

#### **Arizona Expenditure Limitation Report**

As part of our engagement, we will also examine the Annual Expenditure Limitation Report (AELR) of the City of Page for the year ended June 30, 2016. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Accordingly, it will include tests of your records and other procedures we consider necessary to enable us to express an opinion as to whether your AELR presents, in all material respects, the information prescribed by the Uniform Expenditure Reporting System as described in Note 1 to your financial statements. If, for any reason, we are unable to complete the examination, we will not issue a report as a result of this engagement.

Our engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, fraud, or other illegal acts, that may exist. However, we will inform you of any material errors or fraud that comes to our attention. We will also inform you of any other violations of laws or regulations that come to our attention, unless clearly inconsequential.

We understand that you will provide us with the basic information required for our examination and that you are responsible for the accuracy and completeness of that information. We may advise you about appropriate criteria or assist in the development of the subject matter, but the responsibility for the subject matter remains with you.

You are responsible for the presentation of your AELR in accordance with the Arizona Uniform Expenditure Reporting System; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are responsible for assuming all management responsibilities.

#### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- If applicable, internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. If applicable, the OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to governing board of the City of Page. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

#### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Page, Arizona's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Page, Arizona's major programs. The purpose of these procedures will be to express an opinion on the City of Page, Arizona's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

#### **Other Services**

We will also assist in preparing the financial statements and related notes, and the schedule of expenditures of federal awards of the City of Page, Arizona in conformity with U.S. generally accepted

accounting principles and OMB Circular A-133 based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

### **Management Responsibilities**

Management is responsible for the basic financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes and the schedule of expenditures of federal awards. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements and related notes, schedule of expenditures of federal awards, and nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes, and that you have reviewed and approved the financial statements and related notes and the schedule of expenditures of federal awards prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations,

contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all schedules we normally request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of

prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the City of Page, Arizona; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of HintonBurdick, PLLC and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of HintonBurdick, PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit sometime in September or October 2016 and to issue our reports on or before December 31, 2016. Michael K. Spilker, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our all-inclusive price for the audit services (including out-of-pocket costs such as report reproduction, word processing, postage, travel, copies, telephone, etc.) will not exceed \$42,825. The price for the audit also includes assistance with GASB 68 pension liabilities and the CAFR preparation. Our price for the single audit, if applicable, will not exceed \$2,750. Our price for the preparation of a separate financial statement for Page Utility Enterprises will be \$1,795.

The above prices are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If at any time during this engagement any extraordinary matters come to our attention or the requirements of the engagement change, and an extension of our services beyond the normal scope appears to be necessary, we will immediately discuss the matter with you and obtain your verbal or written instructions to proceed before incurring further costs.

Our invoices will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. Interim billings may be submitted as work progresses and expenses are incurred. In the event any statement or invoice rendered by us to you is not paid within thirty (30) days of the date of the invoice, a late charge shall be accrued on the unpaid balance at the rate of 1.5 percent per month until paid. If billings are not paid within thirty (30) days of the invoice date, at our election, we may stop all work until your account is brought current or we may withdraw from this engagement. You acknowledge and agree that we are not required to continue work in the event of your failure to pay on a timely basis for services rendered as required by this engagement letter. You further acknowledge and agree that in the event we stop work or withdraw from this engagement we shall not be liable to you for any damages that occur as a result of our ceasing to render services.

Our liability as auditors shall be limited to the period covered by our audit and shall not extend to periods for which we are not engaged as auditors.

It is our policy to keep work papers related to this engagement for seven (7) years. Upon the expiration of the seven (7) year period, you agree that we shall be free to destroy our work papers. When records are returned to you, it is your responsibility to retain and protect your records for possible future uses, including potential examination by governmental or regulatory agencies.

