

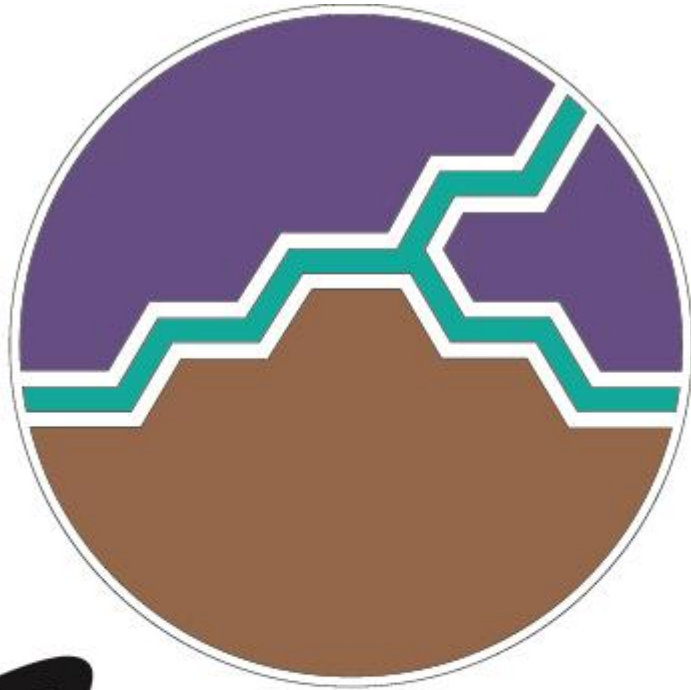


City of Yuma, Arizona

Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2016





CITY OF
Yuma

City of Yuma
Arizona

**Comprehensive
Annual
Financial
Report**

For the Fiscal Year Ended
June 30, 2016

Prepared by:

Finance Department

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Director

Lisa Marlin, MBA
Accounting Manager

Wendy Wrenn, CPA
Budget & Treasury Manager

Linda Johnson
Accounting Supervisor

Maura Luna

Lucia Zavala

Liz Walker
Accountants

About the Cover:

The City of Yuma enjoys proximity with the beautiful Colorado River. Opportunities abound for residents and visitors to enjoy this natural resource including fishing, kayaking, tubing and float-downs, or simply enjoying the river from its edge at West Wetlands Park's Centennial Beach or under the Ocean-to-Ocean Bridge at Gateway Park. The river also provides much-needed irrigation to Yuma's agricultural district, which supplies much of the nation's leafy vegetables in the winter. The City of Yuma is truly an outdoor-lover's dream.

Photo by City of Yuma Media Team.

CITY COUNCIL

Douglas J. Nicholls, Mayor
William Craft, Deputy Mayor
Gary Knight
Jacob Miller
Michael Shelton
Edward C. Thomas
Gary Wright

City Administration

Gregory K. Wilkinson
City Administrator

Ricky Rinehart
Deputy City Administrator

City Departments

City Attorney
Steven W. Moore

City Clerk
Lynda L. Bushong

Community Development
Laurie L. Lineberry

Engineering
Joshua Scott

Finance
Donald (Pat) Wicks

Fire Department
Stephen Irr, Chief

Human Resources
Ron Corbin

Information Technology
James Hamersley

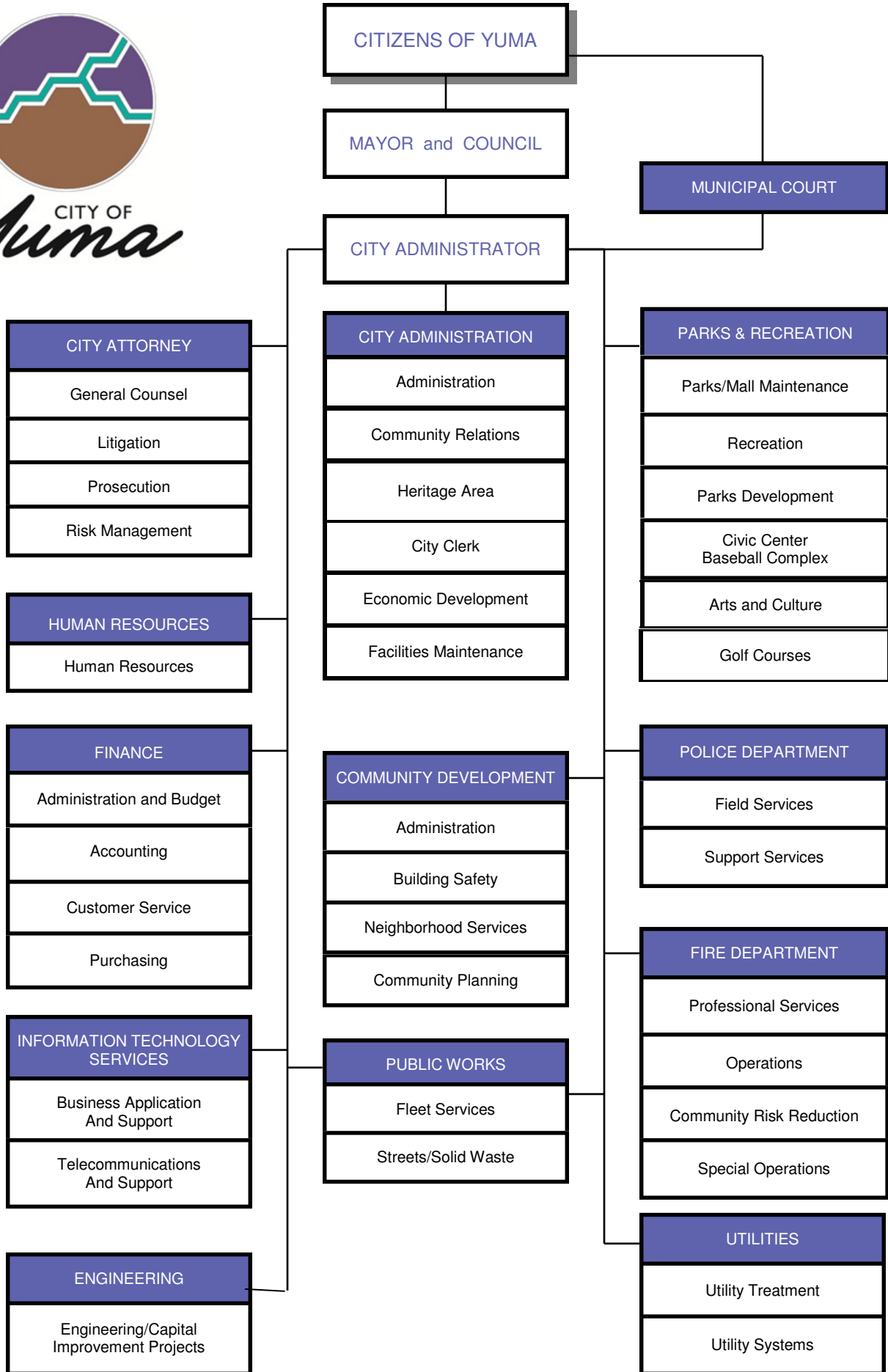
Municipal Court
James F. Coil, Judge

Parks and Recreation
Deborah Wendt

Police Department
John J. Lekan, Chief

Public Works
Joel Olea

Utilities
Jay Simonton



CITIZENS OF YUMA

MAYOR and COUNCIL

MUNICIPAL COURT

CITY ADMINISTRATOR

CITY ATTORNEY

General Counsel

Litigation

Prosecution

Risk Management

HUMAN RESOURCES

Human Resources

FINANCE

Administration and Budget

Accounting

Customer Service

Purchasing

INFORMATION TECHNOLOGY SERVICES

Business Application And Support

Telecommunications And Support

ENGINEERING

Engineering/Capital Improvement Projects

CITY ADMINISTRATION

Administration

Community Relations

Heritage Area

City Clerk

Economic Development

Facilities Maintenance

COMMUNITY DEVELOPMENT

Administration

Building Safety

Neighborhood Services

Community Planning

PUBLIC WORKS

Fleet Services

Streets/Solid Waste

PARKS & RECREATION

Parks/Mall Maintenance

Recreation

Parks Development

Civic Center Baseball Complex

Arts and Culture

Golf Courses

POLICE DEPARTMENT

Field Services

Support Services

FIRE DEPARTMENT

Professional Services

Operations

Community Risk Reduction

Special Operations

UTILITIES

Utility Treatment

Utility Systems

City of Yuma, Arizona
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2016

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For the Year Ended June 30, 2016

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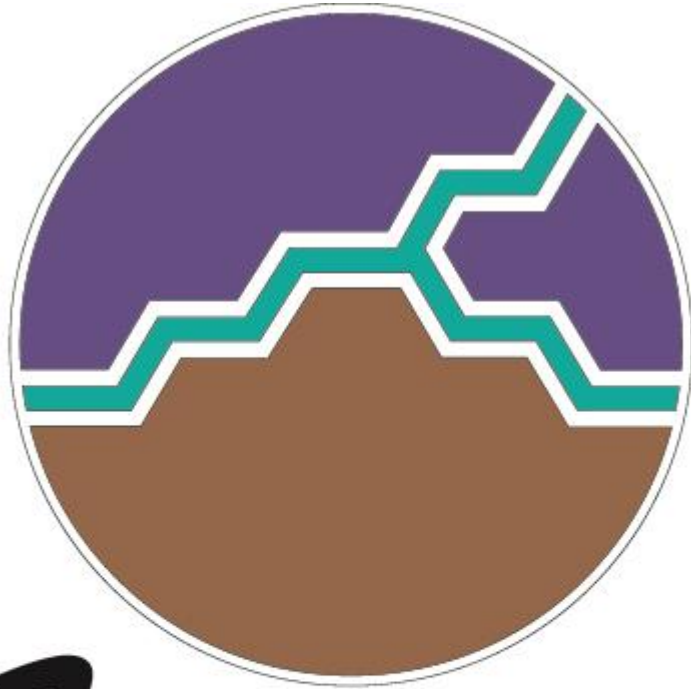
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INTRODUCTORY SECTION



CITY OF
Yuma



FINANCE DEPARTMENT
One City Plaza
Yuma, Arizona 85364-1436
(928) 373-5087
Fax: (928) 373-5084

December 27, 2016

To the Citizens, Honorable Mayor and City Council,
and City Administrator

The Finance Department is pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Yuma, Arizona for the fiscal year ended June 30, 2016. The report includes the Independent Auditor's Report as required by City Charter Article XIII, Section 12, and by Arizona Revised Statutes, Section 9-481. The report is prepared in conformity with generally accepted accounting principles and standards set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. Management of the City is responsible for establishing and maintaining internal controls to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles as they apply to governmental units. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and, 2) the calculation of costs and benefits requires estimates and judgments by management. To the best of our knowledge and belief, the enclosed data is accurate, in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Heinfeld, Meech & Co., P.C., a public accounting firm fully licensed and qualified to perform audits of local governments within the State of Arizona, have audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Yuma, Arizona for the fiscal year ended June 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that the City of Yuma's financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with accounting principles generally accepted in the United States. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the City's separately issued Single Audit Reporting Package.

This report has been prepared using the financial reporting requirements as outlined in GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This standard requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of *Management’s Discussion and Analysis (MD&A)*. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditors’ report.

PROFILE OF THE CITY OF YUMA

The City of Yuma was incorporated in 1914 and adopted its first charter in June of that year. Yuma is the economic hub and county seat of Yuma County. The City is located along the Colorado River in southwestern Arizona and is equidistant from the major population centers of Phoenix, Arizona and San Diego, California.

The City operates under a council-manager form of government. The City Council consists of six members elected at large for staggered four-year terms. The elected Mayor is the seventh voting member of council, who, along with the remaining council members is elected on a non-partisan basis. The City Council is responsible for passing ordinances, adopting the budget, appointing members of commissions and hiring the City Administrator. The City Administrator carries out the policies and ordinances of the City Council, oversees the day-to-day operations of the City and appoints the various department heads.

The City provides a full range of municipal services. These include public safety (police, fire and municipal court), street construction and maintenance, water and wastewater utility services, sanitation and residential refuse collection, parks, recreation and culture, planning and zoning, and general administrative and support services.

This CAFR includes the financial activity of the primary government, which includes several enterprise activities, as well as its blended component units. Component units are legally separate units for which the primary government is financially accountable. Blended component units, while legally separate, are part of the City’s operations and are combined within the report. The Yuma Municipal Property Corporation and the City of Yuma Employee Benefits Trust have been included in the reporting entity. Conversely, the report does not include the City of Yuma Housing Authority as the City is not financially accountable for the authority, nor does the City directly or indirectly rely upon or benefit from the financial activity of the authority.

ECONOMIC CONDITION AND OUTLOOK

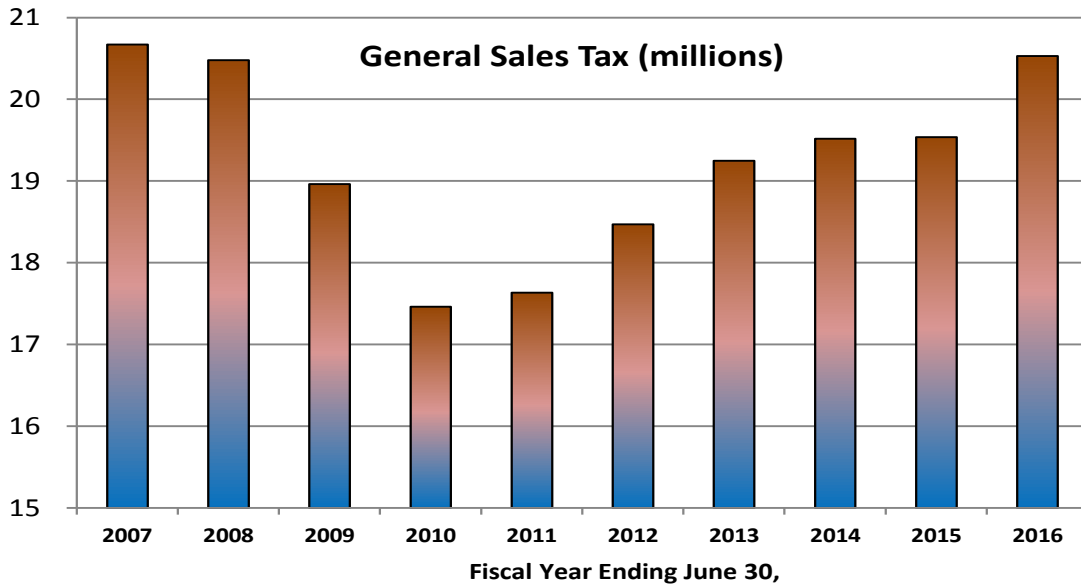
Industrial Expansion. Yuma’s economy is based primarily in agriculture, tourism and government, although further diversification continues. Agriculture remains the Yuma area’s dominant industry, producing more than \$3.2 billion in revenues annually¹. Several major agricultural companies maintain operations here. Their chief consumer products of packaged produce and salad mixes continue to be popular products for today’s convenience-minded customers. The Yuma area’s stable allocation of Colorado River water will assure that agriculture remains the foundation of Yuma’s economy.

The United States Marine Corps Air Station (MCAS) and United States Army Yuma Proving Ground (YPG) help provide economic stability. These two installations continue to be cornerstones in the military’s flight training and equipment testing programs. Both should survive any continued base closure efforts by the federal government. In fact, both installations are enjoying new construction and expansion to meet their needs into the 21st century. MCAS is the home of one of the first squadrons of the new Joint Strike Fighter, the new generation aircraft being adopted by all military services.

Although manufacturing currently accounts for less than 10% of countywide employment, the City’s partnership with the Greater Yuma Economic Development Corporation continues to attract attention to the area. Several companies have located or expanded operations in Yuma in recent years.

¹ Source: Greater Yuma Economic Development Corporation

Economic Growth. Yuma’s most reliable indicator of the condition of its economy is sales tax. The graph below reflects the last ten years of data. General sales tax saw an increase of 5.0% for fiscal year 2016. Tax data show that Retail Trade, annually the largest segment of the sales tax measure, increased by 5.9% over 2015. Construction sales tax again declined some (19.1%) for the year to partially offset some of the gains in retail. Projects at MCAS will continue into 2017 to be joined by continued construction at Yuma Regional Medical Center. Overall, sales taxes are anticipated conservatively to grow 3.5% for fiscal year 2017.



Tourism. Yuma has enjoyed an influx of seasonal residents for decades. Visitors from throughout the United States and Canada continue to call Yuma their winter home. This contributes to the strengthening of sales tax collections.

LONG-TERM FINANCIAL PLANNING

Yuma Crossing National Heritage Area. Plans to restore, preserve and interpret the Yuma Crossing National Heritage area began more than thirty years ago and work continued throughout 2016. This much-needed expansion of beach area along the Colorado River not only enhances the beauty of the river’s edge but provides access to the river for recreation. The river, once the primary reason for Yuma’s existence, was ignored for years as community growth and new development moved away from the riverfront. Awareness of the river’s importance has re-emerged, culminating in the establishment of the Yuma Crossing National Heritage Area in 2000, the first such National Heritage Area west of the Mississippi River.

During fiscal year 2016, city and Federal funding continues to manage and improve both the West and East Wetlands to restore natural vegetation and wildlife habitat, and improve recreational opportunities for area residents. The City will also continue its focus in developing historic and cultural activities in these areas as these are so important in meeting the Council’s goals in enriching the area’s cultural attributes. Progress in providing opportunities for local residents and in attracting employers to the area to diversify the economy is dependent on continuing these plans.

Downtown redevelopment. Revitalization of the downtown area is a vital component of management of the Heritage Area. The new hotel and conference center are cornerstones of the public/private partnership that is developing the river area. The Judge John M. Roll U.S. Courthouse adds to the economic vitality of the area.

FINANCIAL INFORMATION

Budgetary Controls. The annual budget serves as the foundation for City financial planning and control. The City maintains budgetary controls with the objectives to ensure compliance with legal provisions embodied in the annual appropriated budget, approved by the City Council. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Fund, Enterprise Funds, and three of the City's Internal Service Funds are included in the annual appropriated budget. As with the governmental funds, the City's proprietary funds are presented on a current financial resources basis to account for capital and debt-related expenditures. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary controls. Encumbered amounts lapse at year-end. However, encumbrances generally are re-appropriated as part of the following year's budget. As demonstrated by the budgetary schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management. In addition to budgetary schedules, Note I-E in the Notes to the Financial Statements beginning on page 33 describes in detail the budget process used by the City.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This is the thirty fourth consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. The report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another award.

I wish to express my sincere thanks to the employees of the Accounting Division for their dedicated service in preparing this report. Their work, along with those services provided by other members of the Finance Department, has made this report possible. The cooperation and assistance of the accounting firm of Heinfeld, Meech & Co., P.C., also contributed significantly to its production. Finally, I wish to thank the Mayor and Council, City Administrator, and the City Staff for their continued support.

Respectfully submitted,



Donald (Pat) Wicks, CPA
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

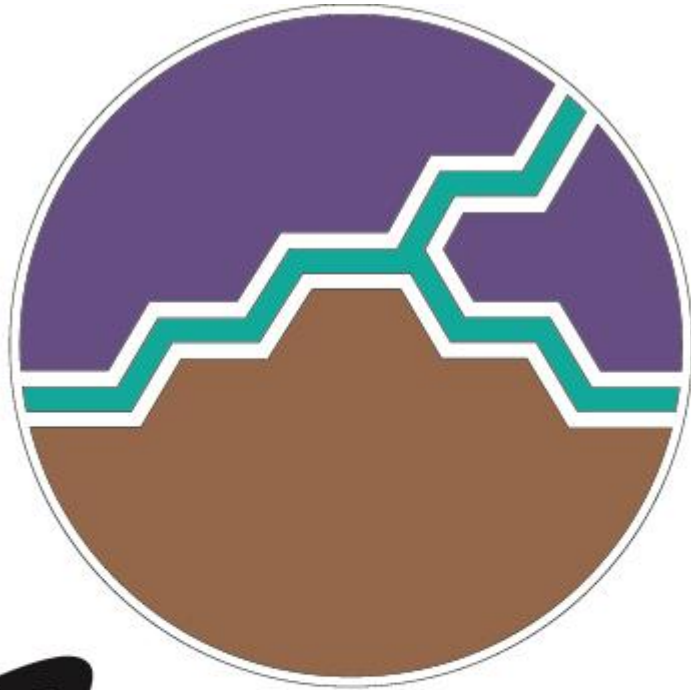
Presented to

**City of Yuma
Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

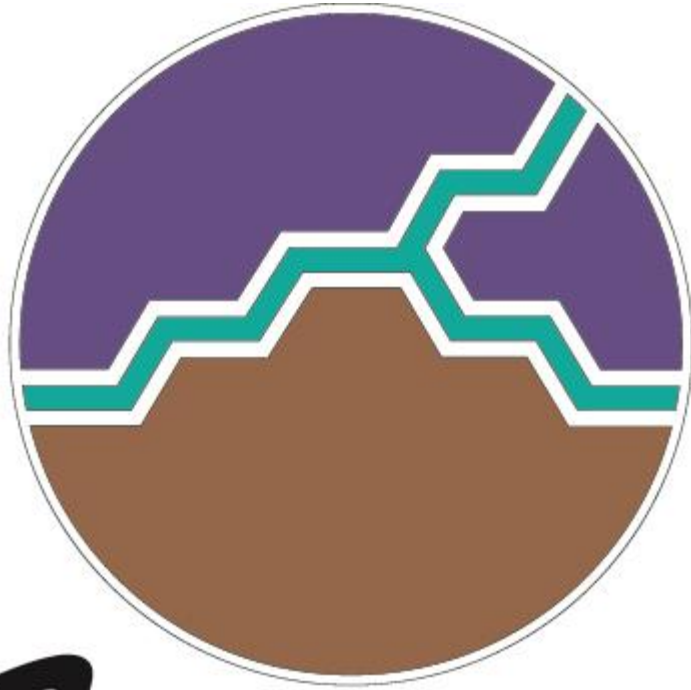
June 30, 2015

Executive Director/CEO



CITY OF
Yuma

FINANCIAL SECTION



CITY OF
Yuma

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City Council, and City Administrator
City of Yuma, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of City of Yuma, Arizona (the City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Yuma, Arizona, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note I-B, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, for the year ended June 30, 2016, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, net pension liability information, and other postemployment benefit information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, Combining Fund Financial Statements and Schedules, and Statistical Section, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Fund Financial Statements and Schedules, as listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Fund Financial Statements and Schedules, as listed in the table of contents, information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2016, on our consideration of City of Yuma, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Yuma, Arizona's internal control over financial reporting and compliance.



Heinfeld, Meech & Co., P.C.
Phoenix, Arizona
December 27, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Required Supplementary Information)

As management of the City of Yuma, we offer readers of the City of Yuma's financial statements this narrative overview and analysis of the financial activities of the City of Yuma for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the City's net position increased by \$5.7 million for the fiscal year, governmental activities increased by \$2.2 million while business-type activities of the City increased \$3.5 million.
- The City's government-wide net position totaled \$356.4 million at June 30, 2016. Due to implementation of GASB pension statements, the City has a negative unrestricted net position of \$91.6 million in governmental programs and positive \$49.7 million in business-type activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Yuma's basic financial statements. The City of Yuma's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Yuma's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the assets and outflows minus the liabilities and inflows reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (uncollected taxes and earned but unused vacation leave are two examples).

Both of the government-wide financial statements distinguish functions of the City of Yuma that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets, environmental health and protection, community design and development and parks, recreation and culture. The business-type activities of the City include water, wastewater, solid waste, radio communications and golf course operations.

The government-wide financial statements can be found on pages 20-21 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Yuma, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the four funds considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements beginning on page 82.

Major Governmental Funds:

General
City Road Tax
Debt Service
Capital Projects

Nonmajor Governmental Funds continued:

Public Safety Tax
Highway User Revenue
Grants
Two Percent Tax
Yuma Mall Maintenance

Nonmajor Governmental Funds:

Community Redevelopment

The City adopts annual appropriated budgets for all of its governmental funds. Budgetary comparison statements have been provided to demonstrate compliance with these budgets. The basic governmental fund financial statements can be found starting on page 24 of this report.

Proprietary funds. The City of Yuma maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Yuma uses enterprise funds to account for its Water, Wastewater, Solid Waste Authority, and Radio Communications and golf course. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Yuma uses internal service funds to account for its equipment replacement and maintenance programs, liability insurance, and for its workers compensation and employee health insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Major Enterprise Funds:

Water
Wastewater

Nonmajor Enterprise Funds:

Solid Waste
Radio Communications
Desert Hills Golf Course

Nonmajor Internal Service Funds:

Equipment Replacement
Equipment Maintenance
Insurance Reserve
Employee Benefits Trust
Workers Compensation

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements group major and nonmajor proprietary funds in a manner similar to governmental fund statements. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements, beginning on page 105.

The City adopts annual appropriated budgets for all of its proprietary funds with the exception of one internal service funds: Employee Benefits Trust. Budgetary comparison statements for the remaining proprietary funds are included within the report to demonstrate compliance with these budgets.

The basic proprietary fund financial statements can be found on pages 28-30 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 31 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Yuma's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found starting on page 68 of this report.

The combining statements referred to earlier in connection with nonmajor governmental, proprietary and internal service funds are presented immediately following the required supplementary information on pensions and budgets. Combining and individual fund statements and schedules can be found starting on page 82.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Yuma, assets and deferred outflows exceeded liabilities and deferred inflows by \$356.4 million at the close of the fiscal year.

Net Position: (millions)	Governmental Activities		Business-type Activities		Total	
	June 30,					
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 111.9	\$ 87.0	\$ 76.6	\$ 81.1	\$ 188.5	\$ 168.1
Capital assets	285.4	291.1	286.7	296.1	572.1	587.2
Total assets	397.3	378.1	363.3	377.2	760.6	755.3
Pension	25.8	23.5	1.2	1.5	27.0	25.0
Deferred Charges on Refunding	3.8		5.2		9.0	
Total Deferred Outflows of Resources	29.6	23.5	6.4	1.5	36.0	25.0
Long-term liabilities outstanding	256.8	228.9	158.6	169.6	415.4	398.5
Other liabilities	12.0	13.4	5.3	5.7	17.3	19.1
Total liabilities	268.8	242.3	163.9	175.3	432.7	417.6
Pension	6.4	9.8	1.1	2.2	7.5	12.0
Total Deferred Inflows of Resources	6.4	9.8	1.1	2.2	7.5	12.0
Net position:						
Net Investment in capital assets	193.7	194.8	152.3	147.6	346.0	342.4
Restricted	49.6	23.2	2.7	9.0	52.3	32.2
Unrestricted	(91.6)	(68.5)	49.7	44.6	(41.9)	(23.9)
Total net position	\$ 151.7	\$ 149.5	\$ 204.7	\$ 201.2	\$ 356.4	\$ 350.7

The largest portion of the City of Yuma's net position reflects its investment in capital assets (e.g., land, buildings, machinery), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to pay these liabilities. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is unable to report positive balances in all three categories of net positions, as the city is reporting a deficit governmental unrestricted net position while its business-type net position is positive. The existence of such a deficit does not mean that the City is on the brink of financial disaster. This deficit is caused by long-term pension liabilities that are funded on a pay-as-you-go basis, for which the City

MANAGEMENT'S DISCUSSION AND ANALYSIS

appropriates resources each year as payments come due, rather than accumulating assets in advance. Net position increased to \$356.4 million, up \$5.7 million from the prior year. Governmental activities increased \$2.2 million while business-type activities increased \$3.5 million. Capital asset acquisitions were lower than the depreciation expense and capital asset disposal this year attributing to the decrease in capital assets in both governmental and business-type activities. Unrestricted net position are those assets available to finance programs in the upcoming fiscal year and would increase when the portion of taxes and other revenues exceed operating expenses but are not invested in capital assets.

Statement of Activities. Already noted was the statement of activities' purpose in presenting information in how the government's net position changed during the most recent fiscal year. A chart of changes in net position follows.

Changes in Net Position Fiscal Year Ended June 30, (millions)	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for services	\$ 14.8	\$ 10.0	\$ 44.5	\$ 42.8	\$ 59.3	\$ 52.8
Operating grants and contributions	2.5	3.5	-	0.4	2.5	3.9
Capital grants and contributions	0.6	1.5	6.4	5.3	7.0	6.8
General revenues:						
Property taxes	11.0	9.7	-	-	11.0	9.7
Sales taxes	40.2	38.3	-	-	40.2	38.3
Franchise taxes	3.2	3.1	-	-	3.2	3.1
Intergovernmental, unrestricted	30.2	29.4	-	-	30.2	29.4
Unrestricted investment earnings	0.4	0.3	0.3	0.2	0.7	0.5
Total revenues	102.9	95.8	51.2	48.7	154.1	144.5
Expenses:						
General government	9.1	9.0	-	-	9.1	9.0
Public safety	55.9	55.8	-	-	55.9	55.8
Streets	12.3	15.0	-	-	12.3	15.0
Parks, recreation and culture	14.2	14.4	-	-	14.2	14.4
Environmental health and protection	0.7	0.2	-	-	0.7	0.2
Community design and development	4.3	4.4	-	-	4.3	4.4
Interest on long-term debt	4.5	4.5	-	-	4.5	4.5
Water	-	-	23.4	25.3	23.4	25.3
Wastewater	-	-	16.6	17.2	16.6	17.2
Solid Waste	-	-	3.3	3.1	3.3	3.1
Radio Communications	-	-	2.2	2.6	2.2	2.6
Golf courses	-	-	1.9	2.5	1.9	2.5
Total expenses	101.0	103.3	47.4	50.7	148.4	154.0
Increase/(Decrease) in net position before transfers	1.9	(7.5)	3.8	(2.0)	5.7	(9.5)
Transfers	0.3	(1.3)	(0.3)	1.3	-	-
Increase/(Decrease) in net position	2.2	(8.8)	3.5	(0.7)	5.7	(9.5)
Net Position - July 1	149.5	260.4	201.2	215.3	350.7	475.7
Effect of Change in Accounting Principle	-	(102.1)	-	(13.4)	-	(115.5)
Net Position - July 1, as restated	149.5	158.3	201.2	201.9	350.7	360.2
Net Position - June 30	\$ 151.7	\$ 149.5	\$ 204.7	\$ 201.2	\$ 356.4	\$ 350.7

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the fiscal year, net position increased \$5.7 million, with \$2.2 million of the increase coming from governmental activities.

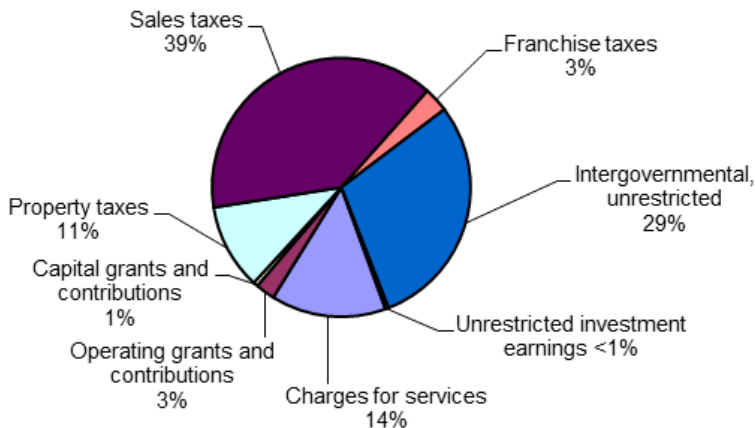
Governmental Activities

Revenues

Governmental activities revenues totaled \$102.9 million for fiscal year 2016, an increase of \$7.1 million from 2015, primarily in Charges for Services and Sales Tax Revenues. Local sales taxes remain the largest revenue source for the City and are comprised of the 1% general sales tax along with a .5% road tax and a .2% public safety tax. State-shared revenues are the City's second largest revenue source. State-shared revenues include state sales tax, urban revenue sharing (income tax), auto in-lieu tax and highway user funds (gas tax). Sales taxes and state shared revenues account for 68.4% of governmental revenues for the year. Capital grants and contributions, the third segment of governmental activities revenues, include donations and capital asset contributions. Charges for services count building permits and inspections, fines, recreation fees, police services and civic center rental fees among its largest sources. The charges for services category amounts to 14.4% of governmental revenues. Property taxes represent 10.7% of governmental revenues. The large majority of property taxes are levied for general purposes with a small levy for downtown mall maintenance. No property taxes are levied for debt service. Various grants and contributions and franchise taxes account for most of the remaining governmental revenues. Some of the more significant changes in governmental activities revenues are noted:

- Sales taxes increased 5.0% from 2015, reflecting an improvement in the economy over last year.
- Charges for services increased by \$4.8 million primarily from an increase in public safety usage by the public and a slight increase in development revenue.
- Property taxes increased 13.4% to \$11 million as the City Council allowed the property tax rate to increase to offset the increased need for public safety and road repair.

