



Greenlee County, Arizona
Annual Expenditure Limitation Report
Year Ended June 30, 2016

**GREENLEE COUNTY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2016**

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9019 E Bahia Drive
Suite 100
Scottsdale, AZ 85260

Certified
Public
Accountants

Tel: (602) 264-3077
Fax: (602) 265-6241

Independent Accountants' Report

The Auditor General of the State of Arizona

The Board of Supervisors of
Greenlee County, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Greenlee County, Arizona (the County) for the year ended June 30, 2016. The County's management is responsible for this report. 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 and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report referred to above presents, in all material respects, the information required by the uniform expenditure reporting system as described in Note 1.

April 3, 2017

**GREENLEE COUNTY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – PART I
YEAR ENDED JUNE 30, 2016**

- | | |
|----------------------------------------------------------------------------------------|---------------------|
| 1. Economic Estimates Commission expenditure limitation | \$ 13,084,224 |
| 2. Amount subject to the expenditure limitation
(total amount from Part II, Line C) | <u>11,761,069</u> |
| 3. Amount under the expenditure limitation | <u>\$ 1,323,155</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: Deborah K. Gale Greenlee Co. Administrator

Telephone Number: 928-865-2310 Date: 4-3-17

See accompanying notes to report.

**GREENLEE COUNTY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – PART II
YEAR ENDED JUNE 30, 2016**

<u>Description</u>	<u>Governmental Funds</u>	<u>Fiduciary Fund</u>	<u>Total</u>
A. Amounts reported on the Reconciliation, Line C	\$ 17,469,785	\$ 32,025,517	\$ 49,495,302
B. Less exclusions claimed:			
Debt service requirements on other long-term obligations (Note 2)	919,056		919,056
Trustee or custodian (Note 4)	190,700	32,025,517	32,216,217
Grants and aid from the federal government (Note 5)	2,303,868		2,303,868
Amounts received from the State of Arizona (Note 5)	1,494,228		1,494,228
Highway user revenues in excess of those received in fiscal year 1979-80 (Note 5)	724,742		724,742
Contracts with other political subdivisions (Note 7)	76,122		76,122
Total exclusions claimed	<u>5,708,716</u>	<u>32,025,517</u>	<u>37,734,233</u>
C. Amounts subject to the expenditure limitation	<u>\$ 11,761,069</u>	<u>\$</u>	<u>\$ 11,761,069</u>

See accompanying notes to report.

**GREENLEE COUNTY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – RECONCILIATION
YEAR ENDED JUNE 30, 2016**

<u>Description</u>	<u>Governmental Funds</u>	<u>Fiduciary Fund</u>	<u>Total</u>
A. Total expenditures/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements	\$ 18,700,010	\$ 32,025,517	\$ 50,725,527
B. Subtractions:			
Expenditures of separate legal entities established under Arizona Revised Statutes (A.R.S.) (Note 8)	71,590		71,590
Community college reimbursement payments pursuant to A.R.S. §15-1469.01 (Note 9)	767,100		767,100
Long-term care contributions withheld by the State Treasurer (Note 10)	79,700		79,700
Present value of net minimum capital lease and installment purchase contract payments recorded as expenditures at inception of the agreements	294,794		294,794
Required fees/reimbursements made to Arizona state agencies (Note 11)	<u>17,041</u>		<u>17,041</u>
Total subtractions	<u>1,230,225</u>		<u>1,230,225</u>
C. Amounts reported on Part II, Line A	<u>\$ 17,469,785</u>	<u>\$ 32,025,517</u>	<u>\$ 49,495,302</u>

See accompanying notes to report.

**GREENLEE COUNTY, ARIZONA
NOTES TO ANNUAL EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2016**

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 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 and the Statement of Changes in Fiduciary Net Position for the Fiduciary Funds.

NOTE 2 – The exclusion claimed for debt service requirements on other long-term obligations in the Governmental Funds consists of principal retirement of \$865,381 and interest expenditures of \$53,675.

NOTE 3 – No exclusion was claimed for dividends, interest, and gains on the sale or redemption of investment securities of Governmental Funds. Remaining revenues of \$16,958 of interest on investments and \$20,449 of interest on delinquent taxes have been carried forward to future years.

NOTE 4 – The exclusion claimed for trustee or custodian in the Governmental Funds consists of \$190,700 in contributions by the County to the Arizona Health Care Cost Containment System for acute care, uncompensated care, and administrative costs; and in the Fiduciary Fund, the exclusion consists of \$32,025,517 in distributions to investment pool participants.

NOTE 5 – The following schedule presents revenues from which exclusions have been claimed for federal grants and aid, amounts received from the State of Arizona, and highway user revenues in the Governmental Funds.

Grants and aid from the federal government	\$ 2,303,868
Amounts received from the State of Arizona	1,494,228
Highway user revenues in excess of those received in fiscal year 1979-80	724,742
Other revenues (nonexcludable)	<u>7,393,721</u>
Total intergovernmental revenues as reported in the fund financial statements	<u><u>\$ 11,916,559</u></u>

GREENLEE COUNTY, ARIZONA
NOTES TO ANNUAL EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2016

NOTE 6 –No exclusion was claimed for grants, aid, contributions, or gifts from a private agency, organization, or individual. Remaining unspent revenues of \$1,201,995 have been carried forward to future years.

NOTE 7 – The exclusion claimed for contracts with other political subdivisions includes \$76,122 of charges for services expended.

NOTE 8 – The subtraction of \$71,590 for separate legal entities established under Arizona Revised Statutes consists of expenditures of the Health Services District included within the County’s reporting entity, but not included in the Economic Estimates Commission base limit calculations, and are reported in the Governmental Funds category in the fund financial statements. Total expenditures of the Health Services District of \$1,877,072 have been reduced by the following: \$57,055 in debt service requirements on other long-term obligations, which is reported in Note 2; \$703,095 in expenditures of grants and aid received from the federal and state governments, which is reported in Note 5; \$1,045,332 in expenditures of the continuation of contribution amount (required maintenance of effort).

NOTE 9 – The subtraction for community college reimbursement payments of \$767,100 is included in the Governmental Funds as general government expenditures.

NOTE 10 – The subtraction for long-term care contributions of \$79,700 withheld by the State Treasurer consists of transaction privilege taxes withheld by the State Treasurer to meet the County’s share of long-term care costs that was reported as revenue and an offsetting expenditure in the County’s Governmental Funds. Consequently, this expenditure has been subtracted on the Reconciliation.

NOTE 11 – The subtraction of \$17,041 for required fees/reimbursements paid to Arizona state agencies consists of monies paid to the Arizona Department of Health Services pursuant to Laws 2015, Chapter 14, Sections 8 and 9, for inpatient competency restoration treatment and committing an individual the court determined to be sexually violent, which were recorded as General Fund expenditures.