

**CITY OF PAGE, ARIZONA**  
**ANNUAL EXPENDITURE LIMITATION REPORT**  
**JUNE 30, 2022**  
**WITH REPORT OF**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**CITY OF PAGE, ARIZONA**  
**Annual Expenditure Limitation Report**  
**June 30, 2022**

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## 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 of the City of Page, Arizona, for the year ended June 30, 2022, 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 15, 2022



**CITY OF PAGE, ARIZONA**  
**Annual Expenditure Limitation Report – Part II**  
**Year Ended June 30, 2022**

<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	<u>\$ 25,491,367</u>	<u>\$ 17,631,256</u>	<u>\$ 18,833</u>	<u>\$ 43,141,456</u>
B. Less exclusions claimed:				
2. Debt service requirements	5,348,336	215,852	-	5,564,188
3. Dividends, interest and gains on the sale or redemption of investment securities	(146,482)	32,616	18,833	(95,033)
5. Grants and aid from the Federal government	5,383,547	-	-	5,383,547
6. Grants, aid, contributions, or gifts from a private agency, organization, or individual except amounts received in lieu of taxes.	239,922	-	-	239,922
7. Amounts received from the State of Arizona	35,613	-	-	35,613
10. Highway user revenues in excess of those received in fiscal year 1979-80.	<u>564,407</u>	<u>-</u>	<u>-</u>	<u>564,407</u>
16. Total exclusions claimed	<u>11,425,343</u>	<u>248,468</u>	<u>18,833</u>	<u>11,692,644</u>
C. Amount subject to the expenditure limitation (If an individual fund type amount is negative, reduce exclusions claimed to net to zero.)	<u>\$ 14,066,024</u>	<u>\$ 17,382,788</u>	<u>\$ -</u>	<u>\$31,448,812</u>

See accompanying notes to report

**CITY OF PAGE, ARIZONA**  
**Annual Expenditure Limitation Report - Reconciliation**  
**Year Ended June 30, 2022**

<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>\$ 25,491,367</u>	<u>\$ 17,923,549</u>	<u>\$ 18,833</u>	<u>\$ 43,433,749</u>
B. Subtractions:				
1. Items not requiring use of current financial resources:				
Depreciation	-	2,892,111	-	2,892,111
(OPEB) expense	-	217,742	-	217,742
4. Present value of net minimum capital lease and installment purchase contract payments recorded as expenditures at the agreements' inception	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6. Total subtractions	<u>-</u>	<u>3,109,853</u>	<u>-</u>	<u>3,109,853</u>
C. Additions:				
1. Principal payments on long-term debt	-	36,237	-	36,237
2. Capital asset acquisitions	-	2,409,637	-	2,409,637
4. Pension/OPEB contributions paid in the current year	<u>-</u>	<u>371,686</u>	<u>-</u>	<u>371,686</u>
6. Total additions	<u>-</u>	<u>2,817,560</u>	<u>-</u>	<u>2,817,560</u>
D. Amounts reported on Part II, Line A	<u>\$ 25,491,367</u>	<u>\$ 17,631,256</u>	<u>\$ 18,833</u>	<u>\$ 43,141,456</u>

See accompanying notes to report

**CITY OF PAGE, ARIZONA**  
**Notes to the Annual Expenditure Limitation Report**  
**June 30, 2022**

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**Note 1    Summary of Significant Accounting Policies**

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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.

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**Note 2    Reconciliation Subtractions and Additions**

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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.

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**Note 3    Debt Service Requirements**

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The exclusion claimed in Part II for debt service requirements consists of principal retirement and interest expense on the City's Series 2011 Bonds and capital leases as listed in the financial statement footnote 7.

**CITY OF PAGE, ARIZONA**  
**Notes to the Annual Expenditure Limitation Report**  
**June 30, 2022**

**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, and contracts with other political subdivisions in the Governmental Funds. The amounts excluded do not exceed expenditures for such revenues.

Description	Governmental Funds
Grants and aid from the Federal government	\$ 5,383,547
Grants, aid and contributions from others	239,922
Amounts received from the State	35,613
Highway user revenues in excess of those received in fiscal year 1979-80	564,407
Other revenues (nonexcludable):	
State Revenue Sharing	981,403
State Sales Tax	1,049,592
Auto Lieu Tax	414,004
County Library District	336,846
Other	196,853
Highway user revenues adjustment	373,059
Total intergovernmental revenues as reported in the financial statements	\$ 9,575,246

**Note 5 Grants and Aid from Federal Government**

The \$5,383,547 exclusion claimed for grants and aid from the Federal Government consists of \$197,621 in airport improvement grants and \$65,962 ADOT grant recorded in the Capital Projects fund, \$4,390,643 payments for essential air services grant, \$430,366 Coronavirus Relief Fund grant, \$60,862 ARPA grant, \$129,099 CDBG grant and \$108,994 in various other small grants recorded in the Grants Fund.

**Note 6 Grants, Aid and Contributions from Others**

The \$239,922 exclusion for grants, aid and contributions received from other organizations consists mainly of a \$211,023 grant 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, 2022**

**Note 7    Amounts Received from the State**

The \$35,613 exclusion for amounts received from the state consists of \$22,613 ADOT airport grants and \$13,000 capital projects grant reported in the Capital Projects fund.

**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:

**Highway User Revenue Funds:**

Current year highway user revenues	\$    937,466
Less revenues received in 1979-80	<u>(198,928)</u>
Revenues available for exclusion	<u><u>738,538</u></u>
Actual expenditures of highway user revenues	763,335
Amount equal to 1979-80 revenues expended in current fiscal year	<u>(198,928)</u>
Excludable revenues expended in current fiscal year	<u><u>564,407</u></u>
Revenues available for exclusion in current fiscal year	738,538
Revenues expended and claimed as an exclusion in the current fiscal year	<u>(564,407)</u>
Carryforward	<u><u>\$    174,131</u></u>