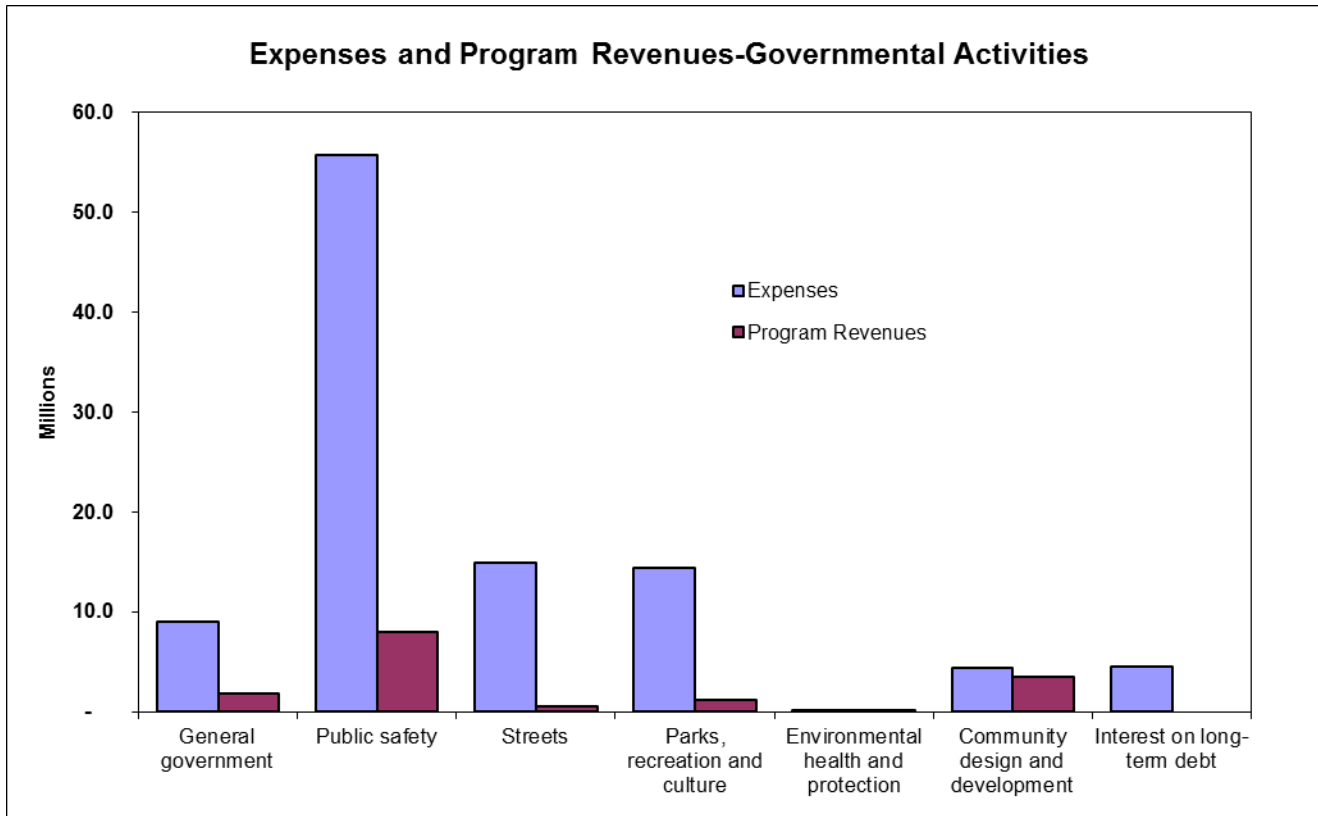
**Revenues-
Governmental Activities**



MANAGEMENT'S DISCUSSION AND ANALYSIS

Expenses

Governmental expenses totaled \$101.0 million for the fiscal year. Of the expenses, 55% or \$55.9 million is related to public safety for police, fire and municipal court services. Parks, recreation and culture expenses amounted to \$14.2 million, or 14.1% and Streets was \$12.3 million, 12.2%, while environmental health and community design and development expenses amounted to 0.7% and 4.3% respectively. General government expenses came to \$9.1 million, or 9.0%. Interest on long-term debt was \$4.5 million, or 4.5% of governmental expenses. Overall, governmental activities expenses decreased \$2.3 million from 2015, driven primarily by a decrease in Streets expenditures of \$2.7 million.



The chart above compares governmental activities with their respective program revenues, if any. Because the ultimate beneficiary of services of these types is often difficult to ascertain or the services apply to a broad spectrum of users (such as in fire protection), user fees are not created and general revenues provide the funding support for most of these services. Moreover, where ultimate users of the services are determinable, program revenues may generate only a portion of the funding, such as in recreation programs.

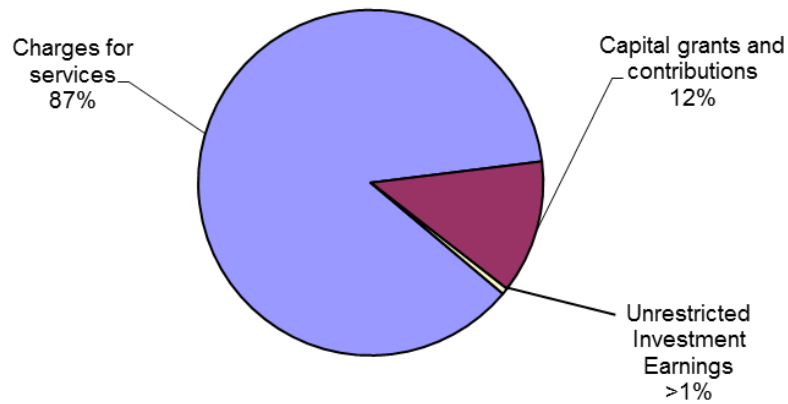
MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type activities

Revenues

General revenues do not support the City's business-type activities; thus, the largest source of revenues comes from charges for services. Of the \$44.5 million in charges for services, 84.7% comes from the City's two utility operations, water and wastewater. The remaining charges are from solid waste, radio communications and the City's two golf courses, Desert Hills and Desert Hills Par 3. The \$6.4 million in contributions are payments for capacity charges, development fees, and constructed additions to the City's water and wastewater infrastructure by subdivision and other developers as well as grant funds for the water, wastewater and radio communications funds. Finally, investment earnings make up 0.52% of revenues for the City's business activities.

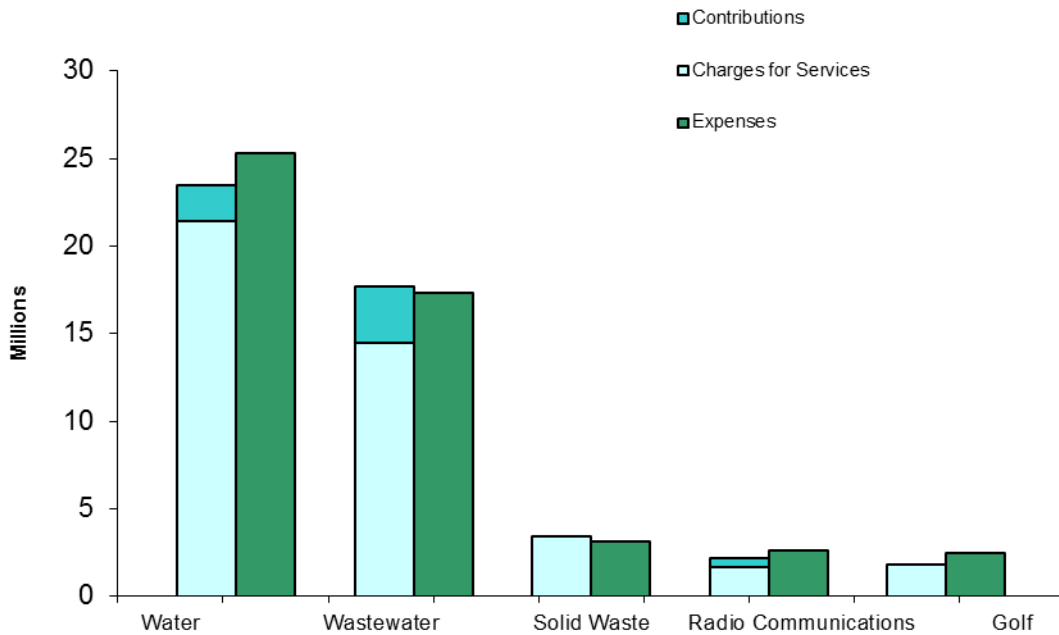
Revenues-Business-type Activities



Expenses

Water and wastewater services account for 84.4% of the City's business-type activities expenses with solid waste, radio communication and golf courses making up the remaining 15.6%. Water expenses amounted to \$23.4 million while wastewater expenses totaled \$16.6 million. Solid Waste, Radio Communications, and Desert Hills Golf Courses recorded expenses of \$3.3 million, \$2.2 million and \$1.9 million, respectively, for a total of \$7.4 million.

Expenses vs. Program Revenues-Business-type Activities



Because the City's business-type activities are supported by user charges, the chart above shows more reliance on program revenues. Moreover, for both water and wastewater, program revenues include capacity charges for new service and developer additions to the utility infrastructure.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental funds. The combined fund balances of governmental funds for the fiscal year ended June 30, 2016, is \$74.0 million, an increase from 2015 of \$28.4 million. A review of some of the more significant funds follows.

General Fund

The fund balance of the General Fund increased by \$0.9 million for the fiscal year 2016. Revenues increased by \$3.8 million. Sales taxes, the city's largest source of General Fund revenues, increased \$1.0 million (5.0%) to \$20.5 million, representing a robust increase in retail sales. Property taxes increased by \$1.3 million to \$10.8 million. State-shared vehicle registration tax (auto lieu tax) increased 8.3% to \$3.6 million. Total expenditures increased \$2.4 million to \$62.3 million. Most of the increase occurred in Public Safety expenditures, in part due to the City again needing to use current staff operating ambulance services in an overtime status. Public Safety Retirement contributions were also increased this year.

City Road Tax Fund

This fund accounts for the one-half cent sales tax for use on the City's roadways in conjunction with HURF. The fund balance grew by \$3.3 million for the year. In the same manner as general sales tax in the General Fund, sales taxes increased in 2016 by \$0.5 million to \$10.3 million. Operational expenditures decreased by \$0.3 million from 2015.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Debt Service Fund

Debt Service Fund expenditures decreased \$1.7 million to \$11.0. The City executed a bond refunding for the three 2007 debt issuances to secure a reduction in interest rates. The refunding, along with a new debt issue, occurred October 6, 2015.

Highway User Revenue Fund (HURF)

This fund, which accounts for the expenditure of state-shared gasoline taxes, showed an increase in fund balance of \$1.2 million for the year, increasing to \$3.9 million. The City's portion of those taxes increased by 10% for the fiscal year to \$6.9 million. All maintenance expenditures for streets and retention basins are made in the HURF Fund. Expenditures increased from 2015 by \$0.9 million to \$5.9 million.

Grants Fund

The City continues to receive much needed assistance from both the state and federal levels. During 2016, revenues decreased to \$2.1 million, due to the expiration of several grants. Again this year, Homeland Security was the primary source of grants, funding the Operation Stone Garden. In addition, the City of Yuma received funding from the Environmental Protection Agency for conducting community wide assessments at potential Brownfields sites contaminated with Petroleum or Hazardous Substances.

Community Redevelopment Fund

The City continued to utilize, in part, its Community Development Block Grant funding for eligible street infrastructure improvements and for affordable housing rehabilitation. Community Development Block Grant revenues decreased to \$0.8 million for 2016.

Capital Projects Fund

The Capital Projects Fund's fund balance increased to \$34.5 million this year as the city will begin the capital projects associated with the 2015 bond refunding, namely the Pacific Avenue Athletic Complex and the new Fleet Maintenance Facility. These projects are due to be completed in fiscal 2017. Capital expenditures increased in 2016 to \$7.1 million.

Proprietary funds. The City's enterprise funds posted an overall increase in net position of \$3.1 million for the fiscal year ended June 30, 2016. Results were mixed between the various funds with the Solid Waste, Radio and Communication and Desert Hills Golf Course Funds posting decreases in net position while the Water, and Wastewater Funds showed the reverse.

Water Enterprise Fund

Operating revenues for the Water Fund increased by \$1.1 million or 5% for the year ending June 30, 2016. Operating expenses decreased by 5%. With these extraordinary changes, operating income increased 231% to \$2.9 million, up from \$900 thousand in 2015. Capital contributions came in at \$2.7 million and this also contributed to the fund's net position increase of \$2.0 million.

Wastewater Enterprise Fund

The Wastewater Fund operating revenues increased 5% from fiscal 2015. Rate-based charges increased 3% to \$15.1 million. Operating expenses decreased by 1% with gain on operations increasing to \$21 thousand. Capital contributions at \$3.3 million increased the fund's net position by \$1.9 million.

Radio Communications Fund

With the reclassification of the Radio Communications fund to an enterprise fund, federal grants for the Yuma Regional Communications System were classified in the fund. This includes intergovernmental revenues and

MANAGEMENT'S DISCUSSION AND ANALYSIS

expenses of \$397 thousand. Operating revenues increased 1% to \$1.8 million due to a decrease in intergovernmental revenues and an increase in other agencies communication product purchases through the YRCS. Operating expenses decreased 17% to \$2.2 million, with the fund's net position at \$2.3 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2016, can be found starting on page 73. A summary of that schedule follows (shown in millions):

	Budget		Actual	Variance with Final
	Original	Final		
Revenues and Transfers In				
Taxes	\$ 34.9	\$ 34.9	\$ 34.7	\$ (0.2)
Intergovernmental	23.0	23.0	23.2	0.2
Other	7.8	7.8	9.6	1.8
Transfers In	-	-	0.0	0.0
Total	65.7	65.7	67.5	1.8
Expenditures and Transfers Out				
Expenditures	63.3	63.3	62.3	1.0
Transfers Out	5.1	5.1	4.4	0.7
Total	68.4	68.4	66.7	1.7
Change in Fund Balance	(2.7)	(2.7)	0.8	3.5

General Fund revenues and transfers ended the year \$1.8 million over expectations. Ambulance billing collections and other charges for services accounted for the majority of this increase, at \$1.4 million. Licenses, fines, and intergovernmental revenues made up another \$0.7 of this increase, while a combination of taxes and miscellaneous revenues decreased this by \$0.4 million.

Expenditures for the fund came in at \$1.7 million below budget mostly due to contingency budget not being used. General Government, Parks and Recreation, and Community Development showed savings of \$1.2 million, \$0.2 million and \$0.4 million respectively. Public Safety exceeded budget by \$0.8 million primarily due to overtime needed in excess of projections by the Fire Suppression and Ambulance Transport division. Savings in budget occurred in most departments with the City's drive to reduce expenditures throughout the year. The City continued to target all areas of expenditure reduction. Due to the department's diligence, the General Fund's anticipated reduction of fund balance of \$2.7 million instead came in at an addition of \$0.8 million.

CAPITAL ASSETS

At June 30, 2016, the City of Yuma's investment in capital assets in both governmental and business-type activities amounted to \$572.1 million, net of depreciation. This includes land, buildings, equipment, and infrastructure (roadways and bridges). Capital assets for governmental activities decreased by 1.9% while business-type capital assets decreased by 3.2%. The primary driver of these decreases is the depreciation expense on existing assets and disposals of capital assets being a larger expense than the addition of new assets and/or construction projects.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Change in Capital Assets (In Millions)

	Governmental Activities			Business-type Activities			Total
	July 1, 2015	Net Additions/ Deletions	June 30, 2016	July 1, 2015	Net Additions/ Deletions	June 30, 2016	
Land	\$ 57.9	\$ (1.9)	\$ 56.0	\$ 10.6	\$ -	\$ 10.6	\$ 66.6
Buildings	92.4	3.0	95.4	164.6	-	164.6	260.0
Improvements	47.4	2.6	50.0	269.0	5.3	274.3	324.3
Infrastructure	252.4	1.1	253.5	-	-	-	253.5
Equipment	54.6	3.7	58.3	13.2	0.4	13.6	71.9
Construction in Progress	9.7	0.8	10.5	5.1	-	5.1	15.6
Accumulated Depreciation	(223.4)	(14.8)	(238.2)	(166.4)	(15.2)	(181.6)	(419.8)
Total	\$ 291.0	\$ (5.5)	\$ 285.5	\$ 296.1	\$ (9.5)	\$ 286.6	\$ 572.1

Additional information on capital assets can be found in Note II-E starting on page 44.

DEBT ADMINISTRATION

At June 30, 2016, after scheduled debt payments and bond refunding, governmental activity debt increased to \$256.8 million while business-type activity debt increased to \$158.6 million. The increase is due to the 2015 bond refunding, which impacted the city's overall bond debt.

The state limits the amount a municipality may issue in general obligation debt to 20% of the City's secondary assessed valuation for combined water, wastewater, artificial light, parks, open space preserves, playgrounds and recreational facilities. Debt related to other projects is limited to 6% of the valuation. The current debt limitation for the former type is \$118.3 million. This City currently has no outstanding general obligation debt nor is there any debt outstanding for the other type of issuance.

The City's improvement district bonds were rated by Fitch Ratings as "A+". All other bonds are rated "AA-". The underlying ratings of Moody's Investor Services and Standard and Poor's are "Aa3" and "AA-", respectively. With the exception of the improvement district bond, all City bond issues are insured, and while the city enjoys higher ratings, the guarantors can no longer provide "AAA" rating as a result of ratings downgrades of the insurance companies.

A summary of the City's long-term debt follows. Additional information on the City's long-term debt can be found in Note II-F on pages 46-50.

Summary of Long-Term Debt

	(Millions)					
	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Yuma Municipal Property Corporation Bonds	\$ 111.0	\$ 97.5	\$ 89.7	\$ 103.0	\$ 200.7	\$ 200.5
Net Unamortized Premium/Issuance Costs	8.7	1.3	9.5	2.9	18.1	4.0
Improvement Districts	1.7	2.0	-	-	1.7	2.0
Contracts Payable	-	-	45.0	50.0	45.0	50.0
Pension	129.3	121.8	13.4	12.7	142.7	134.5
Compensated Absences	6.1	6.3	1.0	1.0	7.1	7.3
Total Long-Term Debt	\$ 256.8	\$ 228.8	\$158.6	\$ 169.6	\$ 415.4	\$ 398.4

MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS

Yuma County's growth is sluggish but improving. The county grew by an estimated 2,979 residents to 214,991 with the City of Yuma representing 46% of the county's population. Since 2000, the City has grown by 3% to an estimated 97,500 for 2016 (the most recent available). The City's economy is based on a triad of agriculture, tourism and military/government spending. Agribusiness continues to lead the economy, contributing well over \$3 billion annually. The area's 90,000-plus winter visitors add over \$500 million to the mix, while two prominent military installations infuse some \$300 million to the economy.

Property taxes are limited constitutionally in Arizona, so other local revenues make up the most significant reflectors of the condition of the economy. Sales tax, the City's primary source of general revenues, grew by \$1.0 million (5.0%) to \$20.5 million, hedging quickly toward its historic growth rate of 7%. For fiscal year 2017, General Fund revenues were projected with a 3.9% increase.

With sales tax statistics improving, the economy continues to strengthen. During 2016, the following major economic events occurred:

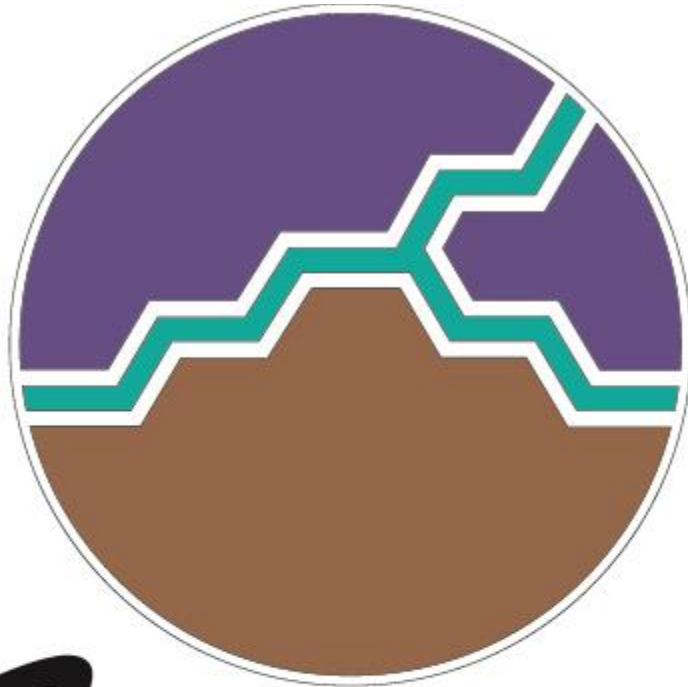
- The new F-35 Joint Strike Fighter continued its activities throughout 2016; in the summer of 2015 the Marine Operational and Evaluation squadron for integrated operational testing began to arrive and in January 2016 the Marine Unmanned Aerial Vehicle squadron was transferred to Yuma. Additional development and construction projects necessitated by the new squadrons continued into 2016. Growth is anticipated as they strive to achieve combat-ready status in 2018.
- Yuma Regional Medical Center (YRMC) continues to expand its footprint and its services as new construction projects continue. The hospital is replacing its overburdened emergency room with a new, much-expanded facility and parking garage which will still be ongoing throughout fiscal 2017.

Not all economic statistics reflect positive results; however, in that Yuma County continues to suffer what appear to be higher unemployment figures than most of the state, according to the Arizona Department of Economic Security (DES). Seasonal farm employment continues to skew this statistic. The City combats this problem as the largest contributor to the Greater Yuma Economic Development Corporation whose two-fold mission is to encourage new employers to the area and to assist local employers in their expansion efforts.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to familiarize our citizens, taxpayers and customers with the City's finances and to demonstrate the City's fiscal accountability for its operations. Questions concerning this report, or requests for additional financial information, should be directed to Mr. Donald (Pat) Wicks, Finance Director, One City Plaza, Yuma, AZ 85364, telephone (928) 373-5087. The reader may also visit the City's website at www.yumaaz.gov for an electronic version of this report.

BASIC FINANCIAL STATEMENTS



CITY OF
Yuma

**GOVERNMENT-WIDE FINANCIAL
STATEMENTS**

City of Yuma, Arizona
Statement of Net Position
June 30, 2016

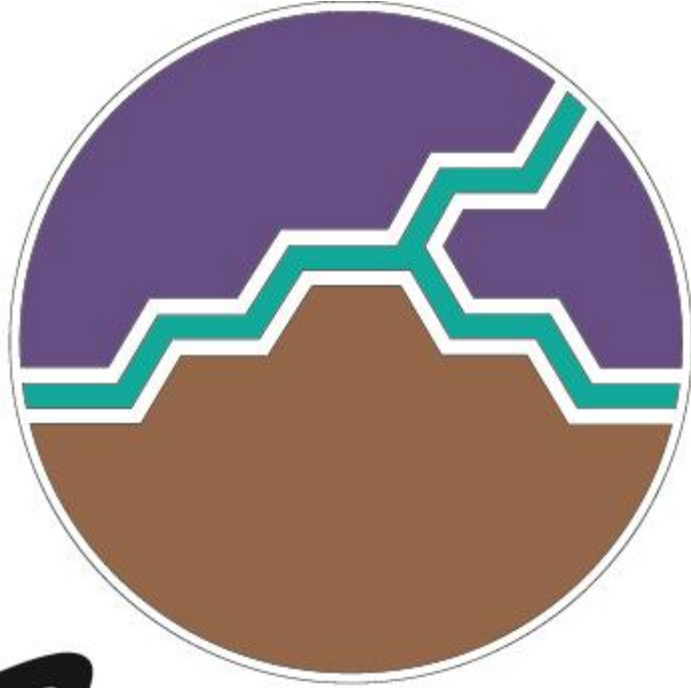
<u>Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and Investments	\$ 97,137,995	\$ 71,873,398	\$ 169,011,393
Receivables, Net	12,247,960	5,024,448	17,272,408
Internal Balances	627,342	(627,342)	-
Inventory, at cost	977,473	268,913	1,246,386
Prepaid Items	973,116	36,231	1,009,347
Capital Assets:			
Non-depreciable	66,491,928	15,783,321	82,275,249
Depreciable, Net	218,885,908	270,884,346	489,770,254
Total Assets	<u>397,341,722</u>	<u>363,243,315</u>	<u>760,585,037</u>
<u>Deferred Outflows of Resources</u>			
Pension Investments PSPRS Police - Projection/Actual diff	1,368,960	-	1,368,960
Pension Investments PSPRS Fire - Projection/Actual diff	937,805	-	937,805
Pension Contributions ASRS - Current Year	2,273,134	856,180	3,129,314
Pension Contributions PSPRS Police - Current Year	4,514,793	-	4,514,793
Pension Contributions PSPRS Fire - Current Year	3,543,790	-	3,543,790
Other Pension Items ASRS	1,022,531	385,138	1,407,669
Other Pension Items PSPRS Police	6,997,786	-	6,997,786
Other Pension Items PSPRS Fire	5,139,863	-	5,139,863
Deferred Charges on Refunding	3,767,537	5,199,125	8,966,662
Total Deferred Outflows of Resources	<u>29,566,199</u>	<u>6,440,443</u>	<u>36,006,642</u>
<u>Liabilities</u>			
Accounts Payable and Deposits	2,217,694	1,971,992	4,189,686
Accrued Liabilities	3,754,847	326,125	4,080,972
Accrued Interest Payable	2,465,978	2,783,918	5,249,896
Unearned Revenue	3,525,155	154,523	3,679,678
Noncurrent Liabilities:			
Due within one year			
Current portion of Accrued Compensated Absences	2,354,956	320,639	2,675,595
Current portion of Debt	6,580,000	8,889,142	15,469,142
Due in more than one year			
Accrued Compensated Absences	3,799,234	673,185	4,472,419
Pension	129,306,805	13,371,326	142,678,131
Debt	114,764,487	135,338,067	250,102,554
Total Liabilities	<u>268,769,156</u>	<u>163,828,917</u>	<u>432,598,073</u>
<u>Deferred Inflows of Resources</u>			
Pension Investments ASRS - Projection/Actual difference	1,137,712	428,521	1,566,233
Pension Investments PSPRS Police - Projection/Actual diff	1,275,807	-	1,275,807
Pension Investments PSPRS Fire - Projection/Actual diff	879,586	-	879,586
Other Pension Items ASRS	1,888,429	711,281	2,599,710
Other Pension Items PSPRS Police	467,065	-	467,065
Other Pension Items PSPRS Fire	800,153	-	800,153
	<u>6,448,752</u>	<u>1,139,802</u>	<u>7,588,554</u>
<u>Net Position</u>			
Net Investment in capital assets	193,687,411	152,343,261	346,030,672
Restricted for:			
Debt Service	1,678,357	2,714,491	4,392,848
Community Development	973,076	-	973,076
Road Maintenance and Construction	17,044,995	-	17,044,995
Public Works Projects	9,977,037	-	9,977,037
PS Police equipment and facilities	996,374	-	996,374
PS Fire equipment and facilities	332,125	-	332,125
Parks, recreation and cultural facilities	18,649,506	-	18,649,506
Unrestricted	(91,648,868)	49,657,287	(41,991,581)
Total Net Position	<u>\$ 151,690,013</u>	<u>\$ 204,715,039</u>	<u>\$ 356,405,052</u>

The accompanying notes are an integral part of these financial statements.

City of Yuma, Arizona
Statement of Activities
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Government Activities:							
General Government	\$ 9,101,599	\$ 3,078,214	\$ 10,508	\$ -	\$ (6,012,877)	\$ -	\$ (6,012,877)
Public Safety	55,883,311	7,505,776	1,553,546	286,294	(46,537,695)	-	(46,537,695)
Streets	12,272,081	-	27,318	226,114	(12,018,649)	-	(12,018,649)
Parks, Recreation and Culture	14,218,963	1,133,389	114,017	60,038	(12,911,519)	-	(12,911,519)
Environmental Health and Protection	685,623	-	53,175	36,213	(596,235)	-	(596,235)
Community Design and Development	4,330,521	3,041,502	769,760	-	(519,259)	-	(519,259)
Interest on Long-Term Debt	4,504,759	-	-	-	(4,504,759)	-	(4,504,759)
Total Governmental Activities	100,996,857	14,758,881	2,528,324	608,659	(83,100,993)	-	(83,100,993)
Business-type Activities:							
Water	23,336,550	22,503,774	12,325	2,710,116	-	1,889,665	1,889,665
Wastewater	16,642,735	15,199,927	14,130	3,271,451	-	1,842,773	1,842,773
Solid Waste	3,347,055	3,341,625	-	-	-	(5,430)	(5,430)
Radio Communications	2,183,950	1,766,931	-	397,302	-	(19,717)	(19,717)
Golf Courses	1,863,773	1,696,756	-	-	-	(167,017)	(167,017)
Total Business-type Activities	47,374,063	44,509,013	26,455	6,378,869	-	3,540,274	3,540,274
Total	\$ 148,370,920	\$ 59,267,894	\$ 2,554,779	\$ 6,987,528	(83,100,993)	3,540,274	(79,560,719)
General Revenues:							
Property taxes					10,955,236	-	10,955,236
Sales taxes					40,148,758	-	40,148,758
Franchise taxes					3,162,691	-	3,162,691
Intergovernmental, unrestricted					30,271,721	-	30,271,721
Unrestricted investment earnings					449,076	264,981	714,057
Total general revenues					84,987,482	264,981	85,252,463
Transfers					279,625	(279,625)	-
Total general revenues and transfers					85,267,107	(14,644)	85,252,463
Change in net position					2,166,114	3,525,630	5,691,744
Net position-beginning					149,523,899	201,189,409	350,713,308
Net position-ending					\$ 151,690,013	\$ 204,715,039	\$ 356,405,052

The accompanying notes are an integral part of these financial statements.



