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## INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Mayor and the Town Council  
Town of Star Valley, Arizona  
Star Valley, Arizona

We have examined the Town of Star Valley, Arizona's (Town) compliance as to whether expenditures made during the fiscal year ended June 30, 2018, from Highway User Revenue Fund monies received by the Town pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues received by the Town were used solely for the authorized transportation purposes prescribed in Article IX, §14, of the Arizona Constitution. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on the Town's compliance 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 the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town of Star Valley, Arizona complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2018.

This report is intended solely for the information and use of the Mayor, Town Council, management, and the Arizona Auditor General and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Phoenix, Arizona  
June 12, 2019



**TOWN OF STAR VALLEY, ARIZONA**  
**ANNUAL EXPENDITURE LIMITATION REPORT**  
**YEAR ENDED JUNE 30, 2018**

TOWN OF STAR VALLEY, ARIZONA  
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## INDEPENDENT ACCOUNTANTS' REPORT

The Auditor General of the State of Arizona and  
The Honorable Mayor and the Town Council  
Town of Star Valley, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of the Town of Star Valley, Arizona (Town), for the year ended June 30, 2018. 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.

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.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Phoenix, Arizona  
June 12, 2019

**TOWN OF STAR VALLEY, ARIZONA  
ANNUAL EXPENDITURE LIMITATION REPORT - PART I  
YEAR ENDED JUNE 30, 2018**

1.	Economic Estimates Commission Expenditure Limitation	\$ -
2.	Voter-approved alternative expenditure limitation	<u>6,892,013</u>
3.	Enter applicable amount from line 1 or 2	<u>6,892,013</u>
4.	Amount subject to expenditure limitation (total amount form Part II, line C)	1,590,625
5.	Board-authorized expenditures necessitated by a disaster declared by the Governor (Art. IX, 20[2][a], Arizona Constitution)	
6.	Board-authorized expenditures necessitated by a disaster not declared by the Governor (Art. IX, 20[2][b], Arizona Constitution)	
7.	Prior-year voter approved of expenditures to exceed the expenditure limitation for reporting fiscal year (Art. IX, 20[2][c], Arizona Constitution)	
8.	Subtotal	<u>1,590,625</u>
9.	Board-authorized excess expenditures for the previous fiscal year necessitated by a disaster not declared by the Governor and not approved by voters (Art. IX, 20[2][b], Arizona Constitution)	
10.	Total adjusted amount subject to the expenditure limitation	<u>1,590,625</u>
11.	Amount under (in excess of) the expenditure limitation (If excess expenditures are reported, provide an explanation.)	<u><u>\$ 5,301,388</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: Timothy Grier, Town Manager

Telephone Number: (928) 472-7752

Date: June 12, 2019

*See accompanying Note to Annual Expenditure Limitation Report.*

**TOWN OF STAR VALLEY, ARIZONA  
ANNUAL EXPENDITURE LIMITATION REPORT - PART II  
YEAR ENDED JUNE 30, 2018**

	Governmental Funds	Enterprise Funds	Internal Service Funds	Fiduciary Funds	Total
A. Amounts reported on the Reconciliation, Line D	\$ 1,150,064	\$ 440,561	\$ -	\$ -	\$ 1,590,625
B. Less exclusions claimed:					
1. Debt proceeds	-	-	-	-	-
2. Debt service requirements	-	-	-	-	-
3. Dividends, interest and gains on sale or redemption of investment securities	-	-	-	-	-
4. Trustee or custodian	-	-	-	-	-
5. Grants and aid from Federal government	-	-	-	-	-
6. Grants, aid, contributions or gifts from a private agency, organization or individual except amounts received in lieu of taxes	-	-	-	-	-
7. Amounts received from the State	-	-	-	-	-
8. Quasi-external interfund transactions	-	-	-	-	-
9. Amounts accumulated for purchase of land, and purchase or construction of buildings or improvements	-	-	-	-	-
10. Highway user revenues in excess of fiscal year 1979-80	-	-	-	-	-
11. Contracts with other political subdivisions	-	-	-	-	-
12. Refunds, reimbursements, and other recoveries	-	-	-	-	-
13. Voter-approved exclusions not identified above	-	-	-	-	-
14. Prior years carry-forward claimed	-	-	-	-	-
15. Qualifying capital improvement expenditure repaid in accordance with A.R.S 41-1279.07	-	-	-	-	-
16. Total exclusions claimed	-	-	-	-	-
C. Amount subject to expenditure limitation	\$ 1,150,064	\$ 440,561	\$ -	\$ -	\$ 1,590,625

See accompanying Note to Annual Expenditure Limitation Report.

**TOWN OF STAR VALLEY, ARIZONA  
ANNUAL EXPENDITURE LIMITATION REPORT - RECONCILIATION  
YEAR ENDED JUNE 30, 2018**

	Governmental Funds	Enterprise Funds	Internal Service Funds	Fiduciary Funds	Total
A. Total expenditures (and expenses) reported within the financial statements	\$ 1,150,064	\$ 181,662	\$ -	\$ -	\$ 1,331,726
B. Subtract:					
1. Items not requiring use of working capital -					
Depreciation	-	61,969	-	-	61,969
Pension expense	-	(24,152)	-	-	(24,152)
6. Total deductions	-	37,817	-	-	37,817
C. Additions:					
1. Principal payment on long-term debt	-	-	-	-	-
2. Acquisition of capital assets	-	290,814	-	-	290,814
3. Pensions and OPEB contributions paid in the current year	-	5,902	-	-	5,902
5. Total additions	-	296,716	-	-	296,716
D. Amounts reported on Part II, Line A	\$ 1,150,064	\$ 440,561	\$ -	\$ -	\$ 1,590,625

See accompanying Note to Annual Expenditure Limitation Report.

**TOWN OF STAR VALLEY, ARIZONA  
NOTE TO ANNUAL EXPENDITURE LIMITATION REPORT  
JUNE 30, 2018**

**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, and in accordance with the voter-approved alternative expenditure limitation adopted August 26, 2014, as authorized by the Arizona Constitution, Article IX, §20(9).