

TOWN OF SAHUARITA, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT
FISCAL YEAR ENDED JUNE 30, 2011

**TOWN OF SAHUARITA, ARIZONA
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FISCAL YEAR ENDED JUNE 30, 2011**

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying Annual Expenditure Limitation Report of the Town of Sahuarita, Arizona, for the year ended June 30, 2011. This report is the responsibility of the Town of Sahuarita, Arizona's management. Our responsibility is to express an opinion on this report based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the report. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall report presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Annual Expenditure Limitation Report was prepared for the purpose of complying with the uniform expenditure reporting system as discussed in Note 1, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the Annual Expenditure Limitation Report of the Town of Sahuarita, Arizona, for the year ended June 30, 2011, referred to above presents fairly, in all material respects, the information required by the uniform expenditure reporting system on the basis of accounting described in Note 1.

This report is intended solely for the information and use of management, and for filing with the Auditor General of the State of Arizona, and is not intended to be and should not be used by anyone other than these specified parties.

LarsonAllen LLP

LarsonAllen LLP

Mesa, Arizona
October 26, 2011



(1)

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**TOWN OF SAHUARITA, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT - PART I
FISCAL YEAR ENDED JUNE 30, 2011**

1.	EEC Expenditure Limitation	\$ -
2.	Voter-approved alternative expenditure limitation	64,798,170
3.	Enter applicable amount from line 1 or 2	64,798,170
4.	Amount subject to expenditure limitation (total amount form Part II, line C)	27,730,877
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	27,730,877
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	27,730,877
11.	Amount under (in excess of) the expenditure limitation (If excess expenditures are reported, provide an explanation.)	\$ 37,067,293

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: A.C. Marriotti, CPA

Telephone Number: (520) 822-8844

Date: October 26, 2011

See accompanying notes to report.

**TOWN OF SAHUARITA, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT - PART II
FISCAL YEAR ENDED JUNE 30, 2011**

	Governmental Funds	Enterprise Funds	Internal Service Funds	Fiduciary Funds	Total
A. Amounts reported on the Reconciliation, Line D	\$ 22,806,104	\$ 4,924,773	\$ -	\$ -	\$ 27,730,877
B. Less exclusions claimed:					
1. Bond proceeds	-	-	-	-	-
Debt service requirements on bonded indebtedness	-	-	-	-	-
Proceeds from other long-term obligations	-	-	-	-	-
Debt service requirements on other long-term obligations	-	-	-	-	-
2. Dividends, interest and gains on sale or redemption of investment securities	-	-	-	-	-
3. Trustee or custodian	-	-	-	-	-
4. Grants and aid from Federal government	-	-	-	-	-
5. Grants, aid, contributions or gifts from a private agency, organization or individual except amounts received in lieu of taxes	-	-	-	-	-
6. Amounts received from the State	-	-	-	-	-
7. Quasi-external interfund transactions	-	-	-	-	-
8. Amounts accumulated for purchase of land, and purchase or construction of buildings or improvements	-	-	-	-	-
9. Highway user revenues in excess of fiscal year 1979-80	-	-	-	-	-
10. Contracts with other political subdivisions	-	-	-	-	-
11. Refunds, reimbursements, and other recoveries	-	-	-	-	-
12. Voter-approved exclusions not identified above (attach resolution)	-	-	-	-	-
13. Prior years carry-forward claimed	-	-	-	-	-
14. Total exclusions claimed	-	-	-	-	-
C. Amount subject to expenditure limitation	<u>\$ 22,806,104</u>	<u>\$ 4,924,773</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,730,877</u>

See accompanying notes to report.

**TOWN OF SAHUARITA, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT - RECONCILIATION
FISCAL YEAR ENDED JUNE 30, 2011**

	Governmental Funds	Enterprise Funds	Internal Service Funds	Fiduciary Funds	Total
A. Total expenditures (and expenses) reported within the financial statements	\$ 23,850,915	\$ 4,382,885	\$ -	\$ -	\$ 28,233,800
B. Deductions:					
1. Items not requiring use of working capital -					
Depreciation and amortization	-	813,652	-	-	813,652
Loss on disposal of capital assets	-	1,288,341	-	-	1,288,341
Bad debt expense	-	-	-	-	-
2. Expenditures of separate legal entities established under Arizona Revised Statutes	1,044,811	-	-	-	1,044,811
3. Present value of net minimum capital lease and installment purchase contract payments recorded as expenditures at the inception of the agreements	-	-	-	-	-
4. Charges for services paid to the Internal Service Funds	-	-	-	-	-
5. Involuntary court judgments	-	-	-	-	-
6. Total deductions	<u>1,044,811</u>	<u>2,101,993</u>	<u>-</u>	<u>-</u>	<u>3,146,804</u>
C. Additions:					
1. Principal payment on long-term debt	-	1,215,031	-	-	1,215,031
2. Acquisition of capital assets	-	1,428,850	-	-	1,428,850
3. Internal Service Fund expenses not charged to other funds	-	-	-	-	-
4. Landfill closure and post closure care costs recorded as expenditures in previous years	-	-	-	-	-
5. Total additions	<u>-</u>	<u>2,643,881</u>	<u>-</u>	<u>-</u>	<u>2,643,881</u>
D. Amounts reported on Part II, Line A	<u>\$ 22,806,104</u>	<u>\$ 4,924,773</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,730,877</u>

See accompanying notes to report.

**TOWN OF SAHUARITA, ARIZONA
NOTES TO ANNUAL EXPENDITURE LIMITATION REPORT
FISCAL YEAR ENDED JUNE 30, 2011**

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 March 13, 2007, as authorized by the Arizona Constitution, Article IX, §20(9).