CITY OF
Yuma

FUND FINANCIAL STATEMENTS

City of Yuma, Arizona
Balance Sheet
Governmental Funds
June 30, 2016

Assets	General	City Road Tax	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total
Cash and Investments	\$ 16,107,456	\$ 11,826,018	\$ 43,163	\$ 37,101,543	\$ 8,640,640	\$ 73,718,820
Cash with Fiscal Agents	-	-	8,701,626		-	8,701,626
Receivables, Net of Allowances for Uncollectibles:						
Accounts Receivable	3,518,030	47,799	547	146,829	1,177,383	4,890,588
Intergovernmental	2,179,477	445,148	-	661,516	1,804,396	5,090,537
Special Assessments	20,169	-	1,675,000	-	-	1,695,169
Delinquent Property Taxes	486,090	-	-	-	10,384	496,474
Accrued Interest	14,203	8,160	-	6,279	6,540	35,182
Due from Other Funds	1,716,825	-	-	-	-	1,716,825
Inventory, at cost	32,279	-	-	-	13,244	45,523
Prepaid Items	95,059	1,879	-	-	1,671	98,609
Total Assets and Other Debits	24,169,588	12,329,004	10,420,336	37,916,167	11,654,258	96,489,353
Liabilities						
Accounts Payable	\$ 589,009	\$ 91,341	\$ 1,001	\$ 501,426	\$ 416,487	\$ 1,599,264
Accrued Payroll, Taxes and Benefits Payable	1,869,710	56,294	-	-	166,026	2,092,030
Long-Term Debt - Current Portion	-	-	6,275,000	-	-	6,275,000
Due to Other Funds	-	-	-	-	466,656	466,656
Accrued Interest Payable	-	-	2,465,978	-	-	2,465,978
Deposits	448,336	15,128	-	-	15,103	478,567
Unearned Revenues	10,874	-	-	2,871,522	642,759	3,525,155
Total Liabilities	2,917,929	162,763	8,741,979	3,372,948	1,707,031	16,902,650
Deferred Inflows of Resources						
Unavailable Revenues	2,906,133	-	1,675,000	-	984,475	5,565,608
Fund Balances:						
Nonspendable:						
Inventory	32,279	-	-	-	13,244	45,523
Prepaid Items	95,059	1,879	-	-	1,671	98,609
Spendable						
Restricted		12,164,362	3,357	25,887,837	8,947,837	47,003,393
Committed				8,655,382	-	8,655,382
Unassigned	18,218,188	-	-	-	-	18,218,188
Total Fund Balances	18,345,526	12,166,241	3,357	34,543,219	8,962,752	74,021,095
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 24,169,588	\$ 12,329,004	\$ 10,420,336	\$ 37,916,167	\$ 11,654,258	\$ 96,489,353

The accompanying notes are an integral part of these financial statements.

City of Yuma, Arizona
 Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Position
 June 30, 2016

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balances per the Balance Sheet-Governmental Funds:		\$ 74,021,095
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		276,658,852
Revenues deferred to later years recognized in year levied in governmental activities.		
Special Assessment/Loan Principal	2,649,090	
Property Tax	496,475	
Ambulance Billings	2,420,043	
		5,565,608
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences		(6,081,489)
Pension Liability		(109,956,895)
MPC bonds payable		(104,735,000)
Improvement District #68		(1,675,000)
Net unamortized deferred charges or premiums are not recorded in the governmental funds		(8,659,487)
Deferred charges on debt refunding are not recognized in the current period		3,767,537
Net position of internal service funds that are used by management to charge the cost of equipment replacement and employee-related insurance to individual funds are included in governmental activities in the Statement of Net Position		22,784,792
Net position - Governmental Activities per the Statement of Net Position		\$ 151,690,013

The accompanying notes are an integral part of these financial statements.

City of Yuma, Arizona
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2016

	General	City Road Tax	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 34,693,194	\$ 10,263,987	\$ -	\$ -	\$ 9,208,459	\$ 54,165,640
Licenses and Permits	1,932,076	-	-	-	-	1,932,076
Intergovernmental	23,247,067	-	-	-	9,699,445	32,946,512
Charges for Services	5,897,127	15,738	-	1,457,075	595,548	7,965,488
Fines and Forfeitures	1,298,418	-	-	-	-	1,298,418
Special Assessments	-	-	290,000	-	-	290,000
Use of Money and Property	284,968	220,756	85,658	109,407	65,263	766,052
Contributions and Donations	-	-	-	-	436,005	436,005
Miscellaneous	122,973	652,946	-	-	122,680	898,599
Total Revenues	67,475,823	11,153,427	375,658	1,566,482	20,127,400	100,698,790
Expenditures:						
Current:						
General Government	7,793,347	-	-	-	82,150	7,875,497
Public Safety	43,456,434	590,138	-	-	3,588,007	47,634,579
Streets	-	2,066,172	-	-	5,485,261	7,551,433
Parks, Recreation and Culture	7,727,694	-	-	-	4,865,418	12,593,112
Environmental Health and Protection	-	-	-	-	19,844	19,844
Community Design and Development	3,234,138	-	-	-	1,002,508	4,236,646
Capital Outlay	67,126	16,091	-	-	1,040,636	1,123,853
Capital Projects:						
General Government	-	-	-	170,000	36,750	206,750
Public Safety	-	-	-	283,560	-	283,560
Streets	-	520,822	-	2,569,754	-	3,090,576
Parks, Recreation and Culture	-	86,865	-	3,777,456	103,040	3,967,361
Environmental Health and Safety	-	648,418	-	-	-	648,418
Debt Service						
Principal	-	-	6,565,000	-	-	6,565,000
Interest and Fiscal Agent Fees	-	-	3,776,684	-	-	3,776,684
Issuance Costs	-	-	631,009	282,662	-	913,671
Total Expenditures	62,278,739	3,928,506	10,972,693	7,083,432	16,223,614	100,486,984
Revenues Over/(Under) Expenditures	5,197,084	7,224,921	(10,597,035)	(5,516,950)	3,903,786	211,806
Other Financing Sources/(Uses):						
Issuance of Long-Term Debt	-	-	64,235,000	24,150,000	-	88,385,000
Premium on Issuance of Long-Term Debt	-	-	8,718,562	282,662	-	9,001,224
Payment to Refunded Bond Escrow	-	-	(72,265,143)	-	-	(72,265,143)
Transfers In	44,378	-	9,907,957	3,484,964	113,628	13,550,927
Transfers Out	(4,388,105)	(3,974,165)	-	-	(2,139,890)	(10,502,160)
Total Other Financing Sources/(Uses)	(4,343,727)	(3,974,165)	10,596,376	27,917,626	(2,026,262)	28,169,848
Net Change in Fund Balances	853,357	3,250,756	(659)	22,400,676	1,877,524	28,381,654
Fund Balances - Beginning	17,492,169	8,915,485	4,016	12,142,543	7,085,228	45,639,441
Fund Balances - Ending	<u>\$ 18,345,526</u>	<u>\$ 12,166,241</u>	<u>\$ 3,357</u>	<u>\$ 34,543,219</u>	<u>\$ 8,962,752</u>	<u>\$ 74,021,095</u>

The accompanying notes are an integral part of these financial statements.

City of Yuma, Arizona
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances-Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances-governmental funds	\$ 28,381,654
Portions of revenues recorded on the Statement of Activities do not provide current financial resources and are not recorded as revenues in the funds:	
Property taxes revenue	88,148
Public safety ambulance revenue	1,190,468
Loan Payments are recorded as revenues in the funds. In the Statement of Activities, however, these amounts are recorded as a reduction in receivables:	
Community Redevelopment Loan Payments	(3,408)
Special Assessment Principal Payments	(290,000)
Governmental funds report capital outlays as expenditures. In the Statement of Activities, however, the cost of those assets is allocated over their useful lives as depreciation	
Depreciation recorded in Statement of Activities	(13,747,907)
Capital outlay expenditures reported as additions to assets:	
Capital outlay expenditures-governmental funds	9,320,518
Infrastructure maintenance expenditures recorded as capital outlay but not capitalized as asset additions	(166,984)
Governmental funds report debt principal service payments as expenditures. The reduction in liability is recorded on the Statement of Net Position in the government-wide statements	6,565,000
Increase in compensated absences expense not recorded in governmental funds	161,220
Governmental funds report pension contributions as expenditures. GASB68 requires the actual pension expense to be recorded on government-wide statements. In addition, contributions for current year are recorded as deferred outflows of resources in government-wide statements. This amount is the net difference between the amounts.	(1,890,800)
The net effect of miscellaneous transactions involving capital assets (trades of land for rights-of-way) is to decrease net position.	(2,688,488)
Investment earnings of the internal service funds are general revenues on the statement of activities	64,172
Internal Service fund transfers are eliminated on Statement of Activities as they are combined with governmental. Statement of Activities only shows transfers between governmental and business-type activities	(2,769,142)
Other financing uses in governmental funds reflecting payment to escrow agent in refunding debt are recorded on the Statement of Net Position as reduction in long-term liability	72,265,143
Long-term debt proceeds are recorded as other financing sources in governmental funds	(88,385,000)
Other financing sources in governmental funds related to premium on issuance of debt are amortized over the life of the bond issue on statement of activities	(9,001,224)
Interest payments accrued in government-wide statements are not recorded in governmental activities until paid	185,596
Net revenues of internal service funds in excess of expenses reduce governmental activities expenses on the Statement of Activities	2,664,504
Contributions of infrastructure assets are not recorded as revenues in the governmental funds	222,644
Change in net position of governmental activities	<u>\$ 2,166,114</u>

The accompanying notes are an integral part of these financial statements.

City of Yuma, Arizona
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-Type Activities-Enterprise Funds				Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Other Funds	Totals	
Assets					
Current Assets:					
Cash and Investments	\$ 20,356,219	\$ 20,376,276	\$ 3,420,226	\$ 44,152,721	\$ 14,717,549
Receivables, Net of Allowance for Uncollectibles:					
Accounts Receivable	2,700,531	1,414,860	348,459	4,463,850	27,889
Intergovernmental	1,456	316,427	194,715	512,598	12
Contracts Receivable	-	-	-	-	-
Accrued Interest	17,739	27,540	2,721	48,000	12,109
Inventory, at cost	110,987	-	157,926	268,913	931,950
Prepaid Expenses	2,283	-	33,948	36,231	874,507
Total Unrestricted Current Assets	<u>23,189,215</u>	<u>22,135,103</u>	<u>4,157,995</u>	<u>49,482,313</u>	<u>16,564,016</u>
Restricted Assets:					
Cash and Investments:					
Cash with Fiscal Agents	4,426,001	1,322,052	-	5,748,053	-
Advancement for Future Expansion	6,650,925	14,801,121	-	21,452,046	-
Customer Deposits	520,578	-	-	520,578	-
Total Restricted Current Assets	<u>11,597,504</u>	<u>16,123,173</u>	<u>-</u>	<u>27,720,677</u>	<u>-</u>
Total Current Assets	<u>34,786,719</u>	<u>38,258,276</u>	<u>4,157,995</u>	<u>77,202,990</u>	<u>16,564,016</u>
Noncurrent Assets:					
Capital Assets:					
Land	1,867,721	8,735,438	-	10,603,159	219,610
Buildings	106,000,530	55,545,009	3,102,865	164,648,404	19,251
Improvements Other than Buildings	155,471,086	115,468,392	3,341,093	274,280,571	222,733
Equipment	2,710,477	2,086,353	8,784,863	13,581,693	30,229,607
Construction In Progress	2,245,257	2,934,905	-	5,180,162	-
Less Accumulated Depreciation	<u>(101,063,993)</u>	<u>(68,076,652)</u>	<u>(12,485,677)</u>	<u>(181,626,322)</u>	<u>(21,972,217)</u>
Total Capital Assets	<u>167,231,078</u>	<u>116,693,445</u>	<u>2,743,144</u>	<u>286,667,667</u>	<u>8,718,984</u>
Total Noncurrent Assets	<u>167,231,078</u>	<u>116,693,445</u>	<u>2,743,144</u>	<u>286,667,667</u>	<u>8,718,984</u>
Total Assets	<u>202,017,797</u>	<u>154,951,721</u>	<u>6,901,139</u>	<u>363,870,657</u>	<u>25,283,000</u>
Deferred Outflows of Resources					
Pension Contributions - Current Year	404,620	288,210	163,350	856,180	-
Other Pension Items	182,012	129,646	73,480	385,138	-
Deferred Charges on Refunding	4,003,326	1,195,799	-	5,199,125	-
Total Deferred Outflows of Resources	<u>4,589,958</u>	<u>1,613,655</u>	<u>236,830</u>	<u>6,440,443</u>	<u>-</u>
Liabilities					
Current Liabilities Payable from Current Assets:					
Accounts Payable	463,548	309,172	212,707	985,427	139,863
Accrued Payroll and Related Taxes	154,288	111,835	60,002	326,125	31,393
Current Portion-Long-Term Contracts-Principal	52,289	237,898	-	290,187	-
Current Portion-Bonds Payable	2,891,350	863,650	-	3,755,000	-
Current Portion-Accrued Compensated Absences	140,973	105,340	74,326	320,639	22,930
Estimated Claims and Judgements	-	-	-	-	1,631,424
Due to Other Funds	-	-	-	-	1,250,169
Accrued Interest Payable	1,541,340	488,863	-	2,030,203	-
Unearned Revenue	-	-	128,916	128,916	-
Total Current Liabilities Payable from Current Assets	<u>5,243,788</u>	<u>2,116,758</u>	<u>475,951</u>	<u>7,836,497</u>	<u>3,075,779</u>
Current Liabilities Payable from Restricted Assets:					
Accounts Payable	258,340	184,697	-	443,037	-
Deposits	543,528	-	-	543,528	-
Unearned Revenue	-	25,607	-	25,607	-
Current Portion-Long-Term Contracts-Principal	2,467,509	2,376,446	-	4,843,955	-
Current Portion-Long-Term Contracts-Interest	449,406	304,309	-	753,715	-
Total Current Liabilities Payable from Restricted Assets	<u>3,718,783</u>	<u>2,891,059</u>	<u>-</u>	<u>6,609,842</u>	<u>-</u>
Total Current Liabilities	<u>8,962,571</u>	<u>5,007,817</u>	<u>475,951</u>	<u>14,446,339</u>	<u>3,075,779</u>
Noncurrent Liabilities:					
Long-Term Contracts Payable	22,311,967	17,607,539	-	39,919,506	-
Bonds Payable	73,472,292	21,946,269	-	95,418,561	-
Pension Liability	6,319,125	4,501,093	2,551,108	13,371,326	-
Accrued Compensated Absences	316,627	211,294	145,264	673,185	49,771
Total Noncurrent Liabilities	<u>102,420,011</u>	<u>44,266,195</u>	<u>2,696,372</u>	<u>149,382,578</u>	<u>49,771</u>
Total Liabilities	<u>111,382,582</u>	<u>49,274,012</u>	<u>3,172,323</u>	<u>163,828,917</u>	<u>3,125,550</u>
Deferred Inflows of Resources					
Pension Investments - Projection/Actual difference	202,514	144,250	81,757	428,521	-
Other Pension Items	336,142	239,433	135,706	711,281	-
Total Deferred Inflows of Resources	<u>538,656</u>	<u>383,683</u>	<u>217,463</u>	<u>1,139,802</u>	<u>-</u>
Net Position					
Net investment in capital assets	74,326,386	75,273,731	2,743,144	152,343,261	8,718,984
Restricted for:					
Debt Service	2,714,491	-	-	2,714,491	-
Unrestricted	17,645,640	31,633,950	1,005,039	50,284,629	13,438,466
Total Net Position	<u>\$ 94,686,517</u>	<u>\$ 106,907,681</u>	<u>\$ 3,748,183</u>	<u>205,342,381</u>	<u>\$ 22,157,450</u>
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				(627,342)	
Net position of business-type activities				<u>\$ 204,715,039</u>	

The accompanying notes are an integral part of these financial statements.

City of Yuma, Arizona
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2016

	Business-Type Activities-Enterprise Funds			Totals	Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Other Funds		
Operating Revenues:					
Metered Water Sales	\$ 20,864,965	\$ -	\$ -	\$ 20,864,965	\$ -
Commercial Raw Water	134,222	-	-	134,222	-
Wastewater Charges	-	15,107,445	-	15,107,445	-
Meters, Connections and Services	1,368,097	40,917	-	1,409,014	-
Charges for Services	-	-	5,092,084	5,092,084	4,724,317
Green Fees and Concessions	-	-	1,421,222	1,421,222	-
Equipment Rental	-	-	259,335	259,335	2,257,062
Miscellaneous Charges	-	-	-	-	3,426,884
Total Operating Revenues	22,367,284	15,148,362	6,772,641	44,288,287	10,408,263
Operating Expenses:					
Operations and Maintenance	11,059,229	9,256,663	6,877,397	27,193,289	5,510,479
Depreciation	8,468,775	5,869,921	928,942	15,267,638	1,864,540
Total Operating Expenses	19,528,004	15,126,584	7,806,339	42,460,927	7,375,019
Operating Income/(Loss)	2,839,280	21,778	(1,033,698)	1,827,360	3,033,244
Non-Operating Revenues/(Expenses):					
Interest	106,950	142,980	15,052	264,982	64,172
Gain/(Loss) on Disposal of Assets	-	-	-	-	58,230
Interest and Fiscal Agent Fees	(3,806,135)	(1,533,971)	-	(5,340,106)	-
Federal Grants	12,325	-	-	12,325	-
State Grants	-	14,130	-	14,130	-
Miscellaneous Revenues	136,490	51,565	32,671	220,726	-
Total Non-Operating Revenues/(Expenses)	(3,550,370)	(1,325,296)	47,723	(4,827,943)	122,402
Income/(Loss) before Contributions and Transfers	(711,090)	(1,303,518)	(985,975)	(3,000,583)	3,155,646
Capital Contributions	2,710,116	3,271,451	397,302	6,378,869	-
Transfers In	-	-	-	-	719,813
Transfers Out	(49,718)	(55,041)	(174,866)	(279,625)	(3,488,955)
Change in Net Position	1,949,308	1,912,892	(763,539)	3,098,661	386,504
Net Position - Beginning	92,737,209	104,994,789	4,511,722		21,770,946
Net Position - Ending	\$ 94,686,517	\$ 106,907,681	\$ 3,748,183		\$ 22,157,450
Adjustment for consolidation of internal service fund activities related to enterprise funds				426,970	
Change in net position of business-type activities				\$ 3,525,631	

The accompanying notes are an integral part of these financial statements.

City of Yuma, Arizona
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Water Fund	Wastewater Fund	Other Funds	Totals	Internal Service Funds
Cash Flow from Operating Activities:					
Cash Received from Customers	\$ 22,947,742	\$ 15,519,229	\$ 7,185,836	\$ 45,652,807	\$ 10,537,051
Cash Paid to Employees	(5,074,129)	(3,802,658)	(2,156,855)	(11,033,642)	(1,013,583)
Cash Paid to Suppliers	(5,734,423)	(5,648,026)	(4,840,350)	(16,222,799)	(3,231,849)
Cash Paid for Operating Expenses	-	-	-	-	(2,811,529)
Other Operating Activity Revenue	136,490	51,565	32,671	220,726	-
Net Cash Provided by Operating Activities	<u>12,275,680</u>	<u>6,120,110</u>	<u>221,302</u>	<u>18,617,092</u>	<u>3,480,090</u>
Cash Flows from Noncapital Financing Activities:					
Cash Received from Other Funds	-	-	-	-	544,113
Cash Paid to Other Funds	(49,718)	(55,041)	(174,866)	(279,625)	(3,488,955)
Net Cash Provided by/(Used for) Noncapital Financing Activities	<u>(49,718)</u>	<u>(55,041)</u>	<u>(174,866)</u>	<u>(279,625)</u>	<u>(2,944,842)</u>
Cash Flow from Capital and Related Financing Activities:					
Contributions of Capital	2,604,680	3,143,341	-	5,748,021	-
Federal Grants	12,325	-	397,302	409,627	-
State Grants	-	14,130	-	14,130	-
Acquisition and Construction of Assets	(2,127,038)	(3,155,721)	(349,705)	(5,632,464)	(3,239,316)
Proceeds from Sale of Capital Assets	-	-	-	-	58,230
Issuance of Debt - 2007 Revenue Bonds	69,049,750	20,625,250	-	89,675,000	-
Premiums - 2007 Revenue Bonds	7,771,010	2,321,211	-	10,092,221	-
Principal Payments on Bonds	(85,978,919)	(25,682,015)	-	(111,660,934)	-
WIFA - Contracted Loan	(2,431,025)	(2,530,557)	-	(4,961,582)	-
Interest and Fiscal Agent Fee Payments	(4,278,805)	(1,703,791)	-	(5,982,596)	-
Net Cash (Used for) Capital and Related Financing Activities	<u>(15,378,022)</u>	<u>(6,968,152)</u>	<u>47,597</u>	<u>(22,298,577)</u>	<u>(3,181,086)</u>
Cash Flows from Investing Activities:					
Receipt of Interest	98,528	133,958	13,582	246,068	61,821
Net Cash Provided by Investing Activities	<u>98,528</u>	<u>133,958</u>	<u>13,582</u>	<u>246,068</u>	<u>61,821</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	<u>(3,053,532)</u>	<u>(769,125)</u>	<u>107,615</u>	<u>(3,715,042)</u>	<u>(2,584,017)</u>
Cash and Cash Equivalents, July 1	35,007,255	37,268,574	3,312,611	75,588,440	17,301,566
Cash and Cash Equivalents, June 30	<u>\$ 31,953,723</u>	<u>\$ 36,499,449</u>	<u>\$ 3,420,226</u>	<u>\$ 71,873,398</u>	<u>\$ 14,717,549</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities:					
Operating Income/(Loss)	\$ 2,839,280	\$ 21,778	\$ (1,033,698)	\$ 1,827,360	\$ 3,033,244
Adjustments to Reconcile Operating Income/(Loss)					
Depreciation and Amortization Expense	8,468,775	5,869,921	928,942	15,267,638	1,864,540
Decrease in Accounts Receivable	502,088	354,920	405,093	1,262,101	136,173
(Increase)/Decrease in Inventories	3,767	-	(1,498)	2,269	(74,799)
(Increase)/Decrease in Prepaid Items	8,764	2,564	(22,868)	(11,540)	(156,714)
Increase/(Decrease) in Accounts Payable	314,889	(164,270)	(105,761)	44,858	(891,191)
Increase/(Decrease) in Accrued Payroll and Related Taxes	12,114	29,024	20,350	61,488	(1,943)
Increase/(Decrease) in Due from Other Gov't Units	-	-	(347)	(347)	-
(Decrease) in Claims Incurred but Not Reported	-	-	-	-	(567,175)
Increase/(Decrease) in Customer Dep/Unearned Rev	53,239	-	24,144	77,383	(63,537)
Increase/(Decrease) in Due to Other Funds	-	-	-	-	201,492
Increase/(Decrease) in Pension Exp/Def Outflows/Inflows	(63,726)	(45,392)	(25,727)	(134,845)	-
Other Operating Activity Revenue	136,490	51,565	32,671	220,726	-
Total Adjustments	<u>9,436,400</u>	<u>6,098,332</u>	<u>1,254,999</u>	<u>16,789,731</u>	<u>446,846</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 12,275,680</u>	<u>\$ 6,120,110</u>	<u>\$ 221,301</u>	<u>\$ 18,617,091</u>	<u>\$ 3,480,090</u>
Noncash Transactions Affecting Financial Position					
Contributions of Capital Assets	105,436	128,110	-	233,546	-
Total Noncash Transactions Affecting Financial Position	<u>\$ 105,436</u>	<u>\$ 128,110</u>	<u>\$ -</u>	<u>\$ 233,546</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Yuma (City) was incorporated April 14, 1914 under Arizona Revised Statute (A.R.S.) Title 9, Chapter 9, Section 101, and adopted its first charter on June 11, 1914. The City presently operates under a charter that was last amended on November 8, 2011. The Charter provides for a Council-Manager form of government and provides such services as are authorized by the Charter. Among these services are general government services, public safety (police and fire), parks, recreation, culture, streets, environmental health and protection, and community design and development.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. With respect to proprietary activities, the City has adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB [Financial Accounting Standards Board] and AICPA Pronouncements*. This statement incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that was included in pronouncements issued by the FASB, by the Accounting Principles Board and by the American Institute of Certified Public Accountants (AICPA) on or before November 30, 1989. The following is a summary of the more significant policies.

A. Reporting Entity

The City is a municipal entity governed by an elected mayor and council. As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and so data from these units are combined with data of the City, the primary government. The component units presented have a June 30 year-end.

Blended Component Units

Yuma Municipal Property Corporation. The Yuma Municipal Property Corporation's board members are appointed by the City Council. The Corporation was formed to finance the acquisition of certain improvements such as the Yuma Civic and Convention Center, Baseball Complex and Desert Hills Golf Course. The Corporation was also used to finance the acquisition of three public safety buildings (the police headquarters, a fire station and the Municipal Court facility) and Public Works facilities, along with a clubhouse for the municipal golf course and the new Municipal Complex. The Corporation conducts no business other than with the City and that business is solely the retirement of debt related to the aforementioned acquisitions. Complete financial statements may be obtained at the City of Yuma, City Clerk's Office, One City Plaza, Yuma, AZ 85364.

City of Yuma Employee Benefits Trust. The City of Yuma Employee Benefits Trust is responsible for providing health insurance for the City employees. The City Council appoints the Trust's Board of Directors. The Trust provides services entirely to the City and therefore has been included as an Internal Service Fund as of June 30, 1997 in accordance with the criteria established in GASB Statement No. 14, *The Financial Reporting Entity*. Complete financial statements may be obtained at the City of Yuma Employee Benefit Trust's administrative offices, One City Plaza, Yuma, AZ 85364.

B. Accounting Pronouncements

During the year ended June 30, 2016, the City implemented the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*. Because the City was already reporting investments at fair value, the primary effect of the implementation was additional note disclosures.

C. Government-wide and fund financial statements

The government-wide financial statements report financial information on all the activities of the City of Yuma and its component units. These financial statements include the Statement of Net Position and the Statement of Activities, a statement showing changes in net position. Most interfund activities have been removed from these

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

statements to avoid duplicating the information, with some exceptions such as proprietary fund sales to governmental funds (i.e., water bills paid by a governmental fund). Eliminating these transactions would distort both the measurement of income generated in serving proprietary customers as well as the direct cost of governmental functions serving the citizenry. In these government-wide statements, governmental activities, normally supported by taxes and intergovernmental revenues, are separated from business-type activities that rely on fees and charges for services.

The statement of activities presents direct expenses of a given function or segment and the degree to which these expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who use or directly benefit from the services of the function; and 2) grants and contributions that are restricted to the operational or capital needs of a particular function. Taxes and other revenues that are identifiable with a particular function or segment are reported as general revenues.

In addition to government-wide presentations, fund financial statements are provided for all governmental and proprietary funds. The financial statements are segregated by their respective significance to City operations with individual major governmental and proprietary funds separated from nonmajor funds (aggregate nonmajor financial activity is reported as a column on the major funds presentation for both governmental and proprietary funds). The City uses GASB Statement No. 34 to determine which funds are to be presented as major funds. In addition to those minimum requirements, the City will, from time to time, include within its major funds presentations of other funds that because of their significance, preclude aggregate reporting outside the basic financial statements.

The City of Yuma reports the following funds:

GOVERNMENTAL FUNDS

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those for which another fund is required or used.

City Road Tax Fund – This fund accounts for the collection and expenditure of a local one-half percent transaction privilege tax approved by voters in 1994 for maintenance and construction of roadways.

Debt Service Fund – This fund accounts for and reports financial resources for the payment of long-term debt principal, interest, and related costs of the City of Yuma Municipal Property Corporation, a blended component unit, and Special Assessment Improvement Districts. Pledged excise tax and other revenues are transferred to this fund along with property owner's revenue for payments of long-term bonded debt.

Capital Projects Funds – This fund is used to account for and report financial resources to be used for acquisition or construction of capital facilities and other capital assets (other than those financed by General, Special Revenue, or Proprietary Funds).

Other Nonmajor Governmental Funds – Other nonmajor governmental funds of the City of Yuma are aggregated and are presented in a combining statement in the Other Supplementary Information section. These include the Highway Users Revenue, Grants, Community Redevelopment, Local Transportation Assistance, Public Safety Tax, Two Percent Tax, and Yuma Mall Maintenance Special Revenue Funds.

PROPRIETARY FUNDS

Water Fund – The operations of the City's drinking water treatment and distribution system are accounted for in this enterprise fund.

Wastewater Fund – This enterprise fund accounts for the City's wastewater collection and treatment system.

Other Nonmajor Enterprise Funds – Other nonmajor enterprise funds of the City of Yuma are aggregated along with the major enterprise funds and are also presented in a combining statement in the Other Supplementary

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Information section. These funds include the Solid Waste, Radio Communications, and Desert Hills Golf Course Funds.

Internal Service Funds – Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. They are also presented in the aggregate with major enterprise funds and are included in a combining internal service fund presentation in the Other Supplementary Information section. Because they service primarily governmental funds, they are not included within the business-type activities of the Statement of Net Position. Rather, they are combined with the governmental activities on that statement. Moreover, because of their essentially duplicative nature in accounting for their operations (revenues of the internal service funds are expenses of the operating funds), the operations of the internal service funds have been eliminated from the operations of the Statement of Activities. Internal service funds include the Equipment Replacement, Equipment Maintenance, Insurance Reserve, Employee Benefits Trust Funds, and Workers Compensation.

D. Measurement focus and basis of accounting

The government-wide financial statements, as well as the proprietary fund financial statements, use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Property taxes are recognized as revenue in the year levied. Grants are recognized as revenue when all eligibility requirements are met and the underlying expenses have been recorded.

Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable *and* available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period (within 60 days). Grant revenues are recognized when all eligibility requirements are met, not necessarily when received. Grant monies that have been received but are as yet unearned are carried forward as unearned revenue. However, earned but not yet received grant monies are recognized as revenue and carried forward as receivables. This practice is defined and supported by GASB Statement 33, as it pertains to “government-mandated nonexchange transactions,” paragraphs 19-25. Expenditures are recorded when the liability is incurred with the exception of debt service. Debt service expenditures are recorded when the payment is due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Property taxes, along with franchise taxes, licenses and sales taxes are susceptible to accrual and have been recognized as revenues of the current period. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of the fiscal year, but which were levied to finance operations of the subsequent fiscal year, have been recorded as unavailable revenue. Grants and similar awards received before the eligibility requirements are met are recorded as unearned revenue. Receivables that will not be collected within the available period have also been reported as unavailable revenue on the governmental fund financial statements. All other revenue items are considered measurable and available only when cash is received.

Proprietary funds classify revenues and expenses as operating or nonoperating items. Operating revenues and expenses relate to the fund’s ongoing operations in providing goods and services. Operating revenues for the City’s proprietary funds are customer charges for sales and services. Operating expenses include the cost of sales or services, administrative expenses and depreciation. All other revenues and expenses are classified as nonoperating revenues and expenses.

E. Budget Information

- 1) The City follows these procedures in establishing the budgetary data reflected in the financial statements:
 - i. On or before the first Monday in June, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

- ii. Two public hearings are held prior to the budget's final adoption in order to obtain taxpayer comments.
- iii. On or before the third Monday in August, the budget is legally enacted through passage of an ordinance.
- iv. At any time during the fiscal year, the City Administrator may transfer part or all of any unencumbered appropriation balance among programs within a fund. Upon written request by the City Administrator, the Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one fund to another.
- v. Formal budgetary integration is employed as a management control device during the fiscal year for all funds with legally adopted budgets (only the Employee Benefits Trust Internal Service Funds is not budgeted). Appropriations not expended at fiscal year end lapse.
- vi. Budgetary amounts include those as originally adopted, and as amended by Council or City Administrator through the end of the fiscal year. Arizona State Statute does not allow supplemental budgets.
- vii. Expenditures incurred during the fiscal year may not legally exceed the publicly published budget. The maximum legal expenditure permitted for the fiscal year is the total adopted budget.

2) Budgetary Reporting and Budgetary Basis of Accounting:

The City has opted to display budgetary information schedules in a manner similar to its adopted budget; therefore, the information is displayed outside its basic financial statements. Budgetary comparisons are presented for the General Fund and the major Special Revenue Funds in the Required Supplementary Information section. Budgetary comparisons for the Debt Service Fund, the Capital Projects Fund, the nonmajor governmental funds and the proprietary funds are presented in the Other Supplementary Information sections. For proprietary funds, the budgetary comparison includes reconciliation to the accrual-based operating statements.

