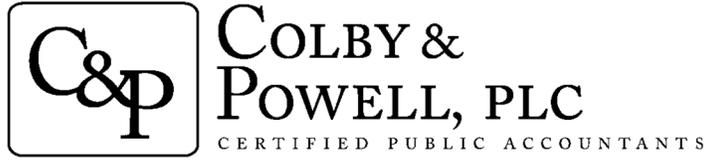


**TOWN OF YOUNGTOWN, ARIZONA**

Annual Expenditure Limitation Report  
and Independent Accountants' Report  
June 30, 2023

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## INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the accompanying Annual Expenditure Limitation Report of the Town of Youngtown, Arizona for the year ended June 30, 2023, 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.

*Colby & Powell*

March 28, 2024

**TOWN OF YOUNGTOWN, ARIZONA**  
**Annual Expenditure Limitation Report – Part I**  
**Year Ended June 30, 2023**

1. Economic Estimates Commission expenditure limitation	\$ 12,460,304
2. Amount subject to the expenditure limitation (total amount from Part II, Line C)	<u>5,200,855</u>
3. Amount under the expenditure limitation	<u><u>\$ 7,259,449</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: Jeanne Blackman, Town Manager

Telephone Number: (623) 933-8286

Date: March 28, 2024

*See accompanying notes to report.*

**TOWN OF YOUNGTOWN, ARIZONA**  
**Annual Expenditure Limitation Report – Part II**  
**Year Ended June 30, 2023**

Description	Governmental funds
A. Amounts reported on the reconciliation, line D	\$ 7,333,970
B. Less exclusions claimed:	
1. Debt proceeds	-
2. Debt service requirements	-
3. Dividends, interest, and gains on the sale or redemption of investment securities	-
4. Trustee or custodian	-
5. Grants and aid from the federal government	1,645,385
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 of Arizona	-
8. Quasi-external interfund transactions	-
9. Voter-approved amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements	-
10. Highway user revenues in excess of those received in fiscal year 1979-80	487,730
11. Contracts with other political subdivisions	-
12. Refunds, reimbursements, and other recoveries	-
13. Voter-approved exclusions not identified above (attach resolution)	-
14. Prior years carryforward	-
15. Qualifying capital improvement expenditures repaid in accordance with A.R.S. §41-1279.07	-
16. Total exclusions claimed	2,133,115
C. Amounts subject to the expenditure limitation	\$ 5,200,855

*See accompanying notes to report.*

**TOWN OF YOUNGTOWN, ARIZONA**  
**Annual Expenditure Limitation Report – Reconciliation**  
**Year Ended June 30, 2023**

Description	Governmental funds
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial	\$ 7,543,149
B. Subtractions:	
1. Items not requiring use of current financial resources:	
a. Depreciation	-
b. Loss on disposal of capital assets	-
c. Bad debt expense	-
d. Pension and other postemployment benefits (OPEB) expense	-
e. Claims incurred but not reported (IBNR)	-
f. Landfill closure and postclosure care costs	-
2. Expenditures of separate legal entities established under Arizona Revised Statutes	191,134
3. Required fees paid to the Industrial Commission of Arizona	18,045
4. Present value of net minimum lease, financed purchase, and subscription-based information technology arrangement (SBITA) contract payments recorded as expenditures at the agreements' inception	-
5. Involuntary court judgments	-
6. Total subtractions	209,179
C. Additions:	
1. Principal payments on long-term debt	-
2. Capital asset acquisitions	-
3. Amounts paid in the current year but reported as expenses in previous years:	
a. Claims previously recognized as IBNR	-
b. Landfill closure and postclosure care costs	-
4. Pension and OPEB contributions paid in the current year	-
5. Transfers to separate legal entities	-
6. Total additions	-
D. Amounts reported on part II, line A	\$ 7,333,970

*See accompanying notes to report.*

**TOWN OF YOUNGTOWN, ARIZONA**  
**Notes to Annual Expenditure Limitation Report**  
**Year Ended June 30, 2023**

***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.

***NOTE 2 – EXPENDITURES OF 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	\$ 1,645,385
Highway user revenues in excess of those received in fiscal year 1979-80	487,730
Other revenues (non-excludable)	2,772,113
 Total intergovernmental revenues as reported in the in the fund financial statements	 \$ 4,905,228

***NOTE 3 – EXPENDITURES OF SEPARATE LEGAL ENTITIES***

The subtraction of \$191,134 for separate legal entities established under Arizona Revised Statutes consists of expenditures of a special assessment district included within the Town’s reporting entity, but not included in the Economic Estimates Commission base limit calculations, and are reported in the governmental funds category in the basic financial statements.

Principal	\$ 155,000
Interest on long-term debt	35,640
Debt fees	494
 Total	 \$ 191,134

**TOWN OF YOUNGTOWN, ARIZONA**  
**Notes to Annual Expenditure Limitation Report**  
**Year Ended June 30, 2023**

***NOTE 4 – EXCLUSION AND CARRYFORWARD OF DIVIDENDS, INTEREST AND GAINS***

The Town did not exclude any amounts for dividends, interest, and gains on the sale or redemption of investment securities in the current fiscal year. Remaining unspent, excludable revenues of \$291,989 have been carried forward to future years.