

TOWN OF MAMMOTH, ARIZONA

Annual Expenditure Limitation Report
and Independent Accountants' Report
June 30, 2022

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**COLBY &
POWELL, PLC**
CERTIFIED PUBLIC ACCOUNTANTS

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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 Mammoth, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of the Town of Mammoth, Arizona for the year ended June 30, 2022, and the related notes to the report. 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.

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.

A handwritten signature in cursive script that reads "Colby & Powell".

February 23, 2023

TOWN OF MAMMOTH, ARIZONA
Annual Expenditure Limitation Report – Part I
Year Ended June 30, 2022

1. Economic Estimates Commission expenditure limitation	\$ 3,092,977
2. Amount subject to the expenditure limitation (total amount from Part II, Line C)	<u>1,302,238</u>
3. Amount under the expenditure limitation	<u><u>\$ 1,790,739</u></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: 

Name and Title: JOHN B. SCHEMPF

Telephone Number: (520) 390-0390 Date: February 23, 2023

See accompanying notes to report.

TOWN OF MAMMOTH, ARIZONA
Annual Expenditure Limitation Report – Part II
Year Ended June 30, 2022

Description	Governmental Funds	Enterprise Funds	Total
A. Amounts reported on the reconciliation, line D	\$ 1,222,032	\$ 593,194	\$ 1,815,226
B. Less exclusions claimed:			
1. Debt service requirements	12,594	-	12,594
2. Grants and aid from the federal government	485,394	15,000	500,394
Total exclusions claimed	<u>497,988</u>	<u>15,000</u>	<u>512,988</u>
C. Amounts subject to the expenditure limitation	<u>\$ 724,044</u>	<u>\$ 578,194</u>	<u>\$ 1,302,238</u>

See accompanying notes to report.

TOWN OF MAMMOTH, ARIZONA
Annual Expenditure Limitation Report – Reconciliation
Year Ended June 30, 2022

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 financial statements	\$ 1,222,032	\$ 669,446	\$ 1,891,478
B. Subtractions:			
1. Items not requiring use of current financial resources:			
a. Depreciation	-	78,352	78,352
2. Expenditures of separate legal entities established under Arizona Revised Statutes	-	457,707	457,707
Total subtractions	-	536,059	536,059
C. Additions:			
1. Capital asset acquisitions	-	459,807	459,807
Total additions	-	459,807	459,807
D. Amounts reported on part II, line A	<u>\$ 1,222,032</u>	<u>\$ 593,194</u>	<u>\$ 1,815,226</u>

See accompanying notes to report.

TOWN OF MAMMOTH, ARIZONA
Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2022

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.

In accordance with the UERS, a note to the AELR is presented below for any exclusion claimed on 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 fund net position for the proprietary funds; and the statement of cash flows for the proprietary funds.

NOTE 2 – EXCLUSION FOR DEBT SERVICE REQUIREMENTS

The exclusion claimed for debt service requirements on other long-term obligations of \$12,594 is for the following:

	Governmental Funds	Enterprise Funds	Total
Note payable principal	\$ 12,052	\$ -	\$ 12,052
Note payable interest	542	-	542
	\$ 12,594	\$ -	\$ 12,594

TOWN OF MAMMOTH, ARIZONA
Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2022

NOTE 3 – INTERGOVERNMENTAL REVENUES

The following schedule presents revenues from which exclusions have been claimed for federal grants and aid and highway user revenues in the governmental funds:

Grants and aid from the federal government	\$	485,394
Other revenues (nonexcludable)		730,695
Amount carried forward		100,616
Total intergovernmental revenues as reported in the fund financial statements	\$	1,316,705

NOTE 4 – CARRYFORWARD BALANCES

Revenues that are constitutionally excludable that were not spent in the year of receipt may be accumulated and excluded in future years when spent. A summary of the revenue sources and the changes in those balances is shown in the table below:

Description	Prior Year Carried Forward	Revenues	Amount Excluded	Amount Carried Forward
Highway user revenues in excess of those received in fiscal year 1979-80	\$ 229,117	\$ 100,616	\$ -	\$ 329,733
Investment income	1,271	96	-	1,367
Total	\$ 230,388	\$ 100,712	\$ -	\$ 331,100

NOTE 5 – MUNICIPAL PROPERTY CORPORATION EXPENDITURES

The \$457,707 subtraction for separate legal entities under Arizona Revised Statutes consists of expenditures of the Town of Mammoth Municipal Property Corporation included with the Town's reporting entity, but not included in the Economic Estimates Commission base limit calculations, and are reported in the enterprise funds category in the fund financial statements as capital asset additions of the Water Fund.