F. Assets, Liabilities and Fund Equity Disclosures

1) Transactions between Funds:

Interfund transactions consisting of identified services performed for other funds or costs billed to other funds are treated as expenditures in the fund receiving the services and as a reimbursement reducing expenditures in the fund performing the services. Exceptions to this include: (1) sales of water and wastewater treatment are treated as revenue by the Enterprise Fund, radio and software annual maintenance fees are treated as revenue by the Enterprise Fund and expenses in the governmental funds, and in-lieu property taxes are recorded as revenues in the General Fund and expenses in the Enterprise Funds; (2) transfers are made in certain other funds to shift resources from a fund legally required to receive revenue to a fund authorized to expend the revenue; and (3) charges for services of the Internal Service Funds are recorded as expenditures in the funds receiving the service. For purposes of government-wide presentation, these latter transactions are eliminated.

2) Cash and Investments:

Cash balances of the City's funds are pooled and invested by the City. The policy of the City is to invest public funds in a manner which provides the maximum security of principal invested, conforms to all applicable State statutes and City ordinances, delivers the highest yield, and meets the City's daily cash flows. Income earned or loss arising from the investment of the pooled cash is allocated on a monthly basis to the individual funds based upon average daily balance. The City considers short-term investments (including restricted assets) in the State of Arizona Local Government Investment Pool (LGIP), mutual fund-money market, U.S. Treasury bills and notes with original maturities of three months or less at acquisition date to be cash equivalents.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the City reports its investments at fair value based on quoted market information obtained from fiscal agents or other sources.

3) Inventories and Prepaid Items:

Inventories consist primarily of expendable supplies held for consumption. Prepaid items represent services for which payment is made in advance. Both inventories and prepaid items are accounted for using the consumption method; therefore, expenditures are recorded at the time inventories are used or the services incurred. Inventories are maintained on a perpetual inventory basis, verified through annual physical counts, and valued using the weighted average method. Nonspendable governmental fund balance for both inventories and prepaid items indicate that a portion of fund balance is not available for future expenditures.

4) Grants Revenue:

The City follows the policy that, grants and similar items are recognized as revenue or contributed revenue as soon as all eligibility requirements imposed by the provider have been met.

5) Unbilled Accounts Receivable:

The City records as receivables and as revenues the amount of water sales, sewer service charges and commercial refuse collection charges accrued but unbilled at fiscal year end. At June 30, 2016, the estimated amounts of unbilled revenues for the Water, Wastewater and Solid Waste Enterprise Funds are \$1,199,052, \$585,478, and \$155,483, respectively.

6) Capital Assets:

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets include property, plant, equipment and infrastructure (e.g., roads, bridges and similar items) and are defined as assets with an individual cost of more than \$5,000 and a useful life exceeding one year. These assets are valued at cost or estimated historical cost if original cost is not available. Gifts or contributions are stated at fair market value at the date received. Depreciation and amortization have been provided over the estimated useful lives using the group life method on a straight-line basis and the following useful lives:

Buildings	33 to 100 years	Infrastructure	35 years
Improvements	20 to 50 years	Equipment	2 to 50 years

For proprietary fund assets constructed with bond proceeds, interest costs have been capitalized, net of interest revenue. Gains or losses are recognized when assets are retired from service or are otherwise disposed.

7) Contributions:

Contributions, as shown in the Enterprise Funds, represent sub-dividers' costs of installing water and sewer mains, water service connections installed at the customers' expense, transfers of equipment from other City funds, and contributions from customers to defray future expansion costs.

8) Long-term Obligations:

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as insurance premiums, are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or bond discount. Bond insurance premium costs are reported as unamortized discounts and amortized over the life of the debt.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10) Fund Balance Policies:

In the fund financial statements, fund balance is reported in classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The classifications of fund balance are Nonspendable, Restricted, Committed, and Unassigned. Nonspendable and Restricted fund balances represent the restricted classifications and Committed and Unassigned represent the unrestricted classifications.

Nonspendable fund balance includes amounts that cannot be spent because either 1) it is not in a spendable form, such as inventory or prepaid items or 2) it is legally or contractually required to be maintained intact. Restricted fund balance is comprised of externally (outside the City) enforceable limitations imposed by creditors, grantors, contributors, laws and regulations of other governments, or laws through constitutional provisions or enabling legislation (changes in City Charter). Committed fund balance includes self-imposed limitations adopted at the highest level of decision making authority, namely, City Council. City Council approval, through adoption of an ordinance, is required to commit resources or to rescind the commitment. Unassigned fund balance represents the residual net resources in excess of the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance and any governmental fund can report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for specific expenditures, unrestricted resources are considered spent before restricted resources. Within unrestricted resources, committed is considered spent (if available) before unassigned amounts.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented in the following table.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

	General	City Road Tax	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total
Fund Balances:						
Nonspendable:						
Inventory	\$ 32,279	\$ -	\$ -	\$ -	\$ 13,244	\$ 45,523
Prepaid Items	95,059	1,879	-	-	1,671	98,609
Restricted for:						
Debt Service	-	-	3,357	-	-	3,357
Road Maintenance and Construction	-	12,164,362	-	1,012,834	3,867,799	17,044,995
PS-Police equipment and facilities	-	-	-	129,443	866,930	996,374
PS-Fire equipment and facilities	-	-	-	43,148	288,977	332,125
Parks, recreation and cultural facilities	-	-	-	14,725,375	3,924,131	18,649,506
Public works projects	-	-	-	9,977,037	-	9,977,037
Committed to:						
General government projects	-	-	-	12,110	-	12,110
Road Maintenance and Construction	-	-	-	3,537,955	-	3,537,955
PS-Police equipment and facilities	-	-	-	1,445,131	-	1,445,131
PS-Fire equipment and facilities	-	-	-	635,879	-	635,879
Parks, recreation and cultural facilities	-	-	-	2,674,260	-	2,674,260
Sanitation facilities	-	-	-	286,989	-	286,989
Public works projects	-	-	-	63,058	-	63,058
Unassigned:	18,218,188	-	-	-	-	18,218,188
Total Fund Balances	<u>\$ 18,345,526</u>	<u>\$ 12,166,241</u>	<u>\$ 3,357</u>	<u>\$ 34,543,219</u>	<u>\$ 8,962,752</u>	<u>\$ 74,021,095</u>

G. Revenues, Expenditures, Expenses and Other Disclosures

1) Property Tax Revenue Recognition:

Yuma County is responsible for billing and collecting property taxes. Collections by the County in one month are remitted to the City in the next month. For government-wide presentation, revenues equal the taxes levied for the fiscal year. No allowance for uncollectible taxes has been recorded as the City's experience shows that after five years the amount uncollected represents less than one-half percent of the original levy. For governmental fund statement purposes, revenues are recorded as received, with the exception of taxes collected within 60 days by the County Treasurer and reported as current year revenues (County Treasurer collections for June of the current fiscal year). Delinquent property taxes (collections of noncurrent years) are recorded similarly. The balance of delinquent taxes is recorded in the property tax receivable account with a corresponding entry to the unavailable revenue account.

2) Compensated Absences:

The City's administrative regulations provide permanent City employees with general and major illness leave in varying amounts based on years of service. In addition, employees may accrue hours worked on holidays for absences or payment in the future. General leave vests with the employee as it is earned. General and holiday leave with related benefits for the governmental funds, \$5,183,580, and for the internal service funds, \$53,798, are recorded in the governmental activities column of the government-wide financial statements. The amounts of general and holiday leave pay and related benefits attributable to the Water, Wastewater, Solid Waste, Radio Communications, and Desert Hills Enterprise Funds are \$367,810, \$255,198, \$84,082, \$52,160 and \$48,522, respectively, and are recorded in those funds and in the business-type activities of the government-wide statements and accrued as earned.

Major illness leave benefits provided for ordinary sick pay are not vested with the employee. Unused benefits are payable only upon the death or retirement of the employee. At June 30, 2016, the amount accumulated in sick pay and related benefits is \$7,540,177 including \$72,723 attributable to Internal Service Funds and \$1,352,713 to Enterprise Funds. Under GASB Statement No. 16, *Accounting for Compensated Absences*, the City uses the "termination payment" method to determine its provision for major illness leave liability. The

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

portion of the major illness leave liability related to governmental fund types, \$897,909, is reported within the governmental activities column of the government-wide financial statements, as current amounts of that liability have been determined to be immaterial and are not recorded within the respective governmental funds. The provision for probable future major illness leave and related benefits attributable to the Equipment Maintenance and Insurance Reserve Internal Service Funds is \$17,048 and \$1,855, respectively, and Water, Wastewater, Solid Waste, Radio Communications, and Desert Hills Golf Course Enterprise Funds of \$89,791, \$61,436, \$14,178, \$11,063 and \$9,586, respectively, are recorded in those funds and are accrued as earned.

H. Investment Income

Investment income is composed of interest and net changes in the fair value of applicable investments.

I. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

II. DETAIL NOTES ON ALL FUNDS

A. Cash and Investments

The City maintains a cash and investments pool that is available to all funds. Each fund's portion of the cash and investment pool is shown in the accompanying balance sheet as "Cash and Investments", including the portion listed under "Restricted Assets". The City also records cash and investments, held by fiscal agents, which are restricted by bond indenture requirements for the payment of principal and interest at the end of the fiscal year.

Deposits

At June 30, 2016, the City's deposits had a carrying value of \$6,045,382 and a bank balance of \$9,233,941. The difference represents outstanding checks and other reconciling items. The main City checking account is fully collateralized and is disclosed with investments. All pledged bank collateral for demand deposits are held by an independent institution outside the bank's holding company.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City's deposits may not be covered. The City requires all demand deposits be covered by federal depository insurance or by pledged collateral held by the financial institution's trust department in the name of the City at 102% of market value. At June 30, 2016, there are no deposits exposed to custodial credit risk. Cash on hand at June 30, 2016, included petty cash and change funds balances of \$40,100 which are included as money market funds below.

Investments

The City adheres to State Law and its adopted Investment Policy to invest public funds in a manner which will provide the maximum security of principal invested while providing the highest yield which will also meet the daily cash flow needs of the City. Per GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the City reports certain money market investments with a remaining maturity of one year or less at time of purchase at amortized cost instead of fair value.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

The City's investment balances at June 30, 2016, were as follows:

Investment Type	Fair Value	Investment Maturities in Years		
		< 1 Year	1-2 Years	2-3 Years
US Treasury Notes/Bills	\$ 13,643,776	\$ 13,643,776	\$ -	\$ -
Commercial Paper	-	-	-	-
US Agencies:				
Federal Farm Credit Bank	5,016,992	-	5,016,992	-
Federal Home Loan Bank	11,507,477	9,507,121	-	2,000,356
Federal Home Loan Mtg. Corp.	15,028,915	-	13,024,273	2,004,642
Federal National Mtg. Assoc.	5,009,960	2,004,040	3,005,920	-
Money Market Funds	24,860,749	24,860,749	-	-
Wells Fargo-Bus Market Fund	11,543,765	11,543,765	-	-
State Investment Pool 5	76,311,383	76,311,383	-	-
Total Value	\$ 162,923,017	\$ 137,870,834	\$ 21,047,185	\$ 4,004,998

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy reduces exposure to investment credit risk by limiting authorized securities to the following:

1. Obligations of the United States Government, its agencies and instrumentalities, excluding mortgage-backed securities;
2. Fully insured or collateralized certificates of deposit and other evidence of deposit at banks and savings and loan associations;
3. Bankers acceptances issued by the ten largest domestic banks;
4. Commercial paper rated A-1/P-1;
5. Repurchase agreements whose underlying collateral consists of the foregoing, provided a signed PSA Master Repurchase Agreement is on file with the counter party bank or broker/dealer;
6. Money Market Funds whose portfolio consists of the foregoing;
7. The State of Arizona Local Government Investment Pool.

At June 30, 2016, all investments, with the exception of the State Investment Pool, are rated AA+ by Standard and Poor's and Aaa by Moody's. The State Investment Pool 5 was rated AAA/s1+ by Standard and Poor's at year end.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. The City reduces this risk by diversifying its investment portfolio. Diversification strategies are established and monitored on a monthly basis. The allowed diversification standard and actual percentage at year end by security type and issuer are as follows:

	Maximum %	Actual %
U. S. Treasuries and securities having principal and interest guaranteed by the U.S. Government	100%	8.37%
U. S. Government agencies, instrumentalities and government sponsored enterprises	No more than 80%	22.44%
Fully insured or collateralized CD's	No more than 30%	0%
Banker's Acceptances	No more than 25%	0%
A-1/P-1 Commercial Paper.....	No more than 35%	0%
Maximum per issuer.....	10% of total C. P	0%
Repurchase Agreements.....	100%	0%
Money Market Funds	100%	22.35%

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

State Investment Pool 100% 46.84%

Interest Rate Risk

Interest Rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with State law and its investment policy, the City sets a maximum maturity on any investment of five years. Unless matched to a specific requirement, no more than 25% of the portfolio may have maturities greater than three years. There are no investments with maturities greater than five years, and there are no holdings with a stated maturity beyond five years. The portfolio at June 30, 2016, had a weighted average maturity of 328 days. The policy does not set a maximum for this measurement.

Custodial Credit Risk

The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City reduces exposure to custodial credit risk in its safekeeping and collateralization policies. All security transactions are conducted on a delivery versus payment basis and are held by a third party custodian, in the City of Yuma's name. The custodian is required to issue a safekeeping receipt listing the specific instrument, rate, and maturity. Although there were no certificate of deposit or repurchase agreements at June 30, the collateralization level of at least 102% of market value is required for these securities.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted process; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2016:

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Investments Measured at Fair Value

	June 30, 2016	Fair Value Measurements Using		
		Quoted Prices in Active Markets for identical Assets (Level 1)	Significant Other Observable inputs (Level 2)	Significant Unobservable inputs (Level 3)
Investments by fair value level:				
U.S. Treasury Notes/Bills	\$ 13,643,776	\$ 13,643,776	\$ -	\$ -
US Agencies:				
Federal Farm Credit Bank	5,016,992	5,016,992	-	-
Federal Home Loan Bank	11,507,477	11,507,477	-	-
Federal Home Loan Mtg. Corp.	15,028,915	15,028,915	-	-
Federal National Mtg. Assoc.	5,009,960	5,009,960	-	-
Total investments by fair value level	50,207,120	\$ 50,207,120	\$ -	\$ -

Investments measured at the net asset value (NAV)

Money Market Funds	\$ 24,860,749
Wells Fargo-Bus Market Fund	11,543,765
State Investment Pool 5	76,311,383
Total investments measured at the NAV	112,715,897
Total investments measured at fair value	\$ 162,923,017

B. Property Tax

The City's property tax is levied by the Yuma County Treasurer on or before the third Monday in August based upon the previous January 1 full cash value as determined by the Yuma County Assessor. Under Arizona law, two assessed valuations are used. One is for primary taxes (used to fund operating expenditures) and the other is for secondary taxes (used to meet general obligation debt service requirements). The primary tax levy is limited to a two percent increase over the previous year with adjustments for growth and annexation. Secondary taxes are tied to the annual debt service requirements of voter-approved general obligation bonds. Taxes are due in two equal installments on October 1 and March 1 following the levy date and are delinquent on the first day of November and May, respectively. Liens are filed when taxes are delinquent for two years. Assessed values, levies and collections for fiscal year 2014-15 (Tax Year 2014) and fiscal year 2015-16 (Tax Year 2015), follow:

	Tax Year 2014	Tax Year 2015
Primary Assessed Valuation	\$ 525,837,088	\$ 521,876,027
Primary Tax Rate	1.8281	2.0704
Primary Tax Levy	9,612,828	10,854,190
Secondary Assessed Valuation	615,552,203	591,748,335
Secondary Tax Rate/Levy	None	None
Current Tax Collections	9,307,197	10,562,850
Delinquent Tax Collections	201,717	194,190
Delinquent Taxes Outstanding as of June 30	401,957	486,090

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

C. Receivables

Receivable balances are stated net of an allowance for doubtful accounts. Within the Solid Waste Enterprise Fund, an allowance account is established to record the estimated uncollectible refuse collection billings. Within the Water and Wastewater Enterprise Funds, allowance accounts have been established to record estimated uncollectible water and wastewater billings. No allowance account has been made for other types of receivables. The balances of these accounts are as follows:

	<u>Accounts</u>	<u>Intergovern- mental</u>	<u>Special Assessment</u>	<u>Delinquent Property Taxes</u>	<u>Accrued Interest</u>	<u>Total</u>
General	\$ 3,518,030	\$ 2,179,477	\$ 20,169	\$ 486,090	\$ 14,203	\$ 6,217,969
City Road Tax	47,799	445,148	-	-	8,160	501,107
Debt Service	547	-	1,675,000	-	-	1,675,547
Capital Projects	146,829	661,516	-	-	6,278	814,623
Water	2,700,531	1,456	-	-	17,739	2,719,726
Wastewater	1,414,860	316,427	-	-	27,540	1,758,827
Other Funds-Governmental	1,177,383	1,804,396	-	10,384	6,540	2,998,703
Other Funds-Enterprise	348,459	194,715	-	-	2,721	545,895
Internal Service	27,890	12	-	-	12,109	40,011
Total	\$ 9,382,328	\$ 5,603,147	\$ 1,695,169	\$ 496,474	\$ 95,290	\$ 17,272,408

Allowance Amount

	<u>2016</u>	<u>2015</u>
Enterprise Funds:		
Solid Waste	\$ 10,483	\$ 11,946
Water	106,482	82,535
Wastewater	56,440	53,316

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

D. Due from Other Governments (Intergovernmental Receivables)

Amounts due from other government units at June 30, 2016, are as follows:

	<u>Agencies</u>				<u>Total</u>
	<u>Federal</u>	<u>State</u>	<u>County</u>	<u>Local</u>	
Governmental Funds					
Major Funds					
General	\$ -	\$1,781,291	\$172,974	\$225,212	\$2,179,477
City Road Tax	-	445,148	-	-	445,148
Capital Projects	-	308,846	-	352,670	661,516
Non-major Funds					
Highway User Revenue	-	617,406	-	-	617,406
Public Safety Tax	-	177,999	-	-	177,999
Two Percent Tax	-	388,197	-	-	388,197
Mall Maintenance	-	-	85	-	85
Grants	522,428	43,649	-	-	566,077
Community Redevelopment	54,632	-	-	-	54,632
Enterprise Funds:					
Major Funds					
Water	-	1,456	-	-	1,456
Wastewater	264,180	34	-	52,213	316,427
Non-major Funds					
Solid Waste	-	3,021	-	-	3,021
Radio Communications	181,499	15	8,514	938	190,966
Desert Hills Golf Course	-	728	-	-	728
Internal Service Funds					
Equipment Maintenance	-	12	-	-	12
Total	\$1,022,739	\$3,767,802	\$181,573	\$631,033	\$5,603,147

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

E. Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2016, follows:

	Balance June 30, 2015	Increases	Decreases	Balance June 30, 2016
Capital Assets Not Being Depreciated:				
Land	\$57,866,697	\$2,357,968	\$4,301,262	\$55,923,403
Construction in Progress	9,761,806	8,276,701	7,469,984	10,568,523
Total Capital Assets Not Being Depreciated	67,628,503	10,634,669	11,771,246	66,491,926
Other Capital Assets:				
Buildings	92,402,852	2,980,210	-	95,383,062
Improvements	47,466,251	2,567,063	-	50,033,314
Infrastructure	252,394,560	1,215,887	163,302	253,447,145
Equipment	54,607,626	4,448,170	784,425	58,271,371
Total Other Capital Assets	446,871,289	11,211,330	947,727	457,134,892
Less Accumulated Depreciation for:				
Buildings	37,437,802	2,966,933	-	40,404,735
Improvements	36,954,321	2,361,349	-	39,315,670
Infrastructure	107,863,034	6,552,184	-	114,415,218
Equipment	41,162,821	3,731,982	781,442	44,113,361
Total Accumulated Depreciation	223,417,978	15,612,448	781,442	238,248,984
Other Capital Assets, Net	223,453,311	(4,401,118)	166,285	218,885,908
Total Capital Assets, Governmental Activities	\$ 291,081,814	\$ 6,233,551	\$ 11,937,531	\$ 285,377,834

Government activities capital assets net of accumulated depreciation at June 30, 2016, include:

Governmental Funds Capital Assets, Net	\$ 276,658,850
Internal Service Funds Capital Assets, Net	8,718,984
Total	\$ 285,377,834

Depreciation was charged to governmental functions as follows:

General Government	\$ 1,443,751
Public Safety	3,549,863
Streets	6,591,579
Parks, Recreation, and Culture	1,890,730
Environmental Health and Protection	100,365
Community Design and Development	171,620
Assets held by Internal Service Funds are charged based on usage of assets	1,864,540
Total	\$ 15,612,448

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Capital asset activity for business-type activities for the year ended June 30, 2016, follows:

	Balance June 30, 2015	Increases	Decreases	Balance June 30, 2016
Capital Assets Not Being Depreciated:				
Land	\$ 10,593,877	\$ 9,282	\$ -	\$ 10,603,159
Construction in Progress	5,064,864	5,146,880	5,031,582	5,180,162
Total Capital Assets Not Being Depreciated	15,658,741	5,156,162	5,031,582	15,783,321
Other Capital Assets:				
Buildings	164,648,404	-	-	164,648,404
Improvements	269,015,442	5,265,127	-	274,280,569
Equipment	13,182,864	476,299	77,470	13,581,693
Total Other Capital Assets	446,846,710	5,741,426	77,470	452,510,666
Less Accumulated Depreciation for:				
Buildings	18,128,158	3,301,158	-	21,429,316
Improvements	137,478,822	11,043,958	-	148,522,780
Equipment	10,829,173	922,521	77,470	11,674,224
Total Accumulated Depreciation	166,436,153	15,267,637	77,470	181,626,320
Other Capital Assets, Net	280,410,557	(9,526,211)	-	270,884,346
Total Capital Assets, Business-type activities	\$ 296,069,298	\$ (4,370,049)	\$ 5,031,582	\$ 286,667,667

Depreciation was charged to programs as follows:

Water	\$ 8,468,775
Wastewater	5,869,920
Solid Waste	32,016
Radio Communications	728,544
Golf courses	168,382
Total	\$ 15,267,637

Construction in progress is comprised mainly of water projects (waterline replacements and water transmission lines) and wastewater projects (wastewater treatment plant upgrades and improvements, and collection facilities). Estimated cost to complete these projects is \$3,160,000.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

F. Noncurrent Liabilities

The following changes occurred in noncurrent liabilities during the fiscal year ended June 30, 2016:

	Balance July 1, 2015	Additions	Retirements	Balance June 30, 2016	Due Within One Year
Governmental activities:					
Yuma Municipal Property Corporation	\$ 97,495,000	\$ 88,385,000	\$ 74,870,000	\$ 111,010,000	\$ 6,275,000
Improvement District #68	1,965,000	-	290,000	1,675,000	305,000
Unamortized Discount/Insurance Costs	(133,827)	-	(133,827)	-	-
Unamortized Premium	1,405,291	9,001,224	1,747,029	8,659,486	-
Pension	121,787,295	7,519,510	-	129,306,805	-
Compensated Absences	6,322,564	907,467	1,075,841	6,154,190	2,354,956
Total Governmental Activity					
Noncurrent Liabilities	<u>\$228,841,323</u>	<u>\$ 105,813,201</u>	<u>\$ 77,849,043</u>	<u>\$ 256,805,481</u>	<u>\$ 8,934,956</u>
Business-type activities:					
Yuma Municipal Property Corporation	\$ 103,005,000	\$ 89,675,000	\$ 103,005,000	\$ 89,675,000	\$ 3,755,000
Unamortized Discount/Insurance Costs	(264,030)	-	(264,030)	-	-
Unamortized Premium	3,131,863	10,092,220	3,725,523	9,498,560	-
Contracts Payable	50,015,231	-	4,961,582	45,053,649	5,134,142
Pension	12,674,356	696,970	-	13,371,326	-
Compensated Absences	1,013,937	138,409	158,520	993,826	320,639
Total Business-type Activity					
Noncurrent Liabilities	<u>\$169,576,357</u>	<u>\$ 100,602,599</u>	<u>\$ 111,586,595</u>	<u>\$ 158,592,361</u>	<u>\$ 9,209,781</u>

The City has adopted GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. The following disclosures are due in part to that statement.

Contracts Payable

Business-type activities – During fiscal year 2004, the City began construction of major additions to its utility infrastructure, including additional water and wastewater treatment plants. Financing for these additions comes from the Arizona Water Infrastructure Financing Authority (WIFA) in the form of 20-year loan contracts. The city pledged each system's net revenues as collateral for the debt.

Bonded Debt - Excluding Refunded Debt

New Debt Issues

MPC Senior Lien Excise Tax Revenue and Revenue Refunding Bonds, Series 2015 - On October 21, 2015, the Yuma Municipal Property Corporation issued \$48,105,000 in bonds with a true interest cost of 3.213 percent. A portion of the issue, \$24,150,000, was for construction of the Pacific Avenue Athletic Complex and a Fleet Maintenance Facility. The remaining proceeds were used for an advance refunding of \$25,195,000 of outstanding 2003 Series B MPC bonds and 2007 Series B MPC bonds, both with an average interest rate of 4.50 percent. The net proceeds of \$27,434,401, which includes \$3,479,401 of bond premium, (after payment of \$597,468 in underwriter fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded bonds. As a result, the 2003 Series B MPC bonds and the 2007 Series B MPC bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$1,641,933. This amount is reported as deferred charges and amortized over the old debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 12 years by \$1,765,112 and resulted in an economic gain of \$1,532,205.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

MPC Senior Lien Road Tax and Subordinate Lien Excise Tax Revenue Refunding Bonds, Series 2015 - On October 21, 2015, the Yuma Municipal Property Corporation issued \$40,280,000 in bonds with an average interest rate of 2.38 percent for an advance refunding of \$41,875,000 of outstanding 2007 Series D MPC bonds with an average interest rate of 4.50 percent. The net proceeds of \$45,801,823, which includes \$5,521,823 of bond premium, (after payment of \$373,613 in underwriter fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded bonds. As a result, the 2007 Series D MPC bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$2,472,790. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 12 years by \$3,454,438 and resulted in an economic gain of \$3,065,899.

MPC Senior Lien Utility System Revenue Refunding Bonds, Series 2015 - On October 21, 2015, the Yuma Municipal Property Corporation issued \$89,675,000 in bonds with an average interest rate of 2.87 percent for an advance refunding of \$99,085,000 of outstanding 2007 Utility MPC bonds with an average interest rate of 4.50 percent, including using \$9,015,430 of Debt Service Reserve funds. The net proceeds of \$108,782,650, which includes \$10,092,220 of bond premium, (after payment of \$1,041,717 in underwriter fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded bonds. As a result, the 2007 Utility MPC bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$5,524,070. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 17 years by \$13,662,217 and resulted in an economic gain of \$9,077,257.

Defeasances - The City defeased the 2003B, 2007B, 2007D, and 2007 Utility MPC bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the City's financial statements. At year end, \$162,050,000 of defeased bonds are still outstanding.

The following is a description of bonded indebtedness at June 30, 2016. In each instance, all bonds have been issued. For each issue, a number of covenants and restrictions are included in the bond indentures. The City is in compliance with these covenants and restrictions.

Special Assessment Bonds – Special assessment bonds are issued by the City on behalf of improvement districts created by property owners for a specific purpose. Property owners in the designated districts agree to be assessed for the principal and interest costs of repaying the bonds. As trustee for improvement districts, the City is responsible for collecting the assessments levied against the owners of the property within the improvement districts and for disbursing these amounts to retire the bonds issued to finance the improvements. Special assessment bonds are secured by liens against the property within each district. In the event of delinquency, the City may secure payment of the bonds through sale of the property. All activity related to these bonds is recorded in the City's Debt Service Fund.

Municipal Property Corporation Bonds – In 1970, the City created the Municipal Property Corporation to finance the acquisition or construction of various City projects. Bonds are issued by the corporation and are repaid through unrestricted revenues, primarily excise taxes, by the City. For each issue, the City has pledged its excise tax collections as follows: *Excise Taxes* – transaction privilege taxes, license fees and franchise fees, along with transaction privilege taxes, income taxes and excise taxes imposed by the State and distributed to the City (except public safety, city road and special sales taxes); *City Road Taxes* – a special one-half percent (.5%) privilege license tax approved by qualified voters in 1994 for maintenance and construction of roadways; *Public Safety Taxes* – a special two-tenths of one percent (.2%) privilege license tax approved by qualified voters in 1994 for public safety and criminal justice facilities and communication equipment; and *Special Sales Taxes* – a special two percent (2%) privilege license tax approved by qualified voters in 1993 on the gross proceeds of sales or gross income from the business of bars, restaurants and hotels. For each bond series, the corresponding

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

pledged tax was:

<u>Issue</u>	<u>Pledged Tax</u>	<u>Project(s) funded</u>
2010 – Series B	Excise Taxes	Refunding 2001 issue
2015 Sr Lien Excise Tax	Excise, Public Safety, Special Sales Taxes	Refunding 2003B & 2007B issues
		PAAC/Fleet Maintenance facility
2015 Sr Lien Road Tax	Excise and City Road Taxes	Refunding 2007D issue

In addition to, or in lieu of, excise taxes, the City may use other operational revenues to repay the debt, as budgeted in each fund. These include payments from the Water, Wastewater, Solid Waste and Desert Hills Golf Course Enterprise Funds, and Highway User Revenue Special Revenue Fund, as determined by the projects acquired or constructed by the debt proceeds.

The Municipal Property Corporation issued a Utility Series in 2007, refunded in 2015. The water and wastewater system's net revenues were pledged as collateral for this issue as additional parity obligations.

<u>Issue</u>	<u>Pledged Revenues</u>	<u>Project(s) funded</u>
2015 Sr Lien Utility	Net Utility System Revenues	Refunding 2007 Utility issue

For the year ended June 30, 2016, the pledged revenues described above amounted to \$74,790,093 for governmental activities and \$43,701,652 for business-type activities. The bonded debt collateralized by such revenues is presented below. Total future pledged revenues are not determinable for comparison to total collateralized debt; however, for the year ended June 30, 2016, debt service for governmental activities totaled \$10,341,683 and for business-type activities \$14,233,932, or 14% and 33% of pledged revenues, respectively.