In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement or the breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, they shall consult and negotiate with each other in good faith and recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If the dispute cannot be settled through direct discussions, the parties agree to endeavor first to settle the dispute in an amicable manner by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to other legal remedies. If the parties are unable to resolve the dispute through mediation within sixty (60) days from the date notice is first given, then they may proceed to resolve the matter by arbitration. Such arbitration shall be binding and final. Any dispute over fees will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association. In agreeing to arbitration, both parties acknowledge that in the event of a dispute each party is giving up the right to have the dispute decided in a court of law before a judge or jury, and instead are accepting the use of arbitration for resolution. Costs of any mediation proceeding shall be shared equally by all parties. The prevailing party in the arbitration shall be entitled to an award of reasonable attorney's fees and costs incurred in connection with the application of the dispute in an amount to be determined by the arbitrator.

We appreciate the opportunity to be of service to the City of Page, Arizona and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Michael K. Spilker, CPA  
HintonBurdick, PLLC

RESPONSE:

This letter correctly sets forth the understanding of the City of Page, Arizona.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_



*Request for City Council Action*

<b>Title:</b>	Discussion pertaining to sewer rates		
<b>Meeting Date:</b>	February 10, 2016	<b>Agenda Item Number:</b>	
<b>Agenda Section:</b>	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input type="checkbox"/> New Business <input checked="" type="checkbox"/> Business from the Council	<b>Action:</b>	<input type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
<b>Originating Department:</b>	Vice Mayor John Kocjan	<b>Supporting Documents:</b>	Ordinance 576-11
<b>Prepared By:</b>	City Clerk Kim Larson	<b>Presented By:</b>	Vice Mayor Kocjan
<b>Reviewed By:</b>		<b>Approved By:</b>	
<b>Proposed Action:</b>	Motion to be determined		

**BACKGROUND:**

At the September 30, 2015 City Council/Page Utility Enterprises Joint Work Session, City Council came to a consensus to have further discussion at a future meeting.

**STAFF RECOMMENDATION:**

To be determined by the City Council

**ORDINANCE NO. 576-11**

**AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, AMENDING ORDINANCE NO. 573-11 BY REPLACING ALL REFERENCES TO ONE AND ONE THOUSAND TWO HUNDRED SIXTY THREE TEN-THOUSANDTHS PERCENT (1.1263%) WITH ONE AND TWO HUNDRED SIXTY THREE THOUSANDTHS PERCENT (1.263%) AND DECLARING AN EMERGENCY.**

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:**

**WHEREAS, on August 25, 2011, the Mayor and Common Council, by Ordinance No. 573-11, adopted an increase of the Hotel Privilege Tax rate; and**

**WHEREAS, the intent of said Ordinance, as evidenced by the City's official public notice, was to increase the Hotel Privilege Tax rate to a total of Fifteen Percent (15%); and**

**WHEREAS, the increase of said tax by one and one thousand two hundred sixty three ten-thousands percent (1.1263%) was calculated in error and increases the total Hotel Privilege Tax Rate to less than fifteen percent (15%); and**

**WHEREAS, in order to achieve a fifteen percent (15%) Hotel Privilege Tax Rate the correct increase is one and two hundred sixty three thousandths percent (1.263%).**

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:**

**Ordinance No. 573-11 shall be amended by substituting all expressed or implied references to increasing the Hotel Privilege Tax Rate by one and one thousand two hundred sixty three ten-thousandths percent (1.1263%) with an increase by one and two hundred sixty three thousandths percent (1.263%).**

**BE IT FURTHER ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:**

**Whereas, it is necessary for the preservation of the peace, health, and safety of the City of Page, Arizona, an emergency is declared to exist, and this ordinance shall become immediately operative and in force from and after the date of its adoption.**

Ordinance No. 576-11  
Page 2

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE  
CITY OF PAGE, COCONINO COUNTY, ARIZONA this 8<sup>th</sup> day of September,  
2010, by the following vote:

Ayes	<u>7</u>
Nays	<u>0</u>
Abstentions	<u>0</u>
Absent	<u>0</u>

CITY OF PAGE

By William R. Duab  
Mayor

ATTEST:

Lina Anderson  
CITY CLERK

APPROVED AS TO FORM:

