

CITY OF PAGE, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT
JUNE 30, 2024
WITH REPORT OF
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF PAGE, ARIZONA
Annual Expenditure Limitation Report
June 30, 2024

Table of Contents

	Page
Independent Accountants' Report.....	1
Annual Expenditure Limitation Report - Part I.....	2
Annual Expenditure Limitation Report - Part II.....	3
Annual Expenditure Limitation Report - Reconciliation.....	4
Notes to Annual Expenditure Limitation Report.....	5



HINTONBURDICK
CPAs & ADVISORS

Independent Accountants' Report on AELR

The Auditor General of the State of Arizona and
The Honorable Mayor and City Council
City of Page, Arizona

We have examined the accompanying Annual Expenditure Limitation Report (report) of the City of Page, Arizona, for the year ended June 30, 2024, and the related notes to the report. The City of Page, Arizona'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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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.

HintonBurdick, PLLC

Gilbert, Arizona
December 9, 2024

CITY OF PAGE, ARIZONA
Annual Expenditure Limitation Report – Part I
Year Ended June 30, 2024

1. Economic Estimates Commission expenditure limitation	\$ 39,939,980
2. Voter-approved alternative expenditure limitation	<u>-</u>
3. Enter applicable amount from line 1 or line 2	39,939,980
4. Amount subject to the expenditure limitation (total amount from Part II, Line C)	<u>\$37,656,076</u>
5. Amount under (in excess of) the expenditure limitation (If excess expenditures are reported, provide an explanation)	<u>\$ 2,283,904</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: Linda L Watson

Name and Title: Linda Watson, Finance Director

Telephone Number: (928) 645-4203 Date: 1-22-2025

See accompanying notes to report

CITY OF PAGE, ARIZONA
Annual Expenditure Limitation Report – Part II
Year Ended June 30, 2024

<u>Description</u>	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
A. Amounts reported on the Reconciliation Line D	\$ 31,453,579	\$ 17,840,498	\$ 95,979	\$ 49,390,056
B. Less exclusions claimed:				
2. Debt service requirements (Note 3)	-	135,901	-	135,901
3. Dividends, interest and gains on the sale or redemption of investment securities	-	-	95,979	95,979
5. Grants and aid from the Federal government (Note 5)	10,125,329	-	-	10,125,329
6. Grants, aid, contributions, or gifts from a private agency, organization, or individual except amounts received in lieu of taxes. (Note 6)	242,062	-	-	242,062
7. Amounts received from the State of Arizona (Note 7)	403,984	-	-	403,984
10. Highway user revenues in excess of those received in fiscal year 1979-80. (Note 8)	730,725	-	-	730,725
16. Total exclusions claimed	<u>11,502,100</u>	<u>135,901</u>	<u>95,979</u>	<u>11,733,980</u>
C. Amount subject to the expenditure limitation (If an individual fund type amount is negative, reduce exclusions claimed to net to zero.)	<u>\$ 19,951,479</u>	<u>\$ 17,704,597</u>	<u>\$ -</u>	<u>\$37,656,076</u>

See accompanying notes to report

CITY OF PAGE, ARIZONA
Annual Expenditure Limitation Report - Reconciliation
Year Ended June 30, 2024

<u>Description</u>	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund-based financial statements	<u>\$ 31,453,579</u>	<u>\$ 17,404,564</u>	<u>\$ 95,979</u>	<u>\$ 48,954,122</u>
B. Subtractions:				
1. Items not requiring use of current financial resources:				
Depreciation and amortization	-	2,782,473	-	2,782,473
Loss on disposal of capital assets	-	41,311	-	41,311
Bad debt expense	-	-	-	-
Pension and other postemployment benefits (OPEB) expense	-	565,921	-	565,921
6. Total subtractions	<u>-</u>	<u>3,389,705</u>	<u>-</u>	<u>3,389,705</u>
C. Additions:				
1. Principal payments on long-term debt	-	69,237	-	69,237
2. Capital asset acquisitions	-	3,359,843	-	3,359,843
4. Pension/OPEB contributions paid in the current year	-	396,559	-	396,559
6. Total additions	<u>-</u>	<u>3,825,639</u>	<u>-</u>	<u>3,825,639</u>
D. Amounts reported on Part II, Line A	<u>\$ 31,453,579</u>	<u>\$ 17,840,498</u>	<u>\$ 95,979</u>	<u>\$ 49,390,056</u>

See accompanying notes to report

CITY OF PAGE, ARIZONA
Notes to the Annual Expenditure Limitation Report
June 30, 2024

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. 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.