Summary of Bonded Debt

	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding</u>	<u>Net Unamortized Premium/ (discount)</u>
Yuma Municipal Property Corporation Bonds:						
2010 - Series B Refunding	4.23%	6/29/2010	2025	\$ 29,530,000	\$ 22,625,000	\$ 292,384
2015 - Sr Lien Excise Rev & Refunding	3.5 - 5.0%	10/21/2015	2035	48,105,000	48,105,000	3,305,431
2015 - Sr Lien Road Tax Refunding	2.0 - 5.0%	10/21/2015	2027	40,280,000	40,280,000	5,061,671
2015 - Sr Lien Utility System Rev Refunding	3.25 - 5.0%	10/21/2015	2032	89,675,000	89,675,000	9,498,560
Total MPC Bonds				207,590,000	200,685,000	18,158,046
Total Bonds Authorized and Issued				\$ 207,590,000	\$ 200,685,000	\$ 18,158,046

Legal Debt Margin

Under Arizona's Constitution, outstanding general obligation bonded debt for combined water, sewer, artificial light, parks, open space preserves, playgrounds and recreational facilities may not exceed 20% of a City's net secondary assessed valuation. Outstanding general obligation debt for all other purposes may not exceed 6% of a City's net secondary assessed valuation. The legal borrowing capacity of the City of Yuma at June 30, 2016, follows:

	<u>Water, Etc. (20%)</u>	<u>All Other (6%)</u>
Secondary Assessed Valuation	\$591,748,335	
Legal Limit	\$ 118,349,667	\$ 35,504,900
Outstanding G.O. Debt	-	-
Available Debt Margin	\$ 118,349,667	\$ 35,504,900

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Annual Debt Service Requirements to Maturity

BONDS AND IMPROVEMENT DISTRICTS

July 1	Principal	Interest	Total	Principal	Interest	Total
	MPC Bonds 2015 Series Utility refunding 2007			MPC Bonds 2015 Excise		
2016	\$ 3,755,000	\$ 2,768,116	\$ 6,523,116	\$ 1,730,000	\$ 1,401,250	\$ 3,131,250
2017	3,905,000	3,798,338	7,703,338	1,815,000	1,931,300	3,746,300
2018	4,045,000	3,603,088	7,648,088	1,910,000	1,840,550	3,750,550
2019	4,205,000	3,400,838	7,605,838	2,005,000	1,745,050	3,750,050
2020	4,395,000	3,190,588	7,585,588	2,110,000	1,644,800	3,754,800
2021	4,600,000	2,970,838	7,570,838	2,210,000	1,539,300	3,749,300
2022	4,790,000	2,740,838	7,530,838	2,320,000	1,428,800	3,748,800
2023	4,990,000	2,501,338	7,491,338	1,790,000	1,312,800	3,102,800
2024	5,205,000	2,251,838	7,456,838	1,870,000	1,223,300	3,093,300
2025	5,425,000	1,991,588	7,416,588	1,960,000	1,129,800	3,089,800
2026	5,655,000	1,720,338	7,375,338	2,050,000	1,031,800	3,081,800
2027	5,920,000	1,437,588	7,357,588	2,120,000	949,800	3,069,800
2028	6,200,000	1,141,588	7,341,588	2,645,000	886,200	3,531,200
2029	6,410,000	831,588	7,241,588	2,740,000	806,850	3,546,850
2030	6,560,000	639,288	7,199,288	2,855,000	697,250	3,552,250
2031	6,720,000	442,488	7,162,488	2,960,000	583,050	3,543,050
2032	6,895,000	224,088	7,119,088	3,070,000	486,850	3,556,850
2033				3,195,000	364,050	3,559,050
2034				3,315,000	236,250	3,551,250
2035	-	-	-	3,435,000	120,225	3,555,225
	<u>\$ 89,675,000</u>	<u>\$ 35,654,366</u>	<u>\$ 125,329,366</u>	<u>\$ 48,105,000</u>	<u>\$ 21,359,275</u>	<u>\$ 69,464,275</u>

	MPC Bonds 2015 Road refunding 2007			MPC Bonds 2010 Refunding 2001		
2016	\$ 2,705,000	\$ 1,265,313	\$ 3,970,313	\$ 1,840,000	\$ 1,013,381	\$ 2,853,381
2017	2,760,000	1,767,950	4,527,950	1,910,000	939,781	2,849,781
2018	2,855,000	1,657,550	4,512,550	2,010,000	844,282	2,854,282
2019	2,970,000	1,514,800	4,484,800	2,110,000	743,781	2,853,781
2020	3,110,000	1,366,300	4,476,300	2,210,000	638,281	2,848,281
2021	3,250,000	1,210,800	4,460,800	2,305,000	549,881	2,854,881
2022	3,390,000	1,048,300	4,438,300	2,400,000	454,800	2,854,800
2023	3,535,000	878,800	4,413,800	2,500,000	352,800	2,852,800
2024	3,685,000	702,050	4,387,050	2,610,000	240,300	2,850,300
2025	3,845,000	517,800	4,362,800	2,730,000	122,850	2,852,850
2026	4,015,000	325,550	4,340,550	-	-	-
2027	4,160,000	124,800	4,284,800	-	-	-
	<u>\$ 40,280,000</u>	<u>\$ 12,380,013</u>	<u>\$ 52,660,013</u>	<u>\$ 22,625,000</u>	<u>\$ 5,900,137</u>	<u>\$ 28,525,137</u>

Jan 1	Principal	Interest	Total
	Improvement District No. 68 Bonds		
2017	\$ 305,000	\$ 78,725	\$ 383,725
2018	320,000	64,390	384,390
2019	335,000	49,350	384,350
2020	350,000	33,605	383,605
2021	365,000	17,155	382,155
	<u>\$ 1,675,000</u>	<u>\$ 243,225</u>	<u>\$ 1,918,225</u>

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

CONTRACTS PAYABLE

July 1	Principal	Interest	Total	Principal	Interest	Total
	WIFA Loan #920069-03			WIFA Loan #910043-03		
2016	\$ 571,210	\$ 146,290	\$ 717,500	\$ 2,614,343	\$ 669,547	\$ 3,283,890
2017	590,123	127,377	717,500	2,700,904	582,986	3,283,890
2018	609,662	107,838	717,500	2,790,331	493,559	3,283,890
2019	629,848	87,652	717,500	2,882,719	401,171	3,283,890
2020	650,702	66,798	717,500	2,978,166	305,724	3,283,890
2021	672,247	45,253	717,500	3,076,773	207,117	3,283,890
2022	694,505	22,995	717,500	3,178,645	105,245	3,283,890
	<u>\$ 4,418,297</u>	<u>\$ 604,203</u>	<u>\$ 5,022,501</u>	<u>\$ 20,221,882</u>	<u>\$ 2,765,347</u>	<u>\$ 22,987,230</u>
	WIFA Loan #920088-04					
2016	\$ 1,948,588	\$ 765,913	\$ 2,714,502			
2017	2,021,699	692,802	2,714,502			
2018	2,097,554	616,948	2,714,502			
2019	2,176,254	538,248	2,714,502			
2020	2,257,907	456,595	2,714,502			
2021	2,342,623	371,878	2,714,502			
2022	2,430,519	283,983	2,714,502			
2023	2,521,712	192,790	2,714,502			
2024	2,616,614	98,174	2,714,788			
	<u>\$ 20,413,469</u>	<u>\$ 4,017,332</u>	<u>\$ 24,430,802</u>			

G. Pensions and Other Postemployment Benefits

The City has adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which requires the following disclosures.

Plan Descriptions - The City contributes to four plans, three of which are described below. The Arizona Elected Officials Retirement Plan is not described because of its relative insignificance to the City's financial statements. The plans are component units of the State of Arizona.

At June 30, 2016, the City reported the following aggregate amounts related to pensions for all plans to which it contributes:

Statement of Net Position and Statement of Activities	Governmental Activities	Business-Type Activities	Total
Net pension liabilities	\$ 129,306,805	\$ 13,371,326	\$ 142,678,131
Deferred outflows of resources	25,798,662	1,241,318	27,039,980
Deferred inflows of resources	6,448,752	1,139,802	7,588,554
Pension expense	12,222,517	721,334	12,943,851

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Arizona State Retirement System

Plan Description – City employees not covered by the other pension plans described below or the Elected Official Retirement Plan participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at www.azasrs.gov.

Benefits Provided – The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

ASRS	Retirement	
	Initial membership date:	
	Before July 1, 2011	On or after July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years age 62 5 years age 50* any years age 65	30 years age 55 25 years age 60 10 years age 62 5 years age 50* any years age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Contributions – In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2016, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.47 percent (11.35 percent for retirement and 0.12 percent for long-term disability) of the members annual covered payroll, and the City was required by statute to contribute at the actuarially determined rate of 11.47 percent (10.85 percent for retirement, 0.50 percent for health insurance premium benefit, and 0.12 percent for long-term disability) of the active members' annual covered payroll. In addition, the City was required by statute to contribute at the actuarially determined rate of 9.36 percent (9.17 percent for retirement, 0.13 percent for health insurance premium benefit, and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked for the City in positions that would typically be filled by an employee who contributes to the ASRS. The City's contributions to the pension plan for the year ended June 30, 2016 were \$3,129,314. The City's contributions for the current and 3 preceding years for OPEB, all of which were equal to the required contributions, were as follows:

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

ASRS	Health Benefit Supplement Fund	Long-Term Disability Fund
Year ended June 30		
2016	\$ 142,902	\$ 34,404
2015	168,848	34,420
2014	167,318	67,587

During fiscal year 2016, the City paid for ASRS pension and OPEB contributions as follows: approximately 55 percent from the General Fund, 26 percent from major funds, and 18 percent from other funds.

Pension Liability – At June 30, 2016, the City reported a liability of \$48,871,806 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015.

The City's reported liability at June 30, 2016, increased by \$2,547,403 from the City's prior year liability of \$46,324,403 because of changes in the ASRS' net pension liability and the City's proportionate share of that liability. The ASRS' publicly available financial report provides details on the change in the net pension liability.

The City's proportion of the net pension liability was based on \$15,576,438,487. The City's proportion measured as of June 30, 2015, was 0.313750 percent, which was an increase of 0.000675 from its proportion measured as of June 30, 2014.

Pension Expense and Deferred Outflows/Inflows of Resources – For the year ended June 30, 2016, the City recognized pension expense for ASRS of \$2,637,759. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

ASRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,333,606	\$ 2,560,932
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,566,233
Changes in proportion and differences between city contributions and proportionate share of contributions	74,064	38,777
City contributions subsequent to the measurement date	3,129,314	-
Total	\$ 4,536,984	\$ 4,165,942

The \$3,129,314 reported as deferred outflows of resources related to ASRS pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pension will be recognized in pension expense as follows:

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

**Def outflow/inflow
amortization**

Year ending June 30	
2017	\$ (1,033,325)
2018	(1,730,540)
2019	(1,125,031)
2020	1,130,624

Actuarial Assumptions – The significant actuarial assumptions used to measure the total pension liability are as follows:

ASRS

Actuarial valuation date	June 30, 2014
Actuarial roll forward date	June 30, 2015
Actuarial cost method	Entry age normal
Investment rate of return	8%
Projected salary increases	3-6.75%
Inflation	3%
Permanent base increase	Included
Mortality rates	1994 GAM Scale BB

The actuarial assumptions used in June 30, 2014 valuation were based on results from an actuarial experience study for the 5-year period ended June 30, 2012.

The long-term expected rate of return on ASRS pension plan investments was determined to be 8.79 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

ASRS	Target	Long-Term
Asset Class	Allocation	Expected Real Rate of Return
Equity	58%	6.79%
Fixed Income	25%	3.70%
Real estate	10%	4.25%
Commodities	2%	3.93%
Multi-asset class	5%	3.41%
Total	<u>100%</u>	

Discount Rate – The discount rate used to measure the ASRS total pension liability was 8 percent, which is less than the long-term expected rate of return of 8.79 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Sensitivity of the City's Proportionate Share of the ASRS Net pension Liability to Changes in the Discount Rate – The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7 percent) or 1 percentage point higher (9 percent) than the current rate.

ASRS	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
City's proportionate share of the net pension liability	\$ 64,038,767	\$ 48,871,806	\$ 38,477,467

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in a separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov

Public Safety Personnel Retirement System

Plan Description – City public safety personnel who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit (OPEB) plan (agent plans). A seven-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The PSPRS issue publicly available financial reports that include their financial statements and required supplementary information. The reports are available on the PSPRS Web site at www.psprs.com.

Benefits Provided – The PSPRS provides retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefits terms. Retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

PSPRS

Initial membership date:

Before January 1, 2012

On or after January 1, 2012

Retirement and Disability

Years of service and age required to receive benefit	20 years any age 15 years age 62	25 years and age 52.5
Final average salary is based on	Highest 36 months of last 20 years	Highest 60 months of last 20 years
Benefit percent		
Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years not to exceed 80%	2.5% per year of credited service, not to exceed 80%
Accidental Disability Retirement	50% or normal retirement, whichever is greater	
Catastrophic Disability Retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater	
Ordinary Disability Retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20	

Survivor Benefit

Retired Members	80% of retired member's pension benefit
Active Members	80% of accidental disability retirement or 100% of average monthly compensation if death was the result of injuries received on the job

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on excess investment earning. In addition, from and after December 31, 2015 the Legislature may enact permanent one-time benefit increases after a Joint Legislative Budget Committee analysis of the increase's effects on the plan. PSPRS also provides temporary disability benefits of 50 percent of the member's compensation for up to 12 months.

Employees Covered by Benefit Terms – At June 30, 2016, the following employees were covered by the agent pension plans' benefit terms:

	PSPRS Police	PSPRS Fire
Inactive employees or beneficiaries currently receiving benefits	109	79
Inactive employees entitled to but not yet receiving benefits	39	8
Active employees	166	106
Total	314	193

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Contributions and Annual OPEB Cost – State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2016, are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS Police	PSPRS Fire
Active members--Pension City	11.65%	11.65%
Pension	42.05%	48.55%
Health insurance premium benefit	0.00%	0.32%

For the agent plans, the City's contributions to the pension plan and annual OPEB cost and contributions for the health insurance premium benefit for the year ended June 30, 2016, were:

	PSPRS Police	PSPRS Fire
Pension Contributions made	\$ 4,514,793	\$ 3,543,790
Health Insurance Premium Benefit		
Annual OPEB cost	-	24,296
Contributions made	-	24,296

During fiscal year 2016, the City paid for PSPRS pension and OPEB contributions as follows: approximately 97 percent from the General Fund, 3 percent from other funds.

Pension Liability (Asset) – At June 30, 2016, the City reported the following net pension liabilities:

	Net Pension Liability
PSPRS Police	\$ 49,834,255
PSPRS Fire	43,972,070

The net pension liabilities were measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Pension Actuarial Assumptions – The significant actuarial assumptions used to measure the total pension liability are as follows:

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

PSPRS - Pension

Actuarial valuation date	June 30, 2015
Actuarial cost method	Entry age normal
Investment rate of return	7.85%
Projected salary increases	4% - 8%
Inflation	4%
Permanent benefit increase	Included
	RP-2000 mortality table (adjusted by
Mortality rates	105% for both males and females)

Actuarial assumptions used in the June 30, 2015, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2011.

PSPRS	Target	Long-Term
Asset Class	Allocation	Expected Real
		Rate of Return
U.S. equity	16%	6.23%
Non-U.S. equity	14%	8.25%
Private equity	11%	9.50%
Fixed income	7%	2.92%
Credit opportunities	13%	7.08%
Absolute Return	5%	4.11%
GTAA	10%	4.38%
Real Assets	8%	4.77%
Real Estate	10%	4.48%
Risk Parity	4%	5.13%
Short Term Inv	2%	0.75%
Total	<u>100%</u>	

Pension Discount Rates – The following discount rates were used to measure the total pension liabilities:

	PSPRS	PSPRS
	Police	Fire
Discount rates	7.85%	7.85%

The projection of cash flows used to determine the PSPRS discount rates assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Changes in the Net Pension Liability (Asset)

PSPRS Yuma Police Department	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2015	\$ 89,018,721	\$ 41,595,566	\$ 47,423,155
Changes for the year:			
Service cost	2,064,841	-	2,064,841
Interest on the total pension liability	6,836,389	-	6,836,389
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	(500,429)	-	(500,429)
Changes of assumptions or other inputs	-	-	-
Contributions-employer	-	3,321,709	(3,321,709)
Contributions-employee	-	1,313,708	(1,313,708)
Net investment income	-	1,497,736	(1,497,736)
Benefit payments, including refunds of employee contributions	(5,926,760)	(5,926,760)	-
Administrative expense	-	(36,917)	36,917
Other changes	-	(106,535)	106,535
Net changes	<u>2,474,041</u>	<u>62,941</u>	<u>2,411,100</u>
Balances at June 30, 2016	<u>\$ 91,492,762</u>	<u>\$ 41,658,507</u>	<u>\$ 49,834,255</u>

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

PSPRS Yuma Fire Department	Increase (Decrease)		
	Total Pension Liability (a)	Plan	
		Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2015	\$ 69,412,162	\$ 28,698,068	\$ 40,714,094
Changes for the year:			
Service cost	1,443,632	-	1,443,632
Interest on the total pension liability	5,332,981	-	5,332,981
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	894,372	-	894,372
Changes of assumptions or other inputs	-	-	-
Contributions-employer	-	2,750,517	(2,750,517)
Contributions-employee	-	899,220	(899,220)
Net investment income	-	1,040,382	(1,040,382)
Benefit payments, including refunds of employee contributions	(4,395,817)	(4,395,817)	-
Administrative expense	-	(25,761)	25,761
Other changes	-	(251,349)	251,349
Net changes	3,275,168	17,192	3,257,976
Balances at June 30, 2016	\$ 72,687,330	\$ 28,715,260	\$ 43,972,070

Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate-The following table presents the City's net pension liabilities calculated using the discount rates noted above, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
PSPRS Police			
Rate	6.85%	7.85%	8.85%
Net pension liability	\$ 60,754,870	\$ 49,834,255	\$ 40,730,201
PSPRS Fire			
Rate	6.85%	7.85%	8.85%
Net pension liability	\$ 52,223,784	\$ 43,972,070	\$ 37,039,427

Pension Plan Fiduciary Net Position-Detailed information about the pension plans' fiduciary net position is available in the separately issued PSPRS financial report.

Pension Expense-For the year ended June 30, 2016, the City recognized the following pension expense:

	Pension Expense
PSPRS Police	\$ 5,725,931
PSPRS Fire	4,581,465

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Pension Deferred Outflows/Inflows of Resources-At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PSPRS Police	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 467,065
Changes of assumptions or other inputs	6,997,786	-
Net difference between projected and actual earnings on pension plan investments	1,368,960	1,275,807
City contributions subsequent to the measurement date	4,514,793	-
Total	<u>\$ 12,881,539</u>	<u>\$ 1,742,872</u>

PSPRS Fire	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 769,248	\$ 800,153
Changes of assumptions or other inputs	4,370,615	-
Net difference between projected and actual earnings on pension plan investments	937,805	879,586
City contributions subsequent to the measurement date	3,543,790	-
Total	<u>\$ 9,621,458</u>	<u>\$ 1,679,739</u>

The amounts reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (or an increase in the net pension asset) in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Deferred outflow/inflow
amortization**

	PSPRS Police	PSPRS Fire
Year ending June 30		
2017	\$ 1,223,931	\$ 781,803
2018	1,223,931	781,803
2019	1,223,931	781,803
2020	1,649,200	1,074,999
2021	1,306,960	833,894
Thereafter	(4,079)	143,628

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Agent Plan OPEB Trend Information-The table below presents the annual OPEB cost information for the health insurance premium benefit for the current and two preceding years:

Year Ended June 30	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation
PSPRS Police			
2016	\$ -	100.00%	\$ -
2015	144,073	100.00%	-
2014	139,330	100.00%	-
PSPRS Fire			
2016	24,296	100.00%	-
2015	120,263	100.00%	-
2014	114,522	100.00%	-

Agent Plan OPEB Actuarial Assumptions-Actuarial valuations involve estimates of the reported amounts value and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions are subject to continual revision as actual results are compared to past expectations and new estimates are made. The required schedule of funding progress for the health insurance premium benefit presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of the plans' assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on (1) the plans as understood by the City and plans' members and include the types of benefits in force at the valuation date, and (2) the pattern of sharing benefit costs between the City and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used are the same for all PSPRS plans and related benefits (unless noted), and the actuarial methods and assumptions used to establish the fiscal year 2016 contribution requirements are as follows:

PSPRS - OPEB Contribution Requirements

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level of percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	22 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value; 80%/120% market
Actuarial assumptions:	
Investment rate of return	7.85%
Projected salary increases	4% - 8%
Wage growth	4%

The funded status of the PSPRS health insurance premium benefit plans in the June 30, 2015, actuarial valuation was determined using the following actuarial methods and assumptions, applied to all periods included in the measurement.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

PSPRS - OPEB Funded Status

Actuarial valuation date	June 30, 2015
Actuarial cost method	Entry age normal
Amortization method	Level of percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	21 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value; 80%/120% market
Actuarial assumptions:	
Investment rate of return	7.85%
Projected salary increases	4%-8%
Wage growth	4%

Agent Plan OPEB Funded Status—The following table presents the funded status of the health insurance premium benefit plans as of the most recent valuation date, June 30, 2015. The Schedule of Funding Progress follows the notes to the financial statement, it is included in the required supplementary information.

	PSPRS Police	PSPRS Fire
Actuarial value of assets (a)	\$ 2,820,572	\$ 1,742,539
Actuarial accrued liability (b)	1,712,824	1,609,310
Unfunded actuarial accrued liability (funding excess) (b) - (a)	(1,107,748)	(133,229)
Funded ratio (a)/(b)	164.67%	108.28%
Annual covered payroll (c)	\$ 10,341,453	\$ 7,376,810
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (b) - (a) / (c)	-10.71%	-1.81%

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

transfers between governmental and business-type activities appear on that statement. The net transfers of \$279,625 are for debt service \$244,308, and payment of Equipment Replacement rent funds \$35,317.

I. Interfund Receivables and Payables

Interfund balances at June 30, 2016, follow:

	Interfund Receivable Major Funds
Interfund Payable	General
Nonmajor Governmental Funds:	
Community Redevelopment Fund	\$ 54,622
Grants Fund	412,034
Internal Service Funds:	
Equipment Maintenance	1,250,169
Total Receivable	\$ 1,716,825

Because they serve primarily governmental funds, the interfund activity noted above in the Internal Service Equipment Maintenance Fund is combined within the governmental activities for government-wide reporting. As such, the interfund activity is eliminated in the governmental activities column of the Statement of Net Position. The internal balances amount appearing on that statement, \$627,342, represents net balances allocated to business-type activities for consolidation of internal service funds net profits.

J. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; job-related illnesses and injuries to employees; and natural disasters. The City purchases commercial insurance for Property Insurance, Public Employee Fidelity Bonds, Crime Insurance, Excess Workers Compensation, and Miscellaneous Insurance (i.e. surety bonds, special event insurance as needed, and fine arts coverage.) The City retains all the risk not covered by commercial carriers and has effectively managed risk through various employee education and prevention programs. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City provides health benefits to its employees and their dependents through the Yuma Area Benefit Consortium (trust). The trust is comprised of four participating entities and provides benefits through a self-funding trust agreement with its members. The consortium purchases insurance for claims in excess of \$210,000 per individual per plan year. A third-party administrator provides claim processing and record keeping services. The City is responsible for paying premiums while employees must contribute for costs of dependent coverage. The trust sets rates through projection of claims cost and administrative expenses, along with a determination of sufficient fund balance to maintain rate stability and trust integrity. Should the Consortium become insolvent or otherwise unable to discharge its liabilities, the participating entities shall be assessed a pro rata share. This assessment may not exceed the amount of each participating entity's annual contribution. Benefit payments to beneficiaries are limited to the amount in the trust. Should the assessment not yield sufficient funds to pay outstanding claims, the trust's obligation to pay claims is limited to the amount in the trust after assessment and the trustees and the participating entities have no further obligation of any type.

The City uses two Internal Service Funds, Insurance Reserve Fund and Workers Compensation Fund, to account for the financing of its risk of loss relating to claims. Charges assessed to the funds are based on historical claims, exposure to risk, and funding necessary reserves. Annually, the City estimates the liabilities for unpaid claims using a historical cost information method. Claims and expenses are recognized when it is probable that a loss has been incurred, and the amount of the loss can be reasonably estimated. Claims accounted for include, reported and paid claims, reported but unpaid claims, and incurred but not reported (IBNR) claims. The funds' claims liabilities are presented below.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Fiscal Year	Insurance Reserve Fund				Workers Compensation Fund			
	Beginning of Year Liability	Claims and Changes In Estimates	Claim Payments	End of Year Liability	Beginning of Year Liability	Claims and Changes In Estimates	Claim Payments	End of Year Liability
2015-16	\$ 71,170	\$ 75,703	\$ 57,240	\$ 89,633	\$ 2,127,429	\$ 855,671	\$ 1,441,309	\$ 1,541,791
2014-15	71,801	24,363	24,994	71,170	1,429,195	1,691,704	993,470	2,127,429
2013-14	65,546	342,233	335,978	71,801	969,373	1,048,478	588,656	1,429,195

K. Construction Commitments

The City has active construction projects as of June 30, 2016. At year-end the government's commitments with contractors for specific projects are as follows:

Construction Commitments	Original Contract	Spent to Date	Remaining Commitment
Water System	\$ 627,000	\$ 349,323	\$ 277,677
Streets	5,313,069	2,357,250	2,955,820
Wastewater	2,962,788	2,766,594	196,194
	<u>\$ 8,902,858</u>	<u>\$ 5,473,167</u>	<u>\$ 3,429,690</u>

L. Deficits in Fund Equity

At June 30, 2016, no funds, as shown in the basic financial statements, were in a deficit position. The Equipment Maintenance Internal Service Fund, as shown in the Combining Statement of Net Position in Other Supplementary Information, has a deficit balance of \$316,605 at June 30, 2016. The City intends to adjust its internal charges in future fiscal years to eliminate this deficit.

M. Subsequent Event

On November 8, 2016, the City issued Municipal Property Corporation Senior Lien Utility System Revenue Refunding Bonds, \$37,835,000. The bond proceeds, along with a city contribution, paid off three outstanding Water Infrastructure Finance Authority of Arizona loans; loan 910043-03, loan 920069-03, and loan 920088-04. The Bond has an average life of 8 years and was sold at the price of par as of the date of issuance.

III. CONTINGENT LIABILITIES

A. Pending Litigation

The City is contingently liable in respect to lawsuits and other claims incidental to the ordinary course of its operations. It is the opinion of the City management, based on the advice of the City Attorney, that such matters will not have a material adverse effect on the City's financial position at June 30, 2016.

B. Compliance

The City participates in federally-funded and state-funded programs administered by various government agencies. The programs included in these financial statements may be subject to program compliance and/or financial monitoring by the granting agency or its representatives. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time.

**REQUIRED SUPPLEMENTARY
INFORMATION**

City of Yuma, Arizona
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Cost-Sharing Pension Plans
 June 30, 2016

Arizona State Retirement System

	Reporting Fiscal Year (Measurement Date)		
	2016 (2015)	2015 (2014)	2014 through 2006
City's proportion of the net pension liability	0.313750%	0.313075%	Information
City's proportionate share of the net pension liability	\$ 48,871,806	\$ 46,324,403	not available
City's covered payroll	\$ 28,462,610	\$ 28,442,751	
City's proportionate share of the net pension liability as a percentage of its covered payroll	171.71%	162.87%	
Plan fiduciary net position as a percentage of the total pension liability	68.35%	69.49%	

City of Yuma, Arizona
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Cost-Sharing Pension Plans
 June 30, 2016

PSPRS Police

**Reporting Fiscal Year
(Measurement Date)**

	2016 (2015)		2015 (2014)	2014 through 2006
	Total pension liability			
Service cost	\$ 2,064,841	\$ 2,043,247		
Interest on the total pension liability	6,836,389	5,718,621		
Changes of benefit terms	-	2,022,309		
Differences between expected and actual experience in the measurement of the pension liability	(500,429)	(53,936)		
Changes of assumptions or other inputs	-	9,770,998		
Benefit payments, including refunds of employee contributions	(5,926,760)	(4,619,148)		
Net change in total pension liability	2,474,041	14,882,091		
Total pension liability - beginning	89,018,721	74,136,630		
Total pension liability - ending (a)	<u>\$ 91,492,762</u>	<u>\$ 89,018,721</u>		
Plan fiduciary net position				
Contributions - employer	\$ 3,321,709	\$ 3,099,353		
Contributions - employee	1,313,708	1,103,885		
Net investment income	1,497,736	5,100,174		
Benefity payments, including refunds of employee contributions	(5,926,760)	(4,619,148)		
Administrative expense	(36,917)	(41,075)		
Other changes	(106,535)	(80,531)		
Net change in plan fiduciary net position	62,941	4,562,658		
Plan fiduciary net position - beginning	41,595,566	37,032,908		
Plan fiduciary net position - ending (b)	<u>\$ 41,658,507</u>	<u>\$ 41,595,566</u>		
City's net pension liability - ending (a) - (b)	\$ 49,834,255	\$ 47,423,155		

PSPRS Police

**Reporting Fiscal Year
(Measurement Date)**

	2016 (2017)		2015 (2014)	2014 through 2006
	Plan fiduciary net position as a percentage of the total pension liability	45.53%	46.73%	
Covered payroll	\$ 10,739,726	\$ 10,916,220		
City's net pension liability as a percentage of covered payroll	481.89%	464.63%		

City of Yuma, Arizona
 Required Supplementary Information
 Schedule of Changes in the City's Net Pension Liability and Related Ratios
 Agent Pension Plans
 June 30, 2016

PSPRS Fire

	Reporting Fiscal Year (Measurement Date)		
	2016 (2015)	2015 (2014)	2014 through 2006
Total pension liability			Information not available
Service cost	\$ 1,443,632	\$ 1,511,371	
Interest on the total pension liability	5,332,981	4,671,699	
Changes of benefit terms	-	1,370,597	
Differences between expected and actual experience in the measurement of the pension liability	894,372	(1,120,811)	
Changes of assumptions or other inputs	-	6,122,119	
Benefit payments, including refunds of employee contributions	(4,395,817)	(3,798,443)	
Net change in total pension liability	3,275,168	8,756,532	
Total pension liability - beginning	69,412,162	60,655,630	
Total pension liability - ending (a)	<u>\$ 72,687,330</u>	<u>\$ 69,412,162</u>	
Plan fiduciary net position			
Contributions - employer	\$ 2,750,517	\$ 2,603,104	
Contributions - employee	899,220	754,968	
Net investment income	1,040,382	3,516,237	
Benefity payments, including refunds of employee contributions	(4,395,817)	(3,798,443)	
Administrative expense	(25,761)	(28,319)	
Other changes	(251,349)	949	
Net change in plan fiduciary net position	17,192	3,048,496	
Plan fiduciary net position - beginning	28,698,068	25,649,572	
Plan fiduciary net position - ending (b)	<u>\$ 28,715,260</u>	<u>\$ 28,698,068</u>	
City's net pension liability - ending (a) - (b)	\$ 43,972,070	\$ 40,714,094	

PSPRS Fire

	Reporting Fiscal Year (Measurement Date)		
	2016 (2015)	2015 (2014)	2014 through 2006
Plan fiduciary net position as a percentage of the total pension liability	39.51%	41.34%	Information not available
Covered payroll	\$ 7,592,493	\$ 7,516,425	
City's net pension liability as a percentage of covered payroll	569.09%	569.78%	

City of Yuma, Arizona
 Required Supplementary Information
 Schedule of City Pension Contributions
 June 30, 2016

Arizona State Retirement System

	Reporting Fiscal Year			2013 through 2006
	2016	2015	2014	
Statutorily required contribution	\$ 3,129,314	\$ 3,145,752	\$ 2,960,244	Information not available
City's contributions in relation to the statutorily required contribution	3,129,314	3,145,752	2,960,244	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 28,462,610	\$ 28,442,751	\$ 27,663,180	
City's contributions as a percentage of covered payroll	10.99%	11.06%	10.70%	

PSPRS Police

	Reporting Fiscal Year			2013 through 2006
	2016	2015	2014	
Statutorily required contribution	\$ 4,514,793	\$ 3,301,671	\$ 3,099,836	Information not available
City's contributions in relation to the statutorily required contribution	4,514,793	3,301,671	3,099,836	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 10,739,726	\$ 10,916,220	\$ 10,475,959	
City's contributions as a percentage of covered payroll	42.04%	30.25%	29.59%	

PSPRS Fire

	Reporting Fiscal Year			2013 through 2006
	2016	2015	2014	
Statutorily required contribution	\$ 3,543,790	\$ 2,608,314	\$ 2,441,615	Information not available
City's contributions in relation to the statutorily required contribution	3,543,790	2,608,314	2,441,615	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 7,592,493	\$ 7,516,425	\$ 7,294,375	
City's contributions as a percentage of covered payroll	46.67%	34.70%	33.47%	