[Signature]  
CITY ATTORNEY



*Request for City Council Action*

<b>Title:</b>	Page Airport Board Appointment		
<b>Meeting Date:</b>	February 10, 2016	<b>Agenda Item Number:</b>	
<b>Agenda Section:</b>	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input type="checkbox"/> New Business <input checked="" type="checkbox"/> Other_Boards & Commissions	<b>Action:</b>	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
<b>Originating Department:</b>	City Clerk	<b>Supporting Documents:</b>	Application Letter
<b>Prepared By:</b>	City Clerk Kim Larson	<b>Presented By:</b>	Mayor Diak
<b>Reviewed By:</b>		<b>Approved By:</b>	
<b>Proposed Action:</b>	Motion to appoint _____ to the Page Airport Board for a term ending June 2017		

**BACKGROUND:**

There are two vacancies on the Page Airport Board. An application for the Page Airport Board has been received from Joshua Enevoldson.

**BUDGET IMPACT:**

N/A

**ALTERNATIVES CONSIDERED:**

N/A

**ADVISORY BOARD RECOMMENDATION:**

N/A

**STAFF RECOMMENDATION:**

I move to appoint \_\_\_\_\_ to the Page Airport Board with a term ending June 2017.

RECEIVED  
 CITY OF PAGE  
 CITY CLERK'S OFFICE  
 16 JAN 25 AM 8:02

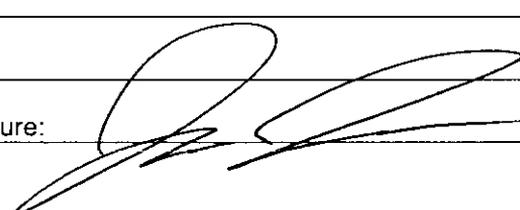
**CITY OF PAGE  
 BOARD  
 APPOINTMENT APPLICATION**

Name: Joshua Enevoldson	Date: 12/20/2015
Street Address: 1013 Glen Canyon	P.O. Box: 2913
City: Page	State, Zip: AZ 86040
Work Phone: (928) 645-1700	Fax: 928 645-1701
Home Phone: (928) 660-9645	E-Mail: joshua.enevoldson@gmail.com

Boards upon which you wish to serve: (You may apply for up to two Boards. Please rate interest in each Board for which you wish to apply by indicating a 1 or a 2 with 1 being first choice.)

ADVISORY BOARDS AND COMMISSIONS	CITY AUTHORITIES
<input checked="" type="checkbox"/> Airport Advisory Board	Substance Abuse Task Force
<input type="checkbox"/> Community Center Advisory Board	Page Utility Enterprises
<input type="checkbox"/> Library Advisory Board	Board of Adjustment
<input type="checkbox"/> Parks and Recreation Advisory Board	
<input type="checkbox"/> Planning and Zoning Commission	
<input type="checkbox"/> Public Safety Personnel Retirement System Board	
<input type="checkbox"/> Community Development Advisory Board	
<input type="checkbox"/> Youth Advisory Commission	

Brief statement of your qualifications for and/or reasons for applying for these Boards.

Private pilot with a passion for general aviation. Would like to become more involved with the community.
Signature: 

Questionnaire for Board Candidates

Name: Joshua Enevoldson
Board(s) for which you are applying: Airport Board

1. Tell us about yourself (experience, knowledge, etc.) and why you are interested in serving on this Board.

Licensed practicing physician- assistant at Canyonlands Urgent Care. Lived in Page for 2 years. Have been a private pilot since 2002

2. What do you think the relationship should be between the City Council and this Board?

Integrated and consistent with overall plan and direction.

3. What do you hope to accomplish by being on this Board and what innovations or ideas do you have that you think might help this Board become more customer oriented?

Want to be more involved with the community.

4. What positive and negative issues do you foresee if you are appointed to this Board?

Positives: able to help in the general direction the airport development is headed. Negatives: Bias towards general aviation.

5. Tell us why we should be interested in appointing you to this Board?

I have a passion for aviation, am motivated, and work well with other people.

(If you need more space, please continue on the back of this form and refer to the question number.)