In accordance with the UERS requirements, a note to the AELR is presented below for any exclusion claimed in 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 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 Reconciliation Subtractions and Additions

The subtractions for depreciation, loss on disposal of capital assets and pension expense and the additions for the acquisition of capital assets and pension contributions are all provided in the Statement of Cash Flows for the Proprietary Funds and the financial statement footnote 6 and 7. The subtraction for pension expense is based on the calculated change in the net pension liability as reported in the Statement of Cash Flows for the Proprietary Funds.

Note 3 Debt Service Requirements

The exclusion claimed in Part II for debt service requirements consists of principal retirement and interest expense on the City's notes payable and leases obligations as listed in the financial statements and footnote 7.

CITY OF PAGE, ARIZONA
Notes to the Annual Expenditure Limitation Report
June 30, 2024

Note 4 Reconciliation of Intergovernmental Revenue

The following schedule presents revenues from which exclusions have been claimed for federal grants and aid, amounts received from the State of Arizona, highway user revenues, contracts with other political subdivisions, and private donations in the Governmental Funds. The amounts excluded do not exceed expenditures for such revenues.

Description	Governmental Funds
Grants and aid from the Federal government	\$ 10,125,329
Grants, aid and contributions from others	242,062
Amounts received from the State	403,984
Highway user revenues in excess of those received in fiscal year 1979-80	730,725
Other revenues (nonexcludable):	
State Revenue Sharing	1,949,543
State Sales Tax	1,109,355
Auto Lieu Tax	427,498
County Library District	336,846
Other	142,018
Highway user revenues adjustment	264,810
Total intergovernmental revenues	15,732,170
Amounts from non-governments	(\$35,762)
Total intergovernmental revenues as reported in the financial statements	\$ 15,696,408

Note 5 Grants and Aid from Federal Government

The \$10,125,329 exclusion claimed for grants and aid from the Federal Government consists of \$5,052,771 in airport improvement grants, \$4,334,862 payments for essential air services grant, \$378,269 Coronavirus Relief Fund grant, and \$359,427 in various other small grants recorded in the Grants Fund.

Note 6 Grants, Aid and Contributions from Others

The \$242,062 exclusion for grants, aid and contributions received from other organizations consists mainly of \$30,774 in recreational grants, \$211,288 in grants and assistance for the library, and other miscellaneous grants and contributions recorded in the Grants Fund.

CITY OF PAGE, ARIZONA
Notes to the Annual Expenditure Limitation Report
June 30, 2024

Note 7 Amounts Received from the State

The \$403,984 exclusion for amounts received from the state consists of \$401,767 in capital projects grant reported in the Capital Projects fund and \$2,217 in other assistance from the State.

Note 8 Highway User Revenues in Excess of Fiscal Year 1979-80

The deduction for highway user revenues in excess of fiscal year 1979-80 was calculated as follows:

Current year highway user revenues	\$	995,535
Less revenues received in 1979-80		(198,928)
Revenues available for exclusion		<u>796,607</u>
Actual expenditures of highway user revenues		995,535
Amount equal to 1979-80 revenues expended in current fiscal year		(198,928)
Amounts covered by other funding sources		(65,882)
Excludable revenues expended in current fiscal year		<u>730,725</u>
Revenues available for exclusion in current fiscal year		796,607
Revenues expended and claimed as an exclusion in the current fiscal year		(730,725)
Carryforward	\$	<u>65,882</u>

Note 9 Carryforwards

The carryforward amounts applicable to exclusions in Part II consist of dividends, interest and gains on the sale or redemption of investment securities consists of interest earned on investments held by the City. Interest amounts not utilized in the current year are being carried forward.

	Governmental Funds	Enterprise Funds
Prior year carryforward balance	\$ 1,700,431	\$ 467,423
Interest income added	1,859,528	1,211,202
Interest income utilized	-	-
Carryforward to future years	<u>\$ 3,559,959</u>	<u>\$ 1,678,625</u>

CITY OF PAGE, ARIZONA
Notes to the Annual Expenditure Limitation Report
June 30, 2024

Note 9 Carryforwards, Continued

Carryforward HURF funds additions and utilization in the current year were:

	<u>Governmental Funds</u>
Prior year carryforward balance	\$ 890,672
HURF Carryforward added	65,882
HURF Carryforward utilized	-
Carryforward to future years	<u>\$ 956,554</u>

This section intentionally blank