City of Yuma, Arizona
 Required Supplementary Information
 Schedule of Agent OPEB Plans' Funding Progress
 June 30, 2016

Health Insurance Premium Benefit

Actuarial Valuation Date	Actuarial value of assets (a)	Actuarial accrued liability (b)	Unfunded actuarial accrued liability (UAAL) (funding excess) (b) - (a)	Funded ratio (a)/(b)	Annual covered payroll (c)	UAAL (funding excess) as a percentage of covered payroll ((b) - (a)/c)
PSPRS Police						
6/30/2015	\$ 2,820,572	\$ 1,712,824	\$ (1,107,748)	164.67%	\$ 10,341,453	0.00%
6/30/2014	2,614,548	1,692,255	(922,293)	154.50%	10,206,675	0.00%
6/30/2013	-	1,593,473	1,593,473	0.00%	10,013,175	15.91%
PSPRS Fire						
6/30/2015	1,742,539	1,609,310	(133,229)	108.28%	7,376,810	0.00%
6/30/2014	1,617,986	1,684,184	66,198	96.07%	7,145,551	0.93%
6/30/2013	-	1,634,614	1,634,614	0.00%	7,295,392	22.41%

City of Yuma, Arizona
 Budgetary Comparison Schedule
 General Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 15,718,391	\$ 15,718,391	\$ 17,492,169	\$ 1,773,778
Resources (inflows):				
Taxes:				
Property Tax - Primary	10,803,140	10,803,140	10,562,850	(240,290)
Property Tax - Delinquent	250,000	250,000	194,190	(55,810)
City Sales Tax	20,604,102	20,604,102	20,531,463	(72,639)
Public Enterprise In-Lieu	242,000	242,000	242,000	-
Franchise Tax	3,010,000	3,010,000	3,162,691	152,691
Total Taxes	<u>34,909,242</u>	<u>34,909,242</u>	<u>34,693,194</u>	<u>(216,048)</u>
Licenses:				
Business Licenses	249,800	249,800	246,528	(3,272)
Liquor Licenses	32,000	32,000	33,090	1,090
Building Permits	1,165,400	1,165,400	1,565,866	400,466
Alcohol Permits	10,000	10,000	8,070	(1,930)
Animal Licenses	95,000	95,000	78,522	(16,478)
Total Licenses	<u>1,552,200</u>	<u>1,552,200</u>	<u>1,932,076</u>	<u>379,876</u>
Intergovernmental:				
Sales Tax - State	8,661,030	8,661,030	8,576,180	(84,850)
State Revenue Sharing	10,915,452	10,915,452	10,915,452	-
Auto Lieu Tax	3,418,315	3,418,315	3,558,978	140,663
Other Governmental Charges	20,000	20,000	196,457	176,457
Total Intergovernmental	<u>23,014,797</u>	<u>23,014,797</u>	<u>23,247,067</u>	<u>232,270</u>
Charges for Services:				
Building Inspection Fees	329,350	329,350	350,533	21,183
Recreation Fees	508,900	508,900	487,725	(21,175)
Police Services	650,000	650,000	775,914	125,914
Fire Ambulance Services	2,948,000	2,948,000	4,240,976	1,292,976
Other Charges	42,716	42,716	41,979	(737)
Total Charges for Services	<u>4,478,966</u>	<u>4,478,966</u>	<u>5,897,127</u>	<u>1,418,161</u>
Fines and Forfeitures:				
City Court Fines	1,145,000	1,145,000	1,298,418	153,418
Total Fines and Forfeitures	<u>1,145,000</u>	<u>1,145,000</u>	<u>1,298,418</u>	<u>153,418</u>
Use of Money and Property:				
Interest	50,000	50,000	64,755	14,755
Rental Receipts	211,710	211,710	220,213	8,503
Total Use of Money and Property	<u>261,710</u>	<u>261,710</u>	<u>284,968</u>	<u>23,258</u>
Miscellaneous				
Sales of Surplus Property	-	-	9,079	9,079
Other	373,000	373,000	113,894	(259,106)
Total Miscellaneous	<u>373,000</u>	<u>373,000</u>	<u>122,973</u>	<u>(250,027)</u>
Total Revenues	<u>65,734,915</u>	<u>65,734,915</u>	<u>67,475,823</u>	<u>1,740,908</u>
Transfers In	-	-	44,378	44,378
Amounts Available for Appropriation	<u>81,453,306</u>	<u>81,453,306</u>	<u>85,012,370</u>	<u>3,559,064</u>

Continued on next page

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 General Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Charges to Appropriations (outflows):				
General Government:				
Mayor and Council	229,491	230,331	217,078	13,253
Elections	120,000	120,000	50,443	69,557
City Administrator	676,441	803,171	801,729	1,442
Strategic Communications	530,684	519,046	528,080	(9,034)
Economic Development	279,867	317,892	316,810	1,082
Facilities Maintenance	939,633	943,521	961,401	(17,880)
General Government	2,443,911	1,401,224	623,614	777,610
City Clerk	292,998	298,074	293,516	4,558
City Attorney	1,156,776	1,163,064	1,153,901	9,163
City Prosecutor	301,418	303,770	300,611	3,159
Finance-Administration	320,376	322,752	346,178	(23,426)
Accounting	1,063,508	1,127,184	945,117	182,067
Customer Services	105,912	106,896	94,636	12,260
Information Technology Services	2,769,445	2,897,227	2,726,466	170,761
Purchasing	445,985	449,489	437,103	12,386
Human Resources	1,015,570	1,022,116	970,262	51,854
Intragovernmental Charges	(2,973,598)	(2,973,598)	(2,973,598)	-
Total General Government Operating Expenditures	9,718,417	9,052,159	7,793,347	1,258,812
Capital Outlay	-	14,506	48,323	(33,817)
Total General Government Expenditures	9,718,417	9,066,665	7,841,670	1,224,995
Public Safety:				
Police Administration - Field Operations	20,211,212	20,310,448	20,412,642	(102,194)
Police Animal Control	722,126	740,996	711,880	29,116
Police Support Services	1,889,498	1,921,482	1,755,654	165,828
Police Communication Center	2,160,502	2,176,738	2,251,778	(75,040)
Fire Administration	878,122	792,382	782,965	9,417
Fire Training	415,360	316,360	309,120	7,240
Fire Suppression	9,847,935	10,157,243	10,669,260	(512,017)
Fire Suppression - Ambulance	2,855,345	2,952,508	3,258,945	(306,437)
Community Risk Reduction	329,553	457,523	447,879	9,644
Facilities Maintenance	1,248,088	1,250,116	1,151,816	98,300
Fire Special Operations	35,410	35,410	18,920	16,490
Municipal Court	1,522,463	1,539,059	1,685,575	(146,516)
Total Public Safety Operating Expenditures	42,115,614	42,650,265	43,456,434	(806,169)
Capital Outlay	-	-	2,971	(2,971)
Total Public Safety Expenditures	42,115,614	42,650,265	43,459,405	(809,140)

Continued on next page

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 General Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Parks, Recreation and Culture:				
Parks and Recreation Administration	611,499	617,675	615,937	1,738
Parks Maintenance	4,585,081	4,604,545	4,585,738	18,807
Parks Development	152,697	153,129	129,143	23,986
Recreation Administration	608,075	611,315	606,000	5,315
Senior Adult Activities	69,031	69,031	49,686	19,345
Adult Activities	226,760	226,760	175,708	51,052
Youth Activities	259,218	259,218	255,969	3,249
Aquatics	336,037	334,037	317,397	16,640
Yuma Readiness Center	84,769	85,129	85,274	(145)
Facilities Maintenance	1,311,809	1,315,829	1,239,581	76,248
Intragovernmental Charges	(332,739)	(332,739)	(332,739)	-
Total Parks, Recreation and Culture				
Operating Expenditures	<u>7,912,237</u>	<u>7,943,929</u>	<u>7,727,694</u>	<u>216,235</u>
Total Parks, Recreation and Culture Expenditures	<u>7,912,237</u>	<u>7,943,929</u>	<u>7,727,694</u>	<u>216,235</u>
Community Design and Development:				
Community Development Administration	462,899	453,822	445,977	7,845
Development Engineering	387,340	390,508	307,964	82,544
Planning and Building Safety	2,404,555	2,476,116	2,154,929	321,187
Neighborhood Services	335,134	337,810	325,268	12,542
Total Community Design and Development				
Operating Expenditures	3,589,928	3,658,256	3,234,138	424,118
Capital Outlay	-	16,523	15,832	691
Total Community Design and Development				
Expenditures	<u>3,589,928</u>	<u>3,674,779</u>	<u>3,249,970</u>	<u>424,809</u>
Total Operating Expenditures	<u>63,336,197</u>	<u>63,304,610</u>	<u>62,211,613</u>	<u>1,092,997</u>
Capital Outlay	-	31,029	67,126	(36,097)
Total Expenditures	<u>63,336,197</u>	<u>63,335,639</u>	<u>62,278,739</u>	<u>1,056,900</u>
Transfers Out	5,091,871	5,091,871	4,388,105	703,766
Total Charges to Appropriations	<u>68,428,068</u>	<u>68,427,510</u>	<u>66,666,844</u>	<u>1,760,666</u>
Budgetary Fund Balance, June 30	<u>\$ 13,025,238</u>	<u>\$ 13,025,796</u>	<u>\$ 18,345,526</u>	<u>\$ 5,319,730</u>
				Concluded

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 City Road Tax Fund
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 8,645,259	\$ 8,645,259	\$ 8,915,485	\$ 270,226
Resources (inflows):				
Taxes				
Special Road Sales Tax	10,298,012	10,298,012	10,263,987	(34,025)
Use of Money and Property				
Rent	115,872	115,872	172,625	56,753
Interest	10,000	10,000	48,131	38,131
Charges For Services				
Developer Charges	-	-	15,738	15,738
Miscellaneous				
Other	-	-	652,946	652,946
Total Revenues	<u>10,423,884</u>	<u>10,423,884</u>	<u>11,153,427</u>	<u>729,543</u>
Transfers In	-	-	-	-
Amounts Available for Appropriation	<u>19,069,143</u>	<u>19,069,143</u>	<u>20,068,912</u>	<u>999,769</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Traffic Signals, Signs, and Striping	708,981	708,557	590,138	118,419
Streets				
Engineering	2,264,053	2,246,298	1,744,201	502,097
Street Maintenance	19,163	14,226	14,221	5
Pathways and Trails	207,389	207,689	140,560	67,129
Right-Of-Way Management	200,429	200,657	167,190	33,467
Capital Outlay	-	22,588	16,091	6,497
Capital Projects				
Parks, Recreation and Culture	114,500	114,500	86,865	27,635
Streets	3,648,750	3,347,200	520,822	2,826,378
Environmental, Health and Safety	564,550	866,100	648,418	217,682
Total Expenditures	<u>7,727,815</u>	<u>7,727,815</u>	<u>3,928,506</u>	<u>3,799,309</u>
Transfers Out	<u>4,929,483</u>	<u>4,929,483</u>	<u>3,974,165</u>	<u>955,318</u>
Total Charges to Appropriations	<u>12,657,298</u>	<u>12,657,298</u>	<u>7,902,671</u>	<u>4,754,627</u>
Budgetary Fund Balance, June 30	<u>\$ 6,411,845</u>	<u>\$ 6,411,845</u>	<u>\$ 12,166,241</u>	<u>\$ 5,754,396</u>

See accompanying notes to this schedule

City of Yuma, Arizona
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2016

A. Pension Plan Schedule Note

1. Actuarially Determined Contribution Rates

Actuarial determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period as of the 2013 actuarial valuation	23 years for unfunded actuarial accrued liability, 20 years for excess (2012 actuarial used 24 years for unfunded actuarial accrued liability, 20 years for excess)
Asset valuation method	7-year smoothed market value, 80%/120% market
Actuarial assumptions:	
Investment rate of return	In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%
Projected salary increases	In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%-9.0% to 4.5%-8.5% for PSPRS
Wage growth	In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5% for PSPRS
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	RP-2000 mortality table (adjusted by 105% for both males and females)

B. Schedule of Agent OPEB Plans' Funding Progress Note

1. Factors That Affect the Identification of Trends

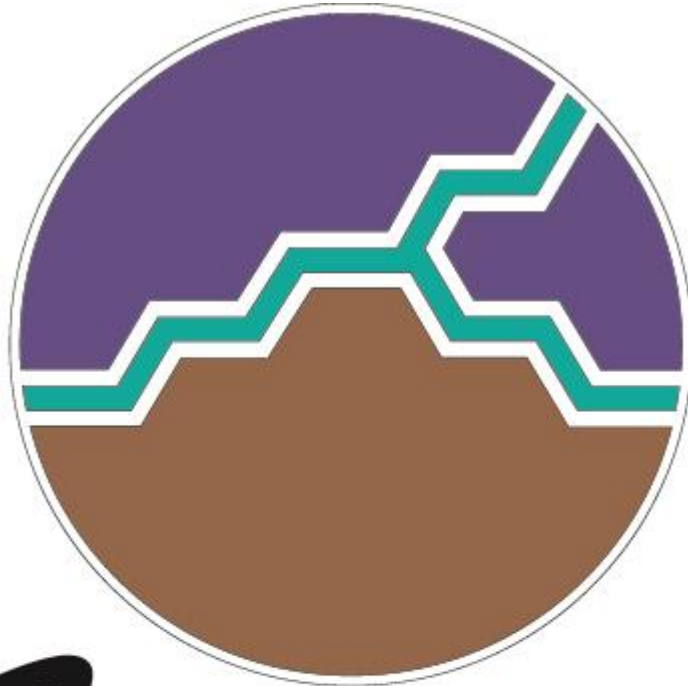
Beginning in fiscal year 2014, PSPRS established separate funds for pension benefits and health insurance premium benefits. Previously, the plans recorded both pension and health insurance premium contributions in the same Pension Fund. During fiscal year 2014, the plans transferred prior-year health insurance premium benefit contributions that exceeded benefit payments from each plan's Pension Fund to the new Health Insurance Fund.

C. Budgetary Reporting and Budgetary Basis of Accounting

Budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP), with the exception of the Enterprise Funds and Internal Service Funds for which budgets are adopted. As such, reconciliations between budgetary schedules and financial statements are not necessary for governmental funds. For Enterprise Funds and Internal Service Funds, expenditures related to debt service and to capital acquisition are budgeted in the same manner as governmental funds. Depreciation is not budgeted. Reconciliations from budgetary schedules and financial statements of these funds are presented on the face of the respective budgetary statements.

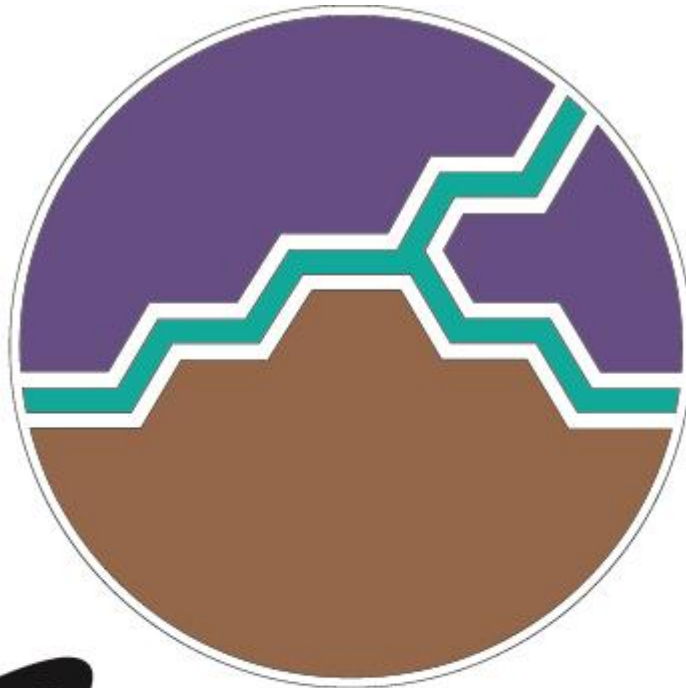
D. Excess of Expenditures Over Appropriations

The City's expenditures exceeded appropriations in one fund. The Desert Hills Golf Course Enterprise Fund had expenditures exceed appropriations by \$94,369 due to reduced golf course patronage as well as an increase in restaurant expenditures. In this case, the fund was not significantly impaired by the excess expenditures.



CITY OF
Yuma

**OTHER SUPPLEMENTARY
INFORMATION**



CITY OF
Yuma

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for the proceeds of special revenue sources that are used to finance projects or activities as required by law or contractual agreements.

Public Safety Tax To account for the two-tenths percent sales tax designated for public safety and criminal justice facilities and equipment.

Highway Users Revenue To account for the state-shared gasoline taxes designated for maintenance and construction of roadways.

Grants The Grant Fund accounts for all of the federal and state grants provided to the City with the exception of the grants received for the Yuma Regional Communication System (recorded in Radio Communications Enterprise Fund), the Water Fund (recorded in Water Enterprise Fund), the Community Development Block Grant, and the Economic Development grant.

Community Redevelopment This fund accounts for the financial activities of Community Development Block Grant and the Economic Development Grant.

Two Percent Tax To record the financial activities of the Two Percent Special Revenue Excise Tax on hotel, motel, restaurant and bar sales. This tax can finance the operations of the Art Center, the Civic and Convention Center, Baseball Complex, Golf Courses, the Yuma Crossing Area and Convention and Tourism.

Yuma Mall Maintenance To record the special maintenance levy for the Yuma Downtown Mall District. The assessment supports cleaning, maintenance, landscaping and utility costs of common areas. Costs in excess of the assessment are financed by a transfer from the General Fund.

City of Yuma, Arizona
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Special Revenue		
	Public Safety Tax	Highway Users Revenue	Grants
<u>Assets</u>			
Cash and Investments	\$ 1,077,393	\$ 3,473,198	\$ 406,639
Receivables (Net of Allowances for Uncollectibles):			
Accounts Receivable	-	6,841	75,923
Intergovernmental	177,999	617,406	566,077
Delinquent Property Taxes	-	-	-
Accrued Interest	719	2,408	147
Inventory, at cost	-	-	-
Prepaid Items	-	423	-
Total Assets	<u>\$ 1,256,111</u>	<u>\$ 4,100,276</u>	<u>\$ 1,048,786</u>
<u>Liabilities</u>			
Liabilities:			
Accounts Payable	\$ 36,106	\$ 166,225	\$ 126,245
Accrued Payroll, Taxes and Benefits Payable	227	65,829	29,864
Due to Other Funds	-	-	412,034
Deposits	-	-	3,354
Unearned Revenues	63,871	-	477,289
Total Liabilities	<u>100,204</u>	<u>232,054</u>	<u>1,048,786</u>
<u>Deferred Inflows of Resources</u>			
Unavailable Revenues	-	-	-
<u>Fund Balances:</u>			
Nonspendable:			
Inventory	-	-	-
Prepaid Items	-	423	-
Spendable			
Restricted	1,155,907	3,867,799	-
Total Fund Balances	<u>1,155,907</u>	<u>3,868,222</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 1,256,111</u>	<u>\$ 4,100,276</u>	<u>\$ 1,048,786</u>

- - -

Special Revenue			Total
Community Redevelopment	Two Percent Tax	Yuma Mall Maintenance	Nonmajor Governmental Funds
\$ -	\$ 3,677,890	\$ 5,520	\$ 8,640,640
982,679	111,610	330	1,177,383
54,632	388,197	85	1,804,396
-	-	10,384	10,384
-	3,266	-	6,540
-	13,244	-	13,244
-	1,248	-	1,671
<u>\$ 1,037,311</u>	<u>\$ 4,195,455</u>	<u>\$ 16,319</u>	<u>\$ 11,654,258</u>
\$ 4,278	\$ 80,726	\$ 2,907	\$ 416,487
4,320	62,758	3,028	166,026
54,622	-	-	466,656
-	11,749	-	15,103
-	101,599	-	642,759
<u>63,220</u>	<u>256,832</u>	<u>5,935</u>	<u>1,707,031</u>
<u>974,091</u>	<u>-</u>	<u>10,384</u>	<u>984,475</u>
-	13,244	-	13,244
-	1,248	-	1,671
			-
	<u>3,924,131</u>		<u>8,947,837</u>
-	<u>3,938,623</u>	-	<u>8,962,752</u>
<u>\$ 1,037,311</u>	<u>\$ 4,195,455</u>	<u>\$ 16,319</u>	<u>\$ 11,654,258</u>

City of Yuma, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2016

	Special Revenue		
	Public Safety Tax	Highway User Revenue	Grants
Revenues:			
Taxes	\$ 4,104,199	\$ -	\$ -
Intergovernmental	-	7,221,111	1,708,574
Charges for Services	-	-	-
Use of Money and Property	34,675	13,129	349
Contributions/Donations	-	-	436,005
Miscellaneous	42,235	8,360	-
Total Revenues	<u>4,181,109</u>	<u>7,242,600</u>	<u>2,144,928</u>
Expenditures:			
Current:			
General Government	-	-	5,508
Public Safety	1,577,289	422,673	1,588,045
Streets	-	5,485,261	-
Parks, Recreation and Culture	-	-	107,781
Environmental Health and Protection	-	12,869	6,975
Community Design and Development	-	-	-
Capital Outlay	677,796	9,814	332,203
Capital Projects			
General Government	-	-	36,213
Parks, Recreation and Culture	-	-	23,825
Total Expenditures	<u>2,255,085</u>	<u>5,930,617</u>	<u>2,100,550</u>
Revenues Over/(Under) Expenditures	1,926,024	1,311,983	44,378
Other Financing Sources/(Uses):			
Transfers In	-	-	-
Transfers Out	(773,283)	(109,152)	(44,378)
Total Other Financing Sources/(Uses)	<u>(773,283)</u>	<u>(109,152)</u>	<u>(44,378)</u>
Net Changes in Fund Balances	1,152,741	1,202,831	-
Fund Balances, Beginning	<u>3,166</u>	<u>2,665,391</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,155,907</u>	<u>\$ 3,868,222</u>	<u>\$ -</u>

Special Revenue			Total
Community Redevelopment	Two Percent Tax	Yuma Mall Maintenance	Nonmajor Governmental Funds
\$ -	\$ 5,007,109	\$ 97,151	\$ 9,208,459
769,760	-	-	9,699,445
-	595,548	-	595,548
-	17,110	-	65,263
-	-	-	436,005
19,481	50,116	2,488	122,680
<u>789,241</u>	<u>5,669,883</u>	<u>99,639</u>	<u>20,127,400</u>
-	76,642	-	82,150
-	-	-	3,588,007
-	-	-	5,485,261
-	4,757,637	-	4,865,418
-	-	-	19,844
789,241	-	213,267	1,002,508
-	20,823	-	1,040,636
-	537	-	36,750
-	79,215	-	103,040
<u>789,241</u>	<u>4,934,854</u>	<u>213,267</u>	<u>16,223,614</u>
-	735,029	(113,628)	3,903,786
-	-	113,628	113,628
-	(1,213,077)	-	(2,139,890)
-	(1,213,077)	113,628	(2,026,262)
-	(478,048)	-	1,877,524
-	4,416,671	-	7,085,228
<u>\$ -</u>	<u>\$ 3,938,623</u>	<u>\$ -</u>	<u>\$ 8,962,752</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ 4,016	\$ 4,016
Resources (inflows):				
Special Assessments:				
Principal Payments	305,000	305,000	290,000	(15,000)
Use of Money and Property:				
Issuance of Long-Term Debt	-	-	64,235,000	64,235,000
Premium on Issuance of Long-Term Debt	-	-	8,718,562	8,718,562
Interest	78,725	78,725	85,658	6,933
Total Revenues	<u>383,725</u>	<u>383,725</u>	<u>73,329,220</u>	<u>72,945,495</u>
Transfers In	<u>12,327,065</u>	<u>12,327,065</u>	<u>9,907,957</u>	<u>(2,419,108)</u>
Amounts Available for Appropriation	<u>12,710,790</u>	<u>12,710,790</u>	<u>83,241,193</u>	<u>70,530,403</u>
Charges to Appropriations (outflows):				
Debt Service:				
Bond Principal	8,481,042	8,481,042	6,565,000	1,916,042
Bond Interest	4,229,748	4,229,748	3,765,484	464,264
Fiscal Agent Fees	-	-	11,200	(11,200)
Issuance Costs	-	-	631,009	(631,009)
Total Expenditures	<u>12,710,790</u>	<u>12,710,790</u>	<u>10,972,693</u>	<u>1,738,097</u>
Payment to Refunded Bond Escrow	<u>-</u>	<u>-</u>	<u>72,265,143</u>	<u>(72,265,143)</u>
Total Charges to Appropriations	<u>12,710,790</u>	<u>12,710,790</u>	<u>83,237,836</u>	<u>(70,527,046)</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,357</u>	<u>\$ 3,357</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Capital Projects Fund
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 11,461,738	\$ 11,461,738	\$ 12,142,543	\$ 680,805
Resources (inflows):				
Charges for Services				
Developer Charges	736,885	736,050	1,457,075	721,025
Use of Money and Property				
Interest	9,615	10,450	109,407	98,957
Total Revenues	746,500	746,500	1,566,482	819,982
Issuance of Long-Term Debt	22,500,000	22,500,000	24,150,000	1,650,000
Premium on Issuance of Long-Term Debt	-	-	282,662	282,662
Transfers In	4,856,432	4,856,432	3,484,964	(1,371,468)
Amounts Available for Appropriation	39,564,670	39,564,670	41,626,651	2,061,981
Charges to Appropriations (outflows):				
Capital Outlay:				
General Government	486,000	426,000	170,000	256,000
Public Safety	484,000	654,000	283,560	370,440
Streets	6,604,700	6,604,700	2,569,754	4,034,946
Parks, Recreation and Culture	6,225,000	6,115,000	3,777,456	2,337,544
Environmental Health and Safety	310,000	310,000	-	310,000
Total Expenditures	14,109,700	14,109,700	6,800,770	7,308,930
Debt Service:				
Issuance Costs	-	-	282,662	(282,662)
Total Expenditures	14,109,700	14,109,700	7,083,432	7,026,268
Total Charges to Appropriations	14,109,700	14,109,700	7,083,432	7,026,268
Budgetary Fund Balance, June 30	\$ 25,454,970	\$ 25,454,970	\$ 34,543,219	\$ 9,088,249

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Public Safety Tax Special Revenue Fund
 For the Year Ended 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 322,210	\$ 322,210	\$ 3,166	\$ (319,044)
Resources (inflows):				
Taxes				
Public Safety Sales Tax	4,117,802	4,117,802	4,104,199	(13,603)
Use of Money and Property				
Rent	29,657	29,657	30,547	890
Interest	5,000	5,000	4,128	(872)
Miscellaneous				
Other	-	-	42,235	42,235
Total Revenues	<u>4,152,459</u>	<u>4,152,459</u>	<u>4,181,109</u>	<u>28,650</u>
Amounts Available for Appropriation	<u>4,474,669</u>	<u>4,474,669</u>	<u>4,184,275</u>	<u>(290,394)</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Police Support Services	938,364	962,364	910,275	52,089
Fire Support Services	648,419	648,419	624,308	24,111
Facility Maintenance	65,000	65,000	42,706	22,294
Municipal Court	700	700	-	700
Capital Outlay	733,000	709,000	677,796	31,204
Total Expenditures	<u>2,385,483</u>	<u>2,385,483</u>	<u>2,255,085</u>	<u>130,398</u>
Transfers Out	1,583,751	1,583,751	773,283	810,468
Total Charges to Appropriations	<u>3,969,234</u>	<u>3,969,234</u>	<u>3,028,368</u>	<u>940,866</u>
Budgetary Fund Balance, June 30	<u>\$ 505,435</u>	<u>\$ 505,435</u>	<u>\$ 1,155,907</u>	<u>\$ 650,472</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Highway User Revenue Fund
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,886,207	\$ 1,886,207	\$ 2,665,391	\$ 779,184
Resources (inflows):				
Intergovernmental				
State Gasoline Tax	6,664,071	6,664,071	7,221,111	557,040
Use of Money and Property				
Interest	1,500	1,500	13,129	11,629
Miscellaneous				
Other	25,000	25,000	8,360	(16,640)
Total Revenues	<u>6,690,571</u>	<u>6,690,571</u>	<u>7,242,600</u>	<u>552,029</u>
Amounts Available for Appropriation	<u>8,576,778</u>	<u>8,576,778</u>	<u>9,907,991</u>	<u>1,331,213</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Traffic Signals, Signs, and Striping Streets	462,569	498,057	422,673	75,384
Street Maintenance	2,898,437	2,957,512	2,622,684	334,828
Street Lighting	844,143	844,575	895,591	(51,016)
Street Sweeping	449,026	450,654	453,996	(3,342)
Storm Drain Maintenance	332,950	238,382	259,125	(20,743)
Curbs, Gutters, and Sidewalks	333,014	332,430	344,697	(12,267)
Retention Basin Maintenance	1,101,117	1,092,457	909,168	183,289
Code Enforcement	119,523	120,303	12,869	107,434
Capital Outlay	12,000	18,409	9,814	8,595
Total Expenditures	<u>6,552,779</u>	<u>6,552,779</u>	<u>5,930,617</u>	<u>622,162</u>
Transfers Out	10,659	10,659	109,152	(98,493)
Total Charges to Appropriations	<u>6,563,438</u>	<u>6,563,438</u>	<u>6,039,769</u>	<u>523,669</u>
Budgetary Fund Balance, June 30	<u>\$ 2,013,340</u>	<u>\$ 2,013,340</u>	<u>\$ 3,868,222</u>	<u>\$ 1,854,882</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Grants Fund
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental				
Federal Government	1,103,826	2,278,483	1,469,751	(808,732)
State Government	513,300	608,526	177,149	(431,377)
County Government	204,200	235,300	61,674	(173,626)
Budget Authority Reserve	11,154,919	9,653,619	-	(9,653,619)
Use of Money and Property				
Interest	-	-	349	349
Contributions/Donations	3,686,628	4,004,150	436,005	(3,568,145)
Total Revenues	<u>16,662,873</u>	<u>16,780,078</u>	<u>2,144,928</u>	<u>(14,635,150)</u>
Amounts Available for Appropriation	<u>16,662,873</u>	<u>16,780,078</u>	<u>2,144,928</u>	<u>(14,635,150)</u>
Charges to Appropriations (outflows):				
Current:				
General Government	2,500	5,852	5,508	344
Public Safety	13,852,498	12,942,842	1,588,045	11,354,797
Parks, Recreation and Culture	254,447	363,434	107,781	255,653
Environmental Health and Protection	331,300	278,500	6,975	271,525
Community Design & Development	-	-	-	-
Capital Outlay	70,000	837,150	332,203	504,947
Capital Projects				
General Government	-	-	36,213	(36,213)
Parks, Recreation and Culture	2,367,300	2,367,300	23,825	2,343,475
Total Expenditures	<u>16,878,045</u>	<u>16,795,078</u>	<u>2,100,550</u>	<u>14,694,528</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>44,378</u>	<u>(44,378)</u>
Total Charges to Appropriations	<u>16,878,045</u>	<u>16,795,078</u>	<u>2,144,928</u>	<u>14,650,150</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Community Redevelopment Fund
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental				
Federal Government	1,127,735	1,210,530	769,760	(440,770)
Miscellaneous				
Loan Repayments	-	-	18,295	18,295
Other	-	-	1,186	1,186
Total Revenues	<u>1,127,735</u>	<u>1,210,530</u>	<u>789,241</u>	<u>(421,289)</u>
Amounts Available for Appropriation	<u>1,127,735</u>	<u>1,210,530</u>	<u>789,241</u>	<u>(421,289)</u>
Charges to Appropriations (outflows):				
Current:				
Community Design and Development	1,127,563	1,210,530	789,241	421,289
Total Expenditures	<u>1,127,563</u>	<u>1,210,530</u>	<u>789,241</u>	<u>421,289</u>
Total Charges to Appropriations	<u>1,127,563</u>	<u>1,210,530</u>	<u>789,241</u>	<u>421,289</u>
Budgetary Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Two Percent Tax Special Revenue Fund
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,183,900	\$ 4,183,900	\$ 4,416,671	\$ 232,771
Resources (inflows):				
Taxes				
Two Percent Tax	4,885,569	4,885,569	5,007,109	121,540
Charges for Services				
Rents and Concessions	282,800	282,800	472,071	189,271
Recreation Fees	65,200	65,200	123,477	58,277
Use of Money and Property				
Interest	7,500	7,500	17,110	9,610
Miscellaneous				
Other	12,500	12,500	50,116	37,616
Total Revenues	<u>5,253,569</u>	<u>5,253,569</u>	<u>5,669,883</u>	<u>416,314</u>
Amounts Available for Appropriation	<u>9,437,469</u>	<u>9,437,469</u>	<u>10,086,554</u>	<u>649,085</u>
Charges to Appropriations (outflows):				
Current:				
Parks, Recreation and Culture				
Administration	258,256	258,928	239,988	18,940
Outside Agencies	1,040,000	1,040,000	918,016	121,984
Civic and Convention Center	990,636	1,044,668	1,073,554	(28,886)
Baseball Complex	555,347	556,661	586,124	(29,463)
Art Center	700,725	683,479	672,437	11,042
Heritage Events	126,507	126,507	104,839	21,668
Heritage Area Development	437,824	439,396	428,246	11,150
Facilities Maintenance	801,011	802,499	734,433	68,066
General Government	83,266	70,648	76,642	(5,994)
Capital Outlay	-	20,786	20,823	(37)
Capital Projects:				
General Government	-	-	537	(537)
Parks, Recreation and Culture	241,200	191,200	79,215	111,985
Total Expenditures	<u>5,234,772</u>	<u>5,234,772</u>	<u>4,934,854</u>	<u>299,918</u>
Transfers Out	<u>1,330,842</u>	<u>1,330,842</u>	<u>1,213,077</u>	<u>117,765</u>
Total Charges to Appropriations	<u>6,565,614</u>	<u>6,565,614</u>	<u>6,147,931</u>	<u>417,683</u>
Budgetary Fund Balance, June 30	<u>\$ 2,871,855</u>	<u>\$ 2,871,855</u>	<u>\$ 3,938,623</u>	<u>\$ 1,066,768</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Yuma Mall Maintenance Special Revenue Fund
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Taxes				
Mall Assessments	101,333	101,333	90,945	(10,388)
Property Tax - Delinquent	27,667	27,667	6,206	(21,461)
Miscellaneous				
Other	4,000	4,000	2,488	(1,512)
Total Revenues	<u>133,000</u>	<u>133,000</u>	<u>99,639</u>	<u>(33,361)</u>
Transfers In	<u>98,256</u>	<u>98,256</u>	<u>113,628</u>	<u>15,372</u>
Amounts Available for Appropriation	<u>231,256</u>	<u>231,256</u>	<u>213,267</u>	<u>(17,989)</u>
Charges to Appropriations (outflows):				
Current:				
Community Design and Development				
Mall Maintenance	231,256	231,256	213,267	17,989
Total Expenditures	<u>231,256</u>	<u>231,256</u>	<u>213,267</u>	<u>17,989</u>
Total Charges to Appropriations	<u>231,256</u>	<u>231,256</u>	<u>213,267</u>	<u>17,989</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for activities that are financed and operated in a manner similar to private businesses. The intent of the City Council is that the costs of providing the goods or services be recovered primarily through user charges. Enterprise funds are designed so that creditors, legislators and the general public can evaluate the performance of the municipal enterprise on the same basis as commercial enterprises in the same industry.

Solid Waste To record the financial activities of the city-owned and operated residential garbage collection service.

Radio Communication To record the financial activities of the Radio Communication Fund.

Desert Hills Golf Course To account for the financial activity of the operation of the Desert Hills and Desert Hills Par 3 Municipal Golf Courses.

City of Yuma, Arizona
Combining Statement of Net Position
Nonmajor Proprietary Funds
June 30, 2016

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
<u>Assets</u>				
Current Assets:				
Cash and Investments	\$ 1,756,624	\$ 1,471,587	\$ 192,015	\$ 3,420,226
Receivables, Net of Allowance for Uncollectibles:				
Accounts Receivable	338,921	2,802	6,736	348,459
Intergovernmental	3,021	190,966	728	194,715
Accrued Interest	1,419	966	336	2,721
Inventory, at cost	-	88,477	69,449	157,926
Prepaid Expenses	-	33,948	-	33,948
Total Current Assets	<u>2,099,985</u>	<u>1,788,746</u>	<u>269,264</u>	<u>4,157,995</u>
Noncurrent Assets:				
Capital Assets:				
Buildings	-	-	3,102,865	3,102,865
Improvements Other than Buildings	50,738	-	3,290,355	3,341,093
Equipment	331,013	8,128,252	325,598	8,784,863
Gross Capital Assets	<u>381,751</u>	<u>8,128,252</u>	<u>6,718,818</u>	<u>15,228,821</u>
Less Accumulated Depreciation	<u>(348,447)</u>	<u>(6,942,204)</u>	<u>(5,195,026)</u>	<u>(12,485,677)</u>
Capital Assets Net of Depreciation	<u>33,304</u>	<u>1,186,048</u>	<u>1,523,792</u>	<u>2,743,144</u>
Total Noncurrent Assets	<u>33,304</u>	<u>1,186,048</u>	<u>1,523,792</u>	<u>2,743,144</u>
Total Assets	<u>2,133,289</u>	<u>2,974,794</u>	<u>1,793,056</u>	<u>6,901,139</u>
<u>Deferred Outflows of Resources</u>				
Pension Contributions - Current Year	57,579	36,300	69,471	163,350
Other Pension Items	25,901	16,329	31,250	73,480
Total Deferred Outflows of Resources	<u>83,480</u>	<u>52,629</u>	<u>100,721</u>	<u>236,830</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts Payable	145,954	15,294	51,459	212,707
Accrued Payroll and Related Taxes	23,902	15,593	20,507	60,002
Current Portion-Accrued				
Compensated Absences	26,168	22,487	25,671	74,326
Unearned Revenue	-	23,827	105,089	128,916
Total Current Liabilities Payable from Current Assets	<u>196,024</u>	<u>77,201</u>	<u>202,726</u>	<u>475,951</u>
Noncurrent Liabilities:				
Pension Liability	899,241	566,913	1,084,954	2,551,108
Accrued Compensated Absences	72,091	40,736	32,437	145,264
Total Long-Term Liabilities	<u>971,332</u>	<u>607,649</u>	<u>1,117,391</u>	<u>2,696,372</u>
Total Liabilities	<u>1,167,356</u>	<u>684,850</u>	<u>1,320,117</u>	<u>3,172,323</u>
<u>Deferred Inflows of Resources</u>				
Pension Investments - Projection/Actual dif	28,819	18,168	34,770	81,757
Other Pension Items	47,835	30,157	57,714	135,706
Total Deferred Inflows of Resources	<u>76,654</u>	<u>48,325</u>	<u>92,484</u>	<u>217,463</u>
<u>Net Position</u>				
Net investment in capital assets	33,304	1,186,048	1,523,792	2,743,144
Unrestricted (deficit)	939,455	1,108,200	(1,042,616)	1,005,039
Total Net Position	<u>\$ 972,759</u>	<u>\$ 2,294,248</u>	<u>\$ 481,176</u>	<u>\$ 3,748,183</u>

City of Yuma, Arizona
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Proprietary Funds
For the Year Ended June 30, 2016

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Operating Revenues:				
Charges for Services	\$ 3,326,651	\$ 1,765,433	\$ -	\$ 5,092,084
Green Fees	-	-	874,005	874,005
Cart and Club Rental	-	-	259,335	259,335
Pro Shop Sales	-	-	204,135	204,135
Restaurant Sales	-	-	343,082	343,082
Total Operating Revenues	<u>3,326,651</u>	<u>1,765,433</u>	<u>1,680,557</u>	<u>6,772,641</u>
Operating Expenses:				
Operations and Maintenance	3,290,371	1,460,838	2,126,188	6,877,397
Depreciation and Amortization	32,016	728,544	168,382	928,942
Total Operating Expenses	<u>3,322,387</u>	<u>2,189,382</u>	<u>2,294,570</u>	<u>7,806,339</u>
Operating Income/(Loss)	<u>4,264</u>	<u>(423,949)</u>	<u>(614,013)</u>	<u>(1,033,698)</u>
Non-Operating Revenues/(Expenses):				
Interest	7,356	6,099	1,597	15,052
Miscellaneous Revenues	14,974	1,498	16,199	32,671
Net Non-Operating Revenues	<u>22,330</u>	<u>7,597</u>	<u>17,796</u>	<u>47,723</u>
Income/(Loss) before Contributions and Transfers	26,594	(416,352)	(596,217)	(985,975)
Capital Contributions		397,302		397,302
Transfers Out	(149,589)	-	(25,277)	(174,866)
Change in Net Position	(122,995)	(19,050)	(621,494)	(763,539)
Net Position-beginning	<u>1,095,754</u>	<u>2,313,298</u>	<u>1,102,670</u>	<u>4,511,722</u>
Net Position-ending	<u>\$ 972,759</u>	<u>\$ 2,294,248</u>	<u>\$ 481,176</u>	<u>\$ 3,748,183</u>

City of Yuma, Arizona
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended June 30, 2016

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Cash Flow from Operating Activities:				
Cash Received from Customers	\$ 3,441,473	\$ 2,068,809	\$ 1,675,554	\$ 7,185,836
Cash Paid to Employees	(860,316)	(442,682)	(853,857)	(2,156,855)
Cash Paid to Suppliers	(2,428,751)	(1,151,486)	(1,260,113)	(4,840,350)
Other Operating Activity Revenue	14,974	1,498	16,199	32,671
Net Cash Provided by/(used for) Operating Activities	<u>167,380</u>	<u>476,139</u>	<u>(422,217)</u>	<u>221,302</u>
Cash Flows from Noncapital Financing Activities:				
Cash Paid to Other Funds	<u>(149,589)</u>	<u>-</u>	<u>(25,277)</u>	<u>(174,866)</u>
Net Cash (Used for) Noncapital Financing Activities	(149,589)	-	(25,277)	(174,866)
Cash Flow from Capital and Related Financing Activities:				
Federal Grants		397,302		397,302
Acquisition and Construction of Assets	<u>(1,288)</u>	<u>(348,417)</u>	<u>-</u>	<u>(349,705)</u>
Net Cash Provided by/(Used for) Capital and Related Financing Activities	(1,288)	48,885	-	47,597
Cash Flows from Investing Activities:				
Receipt of Interest	<u>6,874</u>	<u>5,448</u>	<u>1,260</u>	<u>13,582</u>
Net Cash Provided by Investing Activities	6,874	5,448	1,260	13,582
 Net Increase/(Decrease) in Cash and Cash Equivalents	 23,377	 530,472	 (446,234)	 107,615
Cash and Cash Equivalents, July 1	<u>1,733,247</u>	<u>941,115</u>	<u>638,249</u>	<u>3,312,611</u>
Cash and Cash Equivalents, June 30	<u>\$ 1,756,624</u>	<u>\$ 1,471,587</u>	<u>\$ 192,015</u>	<u>\$ 3,420,226</u>
 Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(used for) Operating Activities:				
Operating Income/(Loss)	\$ 4,264	\$ (423,949)	\$ (614,013)	\$ (1,033,698)
Adjustments to Reconcile Operating Income/(Loss)				
Depreciation and Amortization Expense	32,016	728,544	168,382	928,942
(Increase)/Decrease in Accounts Receivables	114,822	294,927	(4,656)	405,093
(Increase) in Inventories	-	-	(1,498)	(1,498)
(Increase)/Decrease in Prepaid Items	410	(23,377)	99	(22,868)
Increase/(Decrease) in Accounts Payable	(2,276)	(117,345)	13,860	(105,761)
Increase/(Decrease) in Accrued Wages and Taxes Payable	12,238	13,109	(4,997)	20,350
Increase/(Decrease) in Due from Other Gov't Units	-	-	(347)	(347)
Increase/(Decrease) in Unearned Revenue	-	8,448	15,696	24,144
Increase/(Decrease) in Pension Exp/Def Outflows/Inflows	(9,068)	(5,717)	(10,942)	(25,727)
Other Operating Activity Revenue	14,974	1,498	16,199	32,671
Total Adjustments	<u>163,116</u>	<u>900,087</u>	<u>191,796</u>	<u>1,254,999</u>
Net Cash Provided by/(used for) Operating Activities	<u>\$ 167,380</u>	<u>\$ 476,138</u>	<u>\$ (422,217)</u>	<u>\$ 221,301</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Water Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Resources (inflows):				
Inside City	\$ 19,209,840	\$ 19,209,840	\$ 18,672,456	\$ (537,384)
Outside City	2,356,760	2,356,760	2,192,509	(164,251)
Commercial Raw Water	165,000	165,000	134,222	(30,778)
Meters, Connections and Services	983,417	983,417	1,368,097	384,680
Capital Contributions:				
System Development	100,000	100,000	136,433	36,433
Capacity Rights	1,500,000	1,500,000	2,468,247	968,247
Intergovernmental:				
Federal Government	-	500,000	12,325	(487,675)
Issuance of Long-Term Debt	-	-	76,820,760	76,820,760
Interest	25,700	25,700	106,950	81,250
Miscellaneous	56,050	56,050	136,490	80,440
Total Revenues	<u>24,396,767</u>	<u>24,896,767</u>	<u>102,048,489</u>	<u>77,151,722</u>
Amounts Available for Appropriation	<u>24,396,767</u>	<u>24,896,767</u>	<u>102,048,489</u>	<u>77,151,722</u>
Charges to Appropriations (outflows):				
Current:				
Administration	2,208,708	2,180,544	2,180,460	84
Treatment	6,943,975	6,958,939	6,014,291	944,648
Water Transmission	1,692,814	1,699,222	1,599,495	99,727
Customer Services	960,699	965,732	900,473	65,259
Water Transfer	65,750	65,750	24,523	41,227
Laboratory	333,718	334,786	241,730	93,056
Facilities Maintenance	173,025	173,289	139,464	33,825
Environmental Health and Protection	500,000	500,000	12,325	487,675
Infrastructure Maintenance	-	-	10,194	(10,194)
Capital Outlay:				
Capital Outlay	72,000	72,427	39,391	33,036
Capital Projects	6,401,500	6,401,500	2,087,647	4,313,853
Debt Service:				
Principal Retirement	5,672,948	5,672,948	5,411,148	261,800
Interest and Fiscal Agent Fees	4,679,919	4,679,919	3,809,744	870,175
Total Expenditures	<u>29,705,056</u>	<u>29,705,056</u>	<u>22,470,885</u>	<u>7,234,171</u>
Transfers Out	51,378	51,378	49,718	1,660
Payment to Refunded Bond Escrow	-	-	82,960,519	(82,960,519)
Total Charges to Appropriations	<u>29,756,434</u>	<u>29,756,434</u>	<u>105,481,122</u>	<u>(75,724,688)</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (5,359,667)</u>	<u>\$ (4,859,667)</u>	<u>(3,432,633)</u>	<u>\$ 1,427,034</u>
Reconciliation to Change in Net Position:				
Capital Outlay			39,391	
Capital Projects			2,087,647	
Principal Retirement			5,411,148	
Issuance of Long-Term Debt			(76,820,760)	
Payment to Refunded Bond Escrow			82,960,519	
Capital Contributions for Developer Additions to System			105,436	
Amortization of Deferred Charges on Refunding			206,910	
Amortization of Bond Premium			(203,301)	
Pension Contributions in excess of Expense			63,726	
Depreciation and Amortization			(8,468,775)	
Change in Net Position			<u>\$ 1,949,308</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Wastewater Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Resources (inflows):				
Inside City	\$ 12,347,900	\$ 12,347,900	\$ 12,046,325	\$ (301,575)
Outside City	1,080,000	1,080,000	1,008,013	(71,987)
Contractual/Industrial Services	1,519,000	1,519,000	2,053,107	534,107
Meters, Connections and Services	24,000	24,000	40,917	16,917
Capital Contributions:				
Capacity Rights	2,400,000	2,400,000	2,967,309	567,309
Wastewater Interceptor	150,000	150,000	160,682	10,682
Wastewater Trunk Line Charges	15,000	15,000	15,350	350
Intergovernmental:				
State Government	-	-	14,130	14,130
Issuance of Long-Term Debt	-	-	22,946,461	22,946,461
Interest	64,350	64,350	142,980	78,630
Miscellaneous	17,000	17,000	51,565	34,565
Total Revenues	<u>17,617,250</u>	<u>17,617,250</u>	<u>41,446,839</u>	<u>23,829,589</u>
Amounts Available for Appropriation	<u>17,617,250</u>	<u>17,617,250</u>	<u>41,446,839</u>	<u>23,829,589</u>
Charges to Appropriations (outflows):				
Current:				
Administration	1,304,042	1,306,886	1,332,688	(25,802)
Treatment	7,054,116	7,040,668	6,057,832	982,836
Pretreatment	475,701	478,125	393,694	84,431
Collection	1,278,491	1,283,951	1,184,027	99,924
Laboratory	285,596	286,401	193,973	92,428
Facilities Maintenance	173,022	173,286	139,841	33,445
Capital Outlay:				
Capital Outlay	120,000	121,651	87,205	34,446
Capital Projects	5,402,500	5,402,500	3,068,516	2,333,984
Debt Service:				
Principal Retirement	3,556,193	3,556,193	3,477,993	78,200
Interest and Fiscal Agent Fees	1,794,969	1,794,969	1,535,047	259,922
Total Expenditures	<u>21,444,630</u>	<u>21,444,630</u>	<u>17,470,816</u>	<u>3,973,814</u>
Transfers Out	<u>51,798</u>	<u>51,798</u>	<u>55,041</u>	<u>(3,243)</u>
Payment to Refunded Bond Escrow	<u>-</u>	<u>-</u>	<u>24,780,415</u>	<u>(24,780,415)</u>
Total Charges to Appropriations	<u>21,496,428</u>	<u>21,496,428</u>	<u>42,306,272</u>	<u>(20,809,844)</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (3,879,178)</u>	<u>\$ (3,879,178)</u>	<u>(859,433)</u>	<u>\$ 3,019,745</u>
Reconciliation to Change in Net Position:				
Capital Outlay			87,205	
Capital Projects			3,068,516	
Principal Retirement			3,477,993	
Issuance of Long-Term Debt			(22,946,461)	
Payment to Refunded Bond Escrow			24,780,415	
Amortization of Deferred Charges on Refunding			61,804	
Amortization of Bond Premium			(60,728)	
Capital Contributions for Subdivider Additions to System			128,110	
Pension Contributions in excess of Expense			45,392	
Depreciation and Amortization			(5,869,921)	
Change in Net Position			<u>\$ 1,912,892</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Solid Waste Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Service				
Collection Fees	\$ 3,235,000	\$ 3,235,000	\$ 3,326,651	\$ 91,651
Interest	1,400	1,400	7,356	5,956
Miscellaneous				
Other	21,000	21,000	14,974	(6,026)
Total Revenues	<u>3,257,400</u>	<u>3,257,400</u>	<u>3,348,981</u>	<u>91,581</u>
Amounts Available for Appropriation	<u>3,257,400</u>	<u>3,257,400</u>	<u>3,348,981</u>	<u>91,581</u>
Charges to Appropriations (outflows):				
Current:				
Environmental Health and Protection				
Residential Services	3,087,205	3,084,044	2,866,130	217,914
Uncontained Waste	420,709	422,545	339,627	82,918
Recycling	127,426	127,463	93,682	33,781
Capital Outlay	-	1,288	1,288	-
Total Expenditures	<u>3,635,340</u>	<u>3,635,340</u>	<u>3,300,727</u>	<u>334,613</u>
Transfers Out	<u>149,206</u>	<u>149,206</u>	<u>149,589</u>	<u>(383)</u>
Total Charges to Appropriations	<u>3,784,546</u>	<u>3,784,546</u>	<u>3,450,316</u>	<u>334,230</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (527,146)</u>	<u>\$ (527,146)</u>	<u>(101,335)</u>	<u>\$ 425,811</u>
Reconciliation to Change in Net Position:				
Capital Outlay			1,288	
Pension Contributions in excess of Expense			9,068	
Depreciation and Amortization			<u>(32,016)</u>	
Change in Net Position			<u>\$ (122,995)</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Radio Communication Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

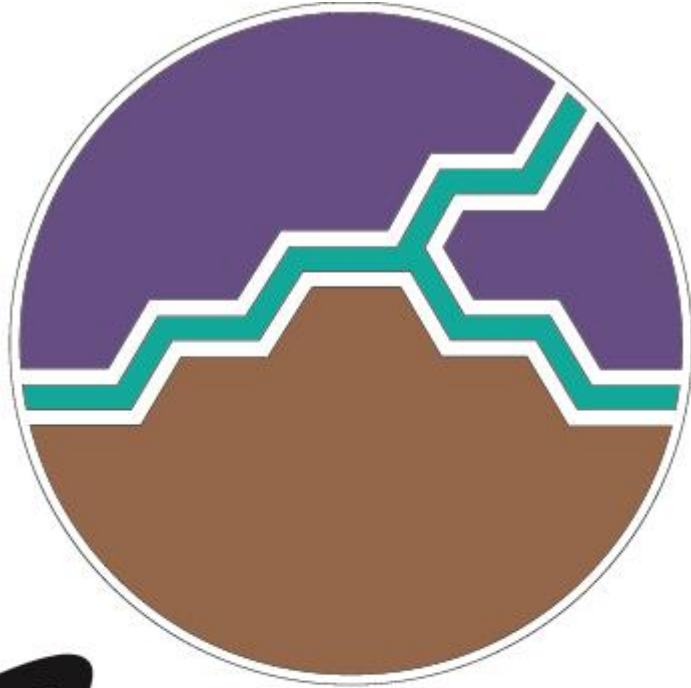
	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Resources (inflows):				
Charges for Service				
Radio Equipment Fees	808,550	808,550	805,076	(3,474)
Software Fees	862,023	862,023	862,351	328
911 Admin Fees	98,306	98,306	98,006	(300)
Intergovernmental:				
Federal Government	242,553	421,053	397,302	(23,751)
Budget Authority Reserve	3,041,750	1,609,353	-	(1,609,353)
Use of Money and Property				
Interest	1,000	1,000	6,099	5,099
Miscellaneous				
Other	-	-	1,498	1,498
Total Revenues	<u>5,054,182</u>	<u>3,800,285</u>	<u>2,170,332</u>	<u>(1,629,953)</u>
Amounts Available for Appropriation	<u>5,054,182</u>	<u>3,800,285</u>	<u>2,170,332</u>	<u>(1,629,953)</u>
Charges to Appropriations (outflows):				
Current:				
Environmental Health				
Radio Communications	2,036,663	2,035,983	682,461	1,353,522
Radio Software	77,732	78,248	689,003	(610,755)
911 Administration	42,032	42,196	46,204	(4,008)
Public Safety	1,108,656	915,156	48,887	866,269
Capital Outlay				
Capital Outlay	921,750	1,115,250	348,417	766,833
Total Expenditures	<u>4,186,832</u>	<u>4,186,832</u>	<u>1,814,972</u>	<u>2,371,860</u>
Total Charges to Appropriations	<u>4,186,832</u>	<u>4,186,832</u>	<u>1,814,972</u>	<u>2,371,860</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ 867,350</u>	<u>\$ (386,547)</u>	<u>\$ 355,360</u>	<u>\$ 741,907</u>
Reconciliation to Change in Net Position:				
Capital Outlay			348,417	
Pension Contributions in excess of Expense			5,717	
Depreciation and Amortization			(728,544)	
Change in Net Position			<u>\$ (19,050)</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Desert Hills Golf Course Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Green Fees	\$ 1,093,150	\$ 1,093,150	\$ 874,005	\$ (219,145)
Cart and Club Rental	272,800	272,800	259,335	(13,465)
Pro Shop Sales	249,500	249,500	204,135	(45,365)
Restaurant Sales	62,000	62,000	343,082	281,082
Interest	500	500	1,597	1,097
Miscellaneous	-	-	16,199	16,199
Total Revenues	<u>1,677,950</u>	<u>1,677,950</u>	<u>1,698,353</u>	<u>20,403</u>
Amounts Available for Appropriation	<u>1,677,950</u>	<u>1,677,950</u>	<u>1,698,353</u>	<u>20,403</u>
Charges to Appropriations (outflows):				
Current:				
Maintenance	1,148,321	1,150,613	962,669	187,944
Concession	672,445	673,897	705,175	(31,278)
Restaurant	-	-	235,066	(235,066)
Facility Maintenance	221,995	218,251	234,220	(15,969)
Total Expenditures	<u>2,042,761</u>	<u>2,042,761</u>	<u>2,137,130</u>	<u>(94,369)</u>
Transfers Out	<u>26,188</u>	<u>26,188</u>	<u>25,277</u>	<u>911</u>
Total Charges to Appropriations	<u>2,068,949</u>	<u>2,068,949</u>	<u>2,162,407</u>	<u>(93,458)</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (390,999)</u>	<u>\$ (390,999)</u>	<u>(464,054)</u>	<u>\$ (73,055)</u>
Reconciliation to Change in Net Assets:				
Pension Contributions in excess of Expense			10,942	
Depreciation and Amortization			<u>(168,382)</u>	
Change in Net Assets			<u>\$ (621,494)</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.



CITY OF
Yuma

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments of the City and to other governmental units, on a cost-reimbursement basis.

Equipment Replacement To account for the associated costs of purchasing vehicles and equipment for rental to other departments.

Equipment Maintenance To record the financial activity of fleet maintenance operations.

Insurance Reserve To record the financial activity related to insurance and risk retention for liability and casualty issues.

Employee Benefits Trust To record the financial activity of a self-funded insurance trust fund that covers eligible employees and dependent health, life, and dental claims.

Workers Compensation To record the financial activity of a self-funded worker's compensation insurance trust fund.

City of Yuma, Arizona
Combining Statement of Net Position
Internal Service Funds
June 30, 2016

<u>Assets</u>	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Current Assets:						
Cash and Investments	\$ 9,888,508	\$ -	\$ 1,392,772	\$ 278,317	\$ 3,157,952	\$ 14,717,549
Accounts Receivable	4,137	14,523	8,334	-	895	27,889
Intergovernmental Receivable	-	12	-	-	-	12
Accrued Interest	9,890	-	1,620	-	599	12,109
Inventory, at cost	-	629,586	302,364	-	-	931,950
Prepaid Items	-	-	747,590	-	126,917	874,507
Total Current Assets	<u>9,902,535</u>	<u>644,121</u>	<u>2,452,680</u>	<u>278,317</u>	<u>3,286,363</u>	<u>16,564,016</u>
Noncurrent Assets:						
Capital Assets:						
Land	-	219,610	-	-	-	219,610
Buildings	-	19,251	-	-	-	19,251
Improvements Other than Buildings	-	222,733	-	-	-	222,733
Equipment	30,005,460	224,147	-	-	-	30,229,607
Less Accumulated Depreciation	(21,708,005)	(264,212)	-	-	-	(21,972,217)
Total Noncurrent Assets	<u>8,297,455</u>	<u>421,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,718,984</u>
Total Assets	<u>18,199,990</u>	<u>1,065,650</u>	<u>2,452,680</u>	<u>278,317</u>	<u>3,286,363</u>	<u>25,283,000</u>
<u>Liabilities</u>						
Liabilities:						
Current Liabilities:						
Accounts Payable	4,586	44,096	83,688	-	7,493	139,863
Accrued Payroll, Taxes and Benefits Payable	-	28,875	2,518	-	-	31,393
Current Portion-Accrued Compensated Absences	-	19,973	2,957	-	-	22,930
Estimated Claims and Judgements	-	-	89,633	-	1,541,791	1,631,424
Due to Other Funds	-	1,250,169	-	-	-	1,250,169
Total Current Liabilities Payable	<u>4,586</u>	<u>1,343,113</u>	<u>178,796</u>	<u>-</u>	<u>1,549,284</u>	<u>3,075,779</u>
Noncurrent Liabilities:						
Accrued Compensated Absences	-	39,142	10,629	-	-	49,771
Total Long-Term Liabilities	<u>-</u>	<u>39,142</u>	<u>10,629</u>	<u>-</u>	<u>-</u>	<u>49,771</u>
Total Liabilities	<u>4,586</u>	<u>1,382,255</u>	<u>189,425</u>	<u>-</u>	<u>1,549,284</u>	<u>3,125,550</u>
<u>Net Position</u>						
Net investment in capital assets	8,297,455	421,529	-	-	-	8,718,984
Unrestricted (deficit)	9,897,949	(738,134)	2,263,255	278,317	1,737,079	13,438,466
Total Net Position	<u>\$ 18,195,404</u>	<u>\$ (316,605)</u>	<u>\$ 2,263,255</u>	<u>\$ 278,317</u>	<u>\$ 1,737,079</u>	<u>\$ 22,157,450</u>

City of Yuma, Arizona
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2016

	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Operating Revenues:						
Charges For Services	\$ -	\$ 3,100,881	\$ 1,623,436	\$ -	\$ -	\$ 4,724,317
Contributions						
City	-	-	-	-	2,241,169	2,241,169
Property Damage Restitution	-	-	1,176,026	-	-	1,176,026
Equipment Rental	2,257,062	-	-	-	-	2,257,062
Miscellaneous	152	7,232	2,305	-	-	9,689
Total Operating Revenues	<u>2,257,214</u>	<u>3,108,113</u>	<u>2,801,767</u>	<u>-</u>	<u>2,241,169</u>	<u>10,408,263</u>
Operating Expenses:						
Claims Incurred	-	-	75,703	-	328,218	403,921
Premiums to Insurance Carriers	-	-	752,432	-	154,018	906,450
Administration	308,025	3,189,054	673,196	-	29,833	4,200,108
Depreciation	1,839,835	24,705	-	-	-	1,864,540
Total Operating Expenses	<u>2,147,860</u>	<u>3,213,759</u>	<u>1,501,331</u>	<u>-</u>	<u>512,069</u>	<u>7,375,019</u>
Operating Income/(Loss)	<u>109,354</u>	<u>(105,646)</u>	<u>1,300,436</u>	<u>-</u>	<u>1,729,100</u>	<u>3,033,244</u>
Non-Operating Revenue/(Expenses):						
Interest	46,914	-	8,010	-	9,248	64,172
Gain on the Sale of Assets	58,230	-	-	-	-	58,230
Total Non-Operating Revenues	<u>105,144</u>	<u>-</u>	<u>8,010</u>	<u>-</u>	<u>9,248</u>	<u>122,402</u>
Income/(Loss) before Transfers	<u>214,498</u>	<u>(105,646)</u>	<u>1,308,446</u>	<u>-</u>	<u>1,738,348</u>	<u>3,155,646</u>
Transfers In	719,813	-	-	-	-	719,813
Transfers Out	(2,308,938)	(3,991)	(1,176,026)	-	-	(3,488,955)
Net Transfers	<u>(1,589,125)</u>	<u>(3,991)</u>	<u>(1,176,026)</u>	<u>-</u>	<u>-</u>	<u>(2,769,142)</u>
Change in Net Position	<u>(1,374,627)</u>	<u>(109,637)</u>	<u>132,420</u>	<u>-</u>	<u>1,738,348</u>	<u>386,504</u>
Net Position, Beginning	<u>19,570,031</u>	<u>(206,968)</u>	<u>2,130,835</u>	<u>278,317</u>	<u>(1,269)</u>	<u>21,770,946</u>
Net Position, Ending	<u>\$ 18,195,404</u>	<u>\$ (316,605)</u>	<u>\$ 2,263,255</u>	<u>\$ 278,317</u>	<u>\$ 1,737,079</u>	<u>\$ 22,157,450</u>

City of Yuma, Arizona
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2016

	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Cash Flows from Operating Activities:						
Cash Received from Customers	\$ 2,352,939	\$ 3,102,987	\$ 2,838,144	\$ -	\$ 2,242,981	\$ 10,537,051
Cash Paid to Employees		(932,045)	(81,538)	-	-	(1,013,583)
Cash Paid to Suppliers	(308,025)	(2,173,047)	(750,777)	-	-	(3,231,849)
Cash Paid For Operating Expenses	152	7,232	(1,419,793)	-	(1,399,120)	(2,811,529)
Net Cash Flows Provided by Operating Activities	2,045,066	5,127	586,036	-	843,861	3,480,090
Cash Flows from Noncapital Financing Activities:						
Cash Received from Other Funds	719,813	-	-	-	(175,700)	544,113
Cash Paid to Other Funds	(2,308,938)	(3,991)	(1,176,026)	-	-	(3,488,955)
Net Cash Flows(Used for) Noncapital Financing Activities	(1,589,125)	(3,991)	(1,176,026)	-	(175,700)	(2,944,842)
Cash Flows from Capital and Related Financing Activities:						
Proceeds from Sale of Capital Assets	58,230	-	-	-	-	58,230
Payments for Capital Acquisitions	(3,238,180)	(1,136)	-	-	-	(3,239,316)
Net Cash Flows Used for Capital and Related Financing Activities	(3,179,950)	(1,136)	-	-	-	(3,181,086)
Cash Flows from Investing Activities:						
Receipt of Interest	45,722	-	7,284	-	8,815	61,821
Net Cash Flows Provided by Investing Activities	45,722	-	7,284	-	8,815	61,821
Net Increase/(Decrease) in Cash and Cash Equivalents	(2,678,287)	-	(582,706)	-	676,976	(2,584,017)
Cash and Cash Equivalents, July 1	12,566,795	-	1,975,478	278,317	2,480,976	17,301,566
Cash and Cash Equivalents, June 30	\$ 9,888,508	\$ -	\$ 1,392,772	\$ 278,317	\$ 3,157,952	\$ 14,717,549
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:						
Operating Income/(Loss)	\$ 109,354	\$ (105,646)	\$ 1,300,436	\$ -	\$ 1,729,100	\$ 3,033,244
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:						
Depreciation Expense	1,839,835	24,705	-	-	-	1,864,540
Decrease in Accounts Receivable	95,877	2,106	36,378	-	1,812	136,173
(Increase) in Inventory	-	(74,799)	-	-	-	(74,799)
(Increase) in Prepaid Items	-	-	(29,797)	-	(126,917)	(156,714)
(Decrease) in Accounts Payable	-	(40,788)	(675,907)	-	(174,496)	(891,191)
(Decrease) in Payroll Liabilities	-	(1,943)	-	-	-	(1,943)
(Decrease) in Unearned Revenue	-	-	(63,537)	-	-	(63,537)
Increase in Due to Other Funds	-	201,492	-	-	-	201,492
Increase/(Decrease) in Estimated Claims	-	-	18,463	-	(585,638)	(567,175)
Total Adjustments	1,935,712	110,773	(714,400)	-	(885,239)	446,846
Net Cash Provided by Operating Activities	\$ 2,045,066	\$ 5,127	\$ 586,036	\$ -	\$ 843,861	\$ 3,480,090

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Equipment Replacement Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 2,257,061	\$ 2,257,061	\$ 2,257,062	\$ 1
Interest	20,000	20,000	46,914	26,914
Miscellaneous	-	-	152	152
Total Revenues	<u>2,277,061</u>	<u>2,277,061</u>	<u>2,304,128</u>	<u>27,067</u>
Transfers In	<u>804,107</u>	<u>804,107</u>	<u>719,813</u>	<u>(84,294)</u>
Amounts Available for Appropriation	<u>3,081,168</u>	<u>3,081,168</u>	<u>3,023,941</u>	<u>(57,227)</u>
Charges to Appropriations (outflows):				
Current				
Administration	11,752	308,024	308,025	(1)
Capital Outlay	<u>7,279,694</u>	<u>6,983,422</u>	<u>3,219,641</u>	<u>3,763,781</u>
Total Expenditures	<u>7,291,446</u>	<u>7,291,446</u>	<u>3,527,666</u>	<u>3,763,780</u>
Transfers Out	<u>3,656,432</u>	<u>3,656,432</u>	<u>2,308,938</u>	<u>1,347,494</u>
Total Charges to Appropriations	<u>10,947,878</u>	<u>10,947,878</u>	<u>5,836,604</u>	<u>5,111,274</u>
Excess of Resources Over Charges to Appropriations	<u>\$ (7,866,710)</u>	<u>\$ (7,866,710)</u>	<u>(2,812,663)</u>	<u>\$ 5,054,047</u>
Reconciliation to Change in Net Position:				
Capital Outlay			3,219,641	
Gain on Sale of Assets			58,230	
Depreciation and Amortization			<u>(1,839,835)</u>	
Change in Net Position			<u>\$ (1,374,627)</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Equipment Maintenance Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 3,718,947	\$ 3,718,947	\$ 3,100,881	\$ (618,066)
Miscellaneous	-	-	7,232	7,232
Total Revenues	<u>3,718,947</u>	<u>3,718,947</u>	<u>3,108,113</u>	<u>(610,834)</u>
Amounts Available for Appropriation	<u>3,718,947</u>	<u>3,718,947</u>	<u>3,108,113</u>	<u>(610,834)</u>
Charges to Appropriations (outflows):				
Current				
Administration	3,552,443	3,551,306	3,189,054	362,252
Capital Outlay	-	1,137	1,136	1
Total Expenditures	<u>3,552,443</u>	<u>3,552,443</u>	<u>3,190,190</u>	<u>362,253</u>
Transfers Out	<u>\$ 4,252</u>	<u>\$ 4,252</u>	<u>3,991</u>	<u>\$ 261</u>
Depreciation and Amortization			<u>(24,705)</u>	
Change in Net Position			<u>\$ (109,637)</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Insurance Reserve Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

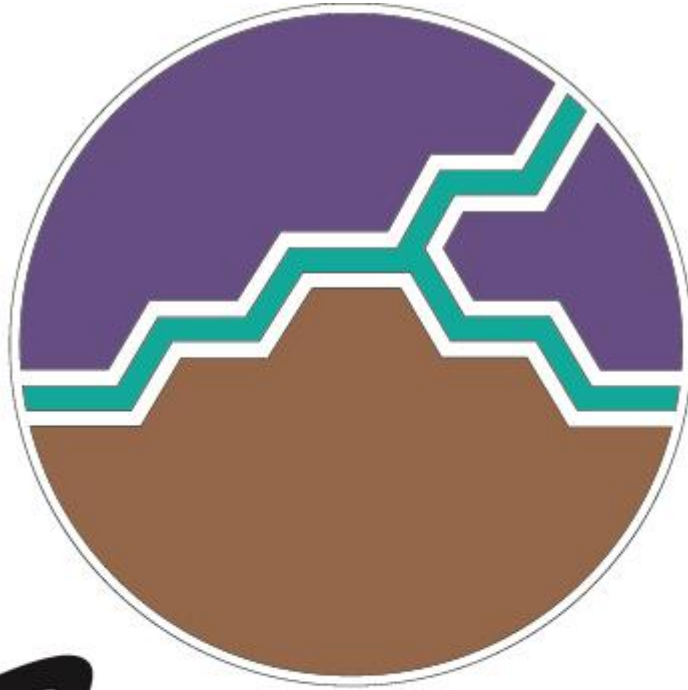
	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 1,603,925	\$ 1,603,925	\$ 1,623,436	\$ 19,511
Property Damage Restitution	-	-	1,176,026	1,176,026
Miscellaneous	1,200,000	1,200,000	2,305	(1,197,695)
Interest	1,500	1,500	8,010	6,510
Total Revenues	<u>2,805,425</u>	<u>2,805,425</u>	<u>2,809,777</u>	<u>4,352</u>
Amounts Available for Appropriation	<u>2,805,425</u>	<u>2,805,425</u>	<u>2,809,777</u>	<u>4,352</u>
Charges to Appropriations (outflows):				
Current				
Premiums to Insurance Carriers	624,888	624,888	752,432	(127,544)
Claims Incurred	287,000	287,000	75,703	211,297
Administration	872,322	872,322	673,196	199,126
Total Expenditures	<u>1,784,210</u>	<u>1,784,210</u>	<u>1,501,331</u>	<u>282,879</u>
Transfers Out	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,176,026</u>	<u>23,974</u>
Total Charges to Appropriations	<u>2,984,210</u>	<u>2,984,210</u>	<u>2,677,357</u>	<u>306,853</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (178,785)</u>	<u>\$ (178,785)</u>	<u>\$ 132,420</u>	<u>\$ 311,205</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$ 132,420</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Workers Compensation Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2016

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Contributions - City	\$ 2,298,456	\$ 2,298,456	\$ 2,241,169	\$ (57,287)
Interest	1,000	1,000	9,248	8,248
Total Revenues	<u>2,299,456</u>	<u>2,299,456</u>	<u>2,250,417</u>	<u>(49,039)</u>
Amounts Available for Appropriation	<u>2,299,456</u>	<u>2,299,456</u>	<u>2,250,417</u>	<u>(49,039)</u>
Charges to Appropriations (outflows):				
Current				
Premiums to Insurance Carriers	235,808	235,808	154,018	81,790
Claims Incurred	1,372,657	1,372,657	328,218	1,044,439
Administration	32,400	32,400	29,833	2,567
Total Expenditures	<u>1,640,865</u>	<u>1,640,865</u>	<u>512,069</u>	<u>1,128,796</u>
Total Charges to Appropriations	<u>1,640,865</u>	<u>1,640,865</u>	<u>512,069</u>	<u>1,128,796</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ 658,591</u>	<u>\$ 658,591</u>	<u>\$ 1,738,348</u>	<u>\$ 1,079,757</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$ 1,738,348</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.



CITY OF
Yuma

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Yuma's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial condition.

Contents	Page
Financial Trends	115
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	123
These schedules contain information to help the reader assess the City's most significant local revenue source - sales tax.	
Debt Capacity	125
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and it's ability to issue additional debt in the future.	
Demographic and Economic Information	131
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	134
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the respective year.

City of Yuma, Arizona

Net Position by Component
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
							As restated			
Governmental activities										
Net investment in capital assets	\$ 160,214	\$ 169,403	\$ 129,228	\$ 192,145	\$ 196,837	\$ 209,377	\$ 208,428	\$ 197,997	\$ 194,763	\$ 193,687
Restricted	12,991	17,952	70,389	14,762	15,773	24,835	22,456	19,166	23,223	49,652
Unrestricted	43,638	45,354	38,439	40,261	44,357	36,851	39,115	43,244	(68,462)	(91,649)
Total governmental activities net position	<u>\$ 216,844</u>	<u>\$ 232,709</u>	<u>\$ 238,056</u>	<u>\$ 247,168</u>	<u>\$ 256,967</u>	<u>\$ 271,063</u>	<u>\$ 269,999</u>	<u>\$ 260,407</u>	<u>\$ 149,524</u>	<u>\$ 151,690</u>
Business-type activities										
Net investment in capital assets	\$ 154,054	\$ 151,032	\$ 158,367	\$ 160,883	\$ 166,782	\$ 164,295	\$ 163,246	\$ 159,458	\$ 147,573	\$ 152,343
Restricted	-	151	1,952	3,754	5,556	7,357	9,009	9,009	9,009	2,715
Unrestricted	7,587	24,079	27,344	29,027	31,699	37,842	43,362	46,877	44,607	49,657
Total business-type activities net position	<u>\$ 161,641</u>	<u>\$ 175,262</u>	<u>\$ 187,663</u>	<u>\$ 193,664</u>	<u>\$ 204,037</u>	<u>\$ 209,494</u>	<u>\$ 215,617</u>	<u>\$ 215,344</u>	<u>\$ 201,189</u>	<u>\$ 204,715</u>
Primary government										
Net investment in capital assets	\$ 314,268	\$ 320,435	\$ 287,595	\$ 353,028	\$ 363,619	\$ 373,672	\$ 371,674	\$ 357,455	\$ 342,336	\$ 346,030
Restricted	12,991	18,103	72,341	18,516	21,329	32,192	31,465	28,175	32,232	52,367
Unrestricted	51,225	69,433	65,783	69,288	76,056	74,693	82,477	90,121	(23,855)	(41,992)
Total primary government net position	<u>\$ 378,485</u>	<u>\$ 407,971</u>	<u>\$ 425,719</u>	<u>\$ 440,832</u>	<u>\$ 461,004</u>	<u>\$ 480,557</u>	<u>\$ 485,616</u>	<u>\$ 475,751</u>	<u>\$ 350,713</u>	<u>\$ 356,405</u>

City of Yuma, Arizona

Changes in Net Position
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 10,919	\$ 11,875	\$ 11,559	\$ 10,563	\$ 9,684	\$ 12,534	\$ 10,345	\$ 10,335	\$ 9,056	\$ 9,102
Public Safety	36,067	38,511	41,080	39,224	40,232	41,735	43,051	46,585	55,785	55,883
Streets	13,384	18,943	15,966	13,969	14,536	12,741	14,980	25,265	14,964	12,272
Parks, Recreation and Culture	15,400	14,353	16,282	13,863	13,804	14,226	12,787	13,606	14,364	14,219
Environmental Health and Protection	2,098	4,604	4,969	4,905	1,538	804	156	89	178	686
Community Design and Development	6,791	5,807	5,486	4,981	5,007	4,521	5,134	5,167	4,439	4,331
Interest on Long-Term Debt	2,948	5,331	6,592	6,291	5,803	5,461	5,153	4,781	4,462	4,505
Total governmental activities expenses	<u>87,607</u>	<u>99,424</u>	<u>101,934</u>	<u>93,796</u>	<u>90,604</u>	<u>92,022</u>	<u>91,606</u>	<u>105,828</u>	<u>103,248</u>	<u>100,998</u>
Business-type activities:										
Water	14,562	18,389	20,754	20,277	20,555	23,353	23,227	24,762	25,259	23,337
Wastewater	11,538	13,270	13,859	13,673	13,882	16,191	16,165	17,073	17,253	16,643
Solid Waste	-	-	-	-	2,902	2,948	3,213	3,085	3,070	3,347
Radio Communications	-	-	-	-	-	-	4,663	4,153	2,623	2,184
Golf Courses	2,676	2,889	2,819	2,496	2,377	2,403	2,469	3,474	2,518	1,864
Total business-type activities expenses	<u>28,776</u>	<u>34,548</u>	<u>37,432</u>	<u>36,446</u>	<u>39,716</u>	<u>44,895</u>	<u>49,737</u>	<u>52,547</u>	<u>50,723</u>	<u>47,375</u>
Total primary government expenses	<u>\$ 116,383</u>	<u>\$ 133,972</u>	<u>\$ 139,366</u>	<u>\$ 130,242</u>	<u>\$ 130,320</u>	<u>\$ 136,917</u>	<u>\$ 141,343</u>	<u>\$ 158,375</u>	<u>\$ 153,971</u>	<u>\$ 148,373</u>
Program Revenues										
Governmental activities:										
Charges for Services										
Building Inspection Fees	\$ 985	\$ 710	\$ 390	\$ 384	\$ 333	\$ 307	\$ 413	\$ 545	\$ 368	\$ 351
Developer Charges	4,517	6,657	4,911	2,674	4,369	1,589	1,419	2,326	1,104	1,458
Ambulance Services	-	-	-	-	-	477	3,830	2,490	3,444	4,241
Police Services	805	764	865	821	471	567	617	701	840	776
Other Charges	8,407	8,916	7,607	7,491	6,936	5,775	6,082	5,708	4,283	7,933
Operating Grants and Contributions	2,661	2,294	1,807	3,659	4,968	3,965	3,980	3,305	3,519	2,528
Capital Grants and Contributions	5,341	5,000	4,783	5,944	3,245	19,145	1,744	577	1,481	609
Total governmental activities program revenues	<u>22,716</u>	<u>24,341</u>	<u>20,363</u>	<u>20,973</u>	<u>20,322</u>	<u>31,825</u>	<u>18,085</u>	<u>15,652</u>	<u>15,039</u>	<u>17,896</u>
Business-type activities:										
Charges for Services										
Metered Water Sales	17,522	21,027	22,463	21,651	21,598	20,710	21,233	21,809	20,532	20,999
Wastewater Charges	10,387	13,126	13,372	13,699	14,854	14,485	14,625	14,785	14,400	15,107
Radio Communications	-	-	-	-	-	-	1,714	1,564	1,739	1,765
Solid Waste Charges	-	-	-	-	3,147	3,266	3,301	3,325	3,351	3,327
Green Fees and Concessions	2,189	2,140	2,027	1,964	1,890	1,919	2,152	2,230	1,789	1,681
Other Charges	1,390	1,181	1,098	1,041	961	775	562	670	960	1,631
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	26
Capital Grants and Contributions	11,249	8,874	9,924	3,969	7,391	9,071	7,776	7,044	5,748	6,379
Total business-type activities program revenues	<u>42,737</u>	<u>46,348</u>	<u>48,884</u>	<u>42,324</u>	<u>49,841</u>	<u>50,226</u>	<u>51,363</u>	<u>51,427</u>	<u>48,519</u>	<u>50,915</u>
Total primary government program revenues	<u>\$ 65,453</u>	<u>\$ 70,689</u>	<u>\$ 69,247</u>	<u>\$ 63,297</u>	<u>\$ 70,163</u>	<u>\$ 82,051</u>	<u>\$ 69,448</u>	<u>\$ 67,079</u>	<u>\$ 63,558</u>	<u>\$ 68,811</u>

City of Yuma, Arizona

Changes in Net Position
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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Continued on next page

Net (expense)/revenue										
Governmental activities	\$ (64,891)	\$ (75,083)	\$ (81,571)	\$ (72,823)	\$ (70,282)	\$ (60,197)	\$ (73,521)	\$ (90,176)	\$ (88,209)	\$ (83,100)
Business-type activities	13,960	11,800	11,452	5,878	10,125	5,331	1,626	(1,120)	(2,204)	3,540
Total primary government net expense	<u>\$ (50,930)</u>	<u>\$ (63,283)</u>	<u>\$ (70,119)</u>	<u>\$ (66,945)</u>	<u>\$ (60,157)</u>	<u>\$ (54,866)</u>	<u>\$ (71,895)</u>	<u>\$ (91,296)</u>	<u>\$ (90,413)</u>	<u>\$ (79,562)</u>

General Revenues and Other Changes in Net Position

Governmental activities:										
Property taxes	\$ 7,430	\$ 8,250	\$ 8,856	\$ 9,498	\$ 9,986	\$ 10,099	\$ 9,549	\$ 9,451	\$ 9,650	\$ 10,955
Sales taxes	39,616	39,478	36,857	34,177	34,644	36,304	37,624	37,994	38,283	40,149
Franchise taxes	2,678	2,893	3,013	3,010	3,002	3,059	3,043	3,010	3,095	3,163
Shared revenues	30,558	32,788	31,330	28,239	25,379	23,936	25,917	26,552	29,441	30,272
Grants and contributions not restricted to specific programs	115	2,600	3,895	5,776	5,929	-	-	-	-	-
Unrestricted investment earnings	4,097	4,842	2,872	1,139	1,001	930	796	545	269	449
Gain from sale of fixed assets	-	-	-	-	259	-	-	-	-	-
Transfers	(363)	(96)	95	95	126	(37)	(122)	(730)	(1,323)	280
Total governmental activities	<u>84,131</u>	<u>90,755</u>	<u>86,918</u>	<u>81,934</u>	<u>80,326</u>	<u>74,291</u>	<u>76,807</u>	<u>76,822</u>	<u>79,415</u>	<u>85,268</u>
Business-type activities:										
Investment earnings	1,016	1,916	1,045	217	130	89	26	222	165	265
Transfers	363	96	(95)	(95)	(126)	37	122	730	1,323	(280)
Total business-type activities	<u>1,379</u>	<u>2,012</u>	<u>950</u>	<u>122</u>	<u>4</u>	<u>126</u>	<u>148</u>	<u>952</u>	<u>1,488</u>	<u>(15)</u>
Total primary government	<u>\$ 85,510</u>	<u>\$ 92,767</u>	<u>\$ 87,868</u>	<u>\$ 82,056</u>	<u>\$ 80,330</u>	<u>\$ 74,417</u>	<u>\$ 76,955</u>	<u>\$ 77,774</u>	<u>\$ 80,903</u>	<u>\$ 85,253</u>

Change in Net Position

Governmental activities	\$ 19,243	\$ 15,865	\$ 5,347	\$ 9,112	\$ 10,044	\$ 14,095	\$ 3,391	\$ (13,354)	\$ (8,794)	\$ 2,166
Business-type activities	15,338	13,620	12,402	6,000	10,128	5,457	1,669	(168)	(715)	3,526
Total primary government	<u>\$ 34,581</u>	<u>\$ 29,485</u>	<u>\$ 17,749</u>	<u>\$ 15,112</u>	<u>\$ 20,172</u>	<u>\$ 19,552</u>	<u>\$ 5,060</u>	<u>\$ (13,522)</u>	<u>\$ (9,509)</u>	<u>\$ 5,692</u>

Concluded

City of Yuma, Arizona

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Reserved	\$ 309	\$ 277	\$ 262	\$ 156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	19,893	18,608	15,493	18,796	-	-	-	-	-	-
Nonspendable	-	-	-	-	103	169	187	178	144	127
Committed	-	-	-	-	2,383	1,864	935	-	-	-
Assigned	-	-	-	-	88	868	-	-	-	-
Unassigned	-	-	-	-	19,060	15,655	18,693	17,732	17,348	18,218
Total General Fund	<u>\$ 20,202</u>	<u>\$ 18,885</u>	<u>\$ 15,755</u>	<u>\$ 18,952</u>	<u>\$ 21,634</u>	<u>\$ 18,556</u>	<u>\$ 19,815</u>	<u>\$ 17,910</u>	<u>\$ 17,492</u>	<u>\$ 18,345</u>
All other										
Governmental funds										
Reserved	\$ 513	\$ 543	\$ 552	\$ 553	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	12,892	8,791	6,876	7,848	-	-	-	-	-	-
Capital projects funds	926	67,732	47,349	31,267	-	-	-	-	-	-
Nonspendable	-	-	-	-	141	18	19	16	20	17
Restricted	-	-	-	-	2,388	24,834	22,456	19,167	20,280	47,003
Committed	-	-	-	-	34,441	11,235	7,252	7,018	7,847	8,655
Assigned	-	-	-	-	2,037	633	-	-	-	-
Total all other governmental funds	<u>\$ 14,331</u>	<u>\$ 77,066</u>	<u>\$ 54,777</u>	<u>\$ 39,668</u>	<u>\$ 39,007</u>	<u>\$ 36,720</u>	<u>\$ 29,727</u>	<u>\$ 26,201</u>	<u>\$ 28,147</u>	<u>\$ 55,675</u>

Notes: For FY 2011 GASB Statement No 54 was implemented. See Note I-F, Sec 10 of the Notes to Basic Financial Statements.

City of Yuma, Arizona

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$ 49,686	\$ 50,503	\$ 48,569	\$ 46,561	\$ 47,606	\$ 49,450	\$ 50,282	\$ 50,425	\$ 50,991	\$ 54,166
Licenses and permits	2,845	2,068	1,363	1,413	1,292	1,288	1,723	1,880	1,858	1,932
Intergovernmental	37,916	39,238	37,064	36,984	32,510	33,173	30,780	30,254	32,951	32,947
Charges for services	8,804	11,599	8,913	7,007	7,055	4,160	7,293	7,086	6,846	7,965
Fines and forfeitures	1,039	1,143	1,238	1,437	1,484	1,550	1,526	1,210	1,162	1,298
Special Assessments	679	914	949	817	1,039	1,089	1,134	1,183	280	290
Use of money and property	4,374	5,358	3,309	1,752	1,665	1,365	819	971	643	766
Contributions and donations	78	65	97	85	77	47	69	88	1,021	436
Miscellaneous	624	633	1,646	763	2,442	493	1,053	456	555	899
Total revenues	106,045	111,521	103,148	96,819	95,170	92,615	94,679	93,553	96,307	100,699
Expenditures										
General government	7,641	9,723	9,575	7,740	6,969	9,451	9,409	8,964	7,566	7,875
Public Safety	35,014	37,874	37,908	35,234	36,285	38,475	40,769	42,938	45,692	47,635
Streets	7,155	8,913	9,716	8,195	8,186	7,945	7,662	7,592	7,718	7,551
Parks, Recreation and Culture	11,022	11,547	11,857	10,619	10,171	10,688	10,964	11,200	12,117	12,593
Environmental Health and Protection	3,551	4,757	4,781	4,480	1,556	733	104	72	70	20
Community Design and Development	6,698	5,726	5,370	4,870	4,899	4,458	5,134	5,096	4,288	4,237
Capital Outlay	41,449	51,148	35,734	25,249	13,659	12,666	11,792	8,702	5,502	9,321
Debt Service										
Principal	3,837	8,312	7,075	6,315	7,680	8,010	8,350	8,700	8,080	6,565
Interest and fiscal agent fees	2,939	5,885	6,646	6,764	5,858	5,516	5,209	4,885	4,566	3,777
Issuance Cost										914
Total expenditures	119,306	143,885	128,662	109,466	95,263	97,942	99,393	98,149	95,599	100,488
Excess of revenues over (under) expenditures	(13,261)	(32,364)	(25,514)	(12,647)	(93)	(5,327)	(4,714)	(4,596)	708	211
Other financing sources (uses)										
Proceeds from long-term debt	-	93,686	-	30,017	-	-	-	-	-	97,386
Sale of real property	-	-	-	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	(29,378)	-	-	-	-	-	(72,265)
Transfers in	38,410	29,685	16,213	14,564	14,675	14,522	12,772	13,474	14,416	13,551
Transfers out	(38,773)	(29,589)	(16,118)	(14,468)	(14,548)	(14,559)	(12,893)	(14,204)	(13,595)	(10,502)
Total other financing sources (uses)	(363)	93,782	95	735	127	(37)	(121)	(730)	821	28,170
Net change in fund balances	\$ 13,624	\$ 61,418	\$ 25,419	\$(11,912)	\$ 34	\$ 5,364	\$ (4,835)	\$ (5,326)	\$ 1,529	\$ 28,381
Debt service as a percentage of noncapital expenditures	8.7%	15.3%	14.8%	15.5%	16.6%	15.9%	15.5%	15.2%	14.0%	12.6%

City of Yuma, Arizona

**Governmental Funds Tax Revenues by Source
Last Ten Fiscal Years**

Fiscal Year	Property Tax	General Sales Tax	City Road Sales Tax	Public Safety Sales Tax	Two Percent Tax	Utility Franchise	Public Enterprise In-Lieu	Mall District Levy	Total
2007	\$ 7,278,233	\$ 20,672,520	\$ 10,334,503	\$ 4,132,396	\$ 4,232,008	\$ 2,678,454	\$ 244,610	\$ 113,345	\$ 49,686,069
2008	8,026,861	20,479,641	10,238,080	4,093,839	4,424,358	2,893,077	242,000	105,394	50,503,250
2009	8,545,562	18,961,780	9,479,279	3,790,422	4,383,419	3,013,453	242,000	154,174	48,570,089
2010	9,256,633	17,461,635	8,729,333	3,490,546	4,253,079	3,009,794	242,000	117,798	46,560,818
2011	9,740,940	17,635,454	8,816,228	3,525,292	4,425,556	3,001,939	242,000	218,925	47,606,334
2012	9,944,517	18,470,938	9,233,899	3,692,304	4,665,296	3,058,634	242,000	142,151	49,449,739
2013	9,495,271	19,248,864	9,622,796	3,847,810	4,652,121	3,043,054	252,413	119,403	50,281,732
2014	9,339,855	19,517,306	9,756,994	3,901,471	4,576,061	3,009,904	242,000	81,320	50,424,911
2015	9,508,914	19,536,924	9,766,802	3,905,392	4,832,187	3,095,540	242,000	103,350	50,991,109
2016	10,757,040	20,531,463	10,263,987	4,104,199	5,007,109	3,162,691	242,000	97,151	54,165,640

City of Yuma, Arizona
Governmental Funds Intergovernmental Shared Revenues
Last Ten Fiscal Years

Fiscal Year	Sales Tax	Revenue Sharing	Auto In-Lieu	Highway Users	Local Transportation Assistance	Grants and Others*	Total
2007	\$ 8,437,831	\$ 10,079,129	\$ 3,476,885	\$ 8,137,895	\$ 425,850	\$ 7,357,643	\$ 37,915,233
2008	8,183,395	12,518,215	3,518,863	8,144,889	423,058	6,448,868	39,237,288
2009	7,105,468	13,355,612	3,445,491	7,029,312	394,161	5,734,617	37,064,661
2010	6,553,759	11,530,342	3,302,490	6,626,027	226,308	8,744,867	36,983,793
2011	6,856,996	8,692,400	3,250,436	6,503,532	75,764	7,131,364	32,510,492
2012	7,272,049	7,854,670	3,108,562	5,700,428	-	9,237,197	33,172,906
2013	7,600,328	9,506,288	2,948,529	5,862,202	-	4,862,601	30,779,948
2014	7,507,882	9,656,745	3,111,124	6,276,058	-	3,702,063	30,253,872
2015	8,285,303	10,974,954	3,271,810	6,908,773	-	3,510,123	32,950,963
2016	8,576,180	10,915,452	3,558,978	7,221,111	-	2,674,791	32,946,512

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*See 'Intergovernmental Revenues - Grants and Others' for detail information.

City of Yuma, Arizona

Intergovernmental Revenues - Grants and Other
Last Ten Fiscal Years

Fiscal Year	Federal					State of Arizona					
	Justice	Interior	Housing/Urban Development (CDBG)	Other HUD	Other	Parks	Commerce	Transportation	Other	Local Government	Total
2007	\$ 524,591	\$ 417,782	\$ 1,334,775	\$ -	\$ 4,090,532	\$ 432,498	\$ 130,213	\$ 233,689	\$ 59,422	\$ 134,141	\$ 7,357,643
2008	1,001,408	621,480	899,272	-	1,335,165	505,838	1,844,645	214,649	26,411	-	6,448,868
2009	583,702	1,469,327	1,121,334	-	2,176,628	-	297,024	5,393	81,210	-	5,734,617
2010	252,169	1,446,751	1,167,310	-	5,336,400	5,607	1,840	-	533,859	931	8,744,867
2011	271,296	741,740	1,059,135	255,855	4,165,343	-	-	-	637,996	-	7,131,364
2012	373,294	635,092	786,120	87,292	2,501,119	5,125	-	2,893,392	1,588,327	367,436	9,237,197
2013	459,826	726,689	1,207,608	-	1,855,100	10,400	296,263	240,044	66,670	-	4,862,601
2014	700,071	64,489	1,249,005	93,283	1,465,997	10,000	-	62,592	29,549	27,077	3,702,063
2015	799,620	-	941,585	-	1,517,358	-	-	5,599	185,812	60,149	3,510,123
2016	502,853	-	769,760	-	966,898	20,355	-	53,175	103,619	258,131	2,674,791

City of Yuma, Arizona

**Taxable Sales by Category
Last Ten Fiscal Years
(amounts expressed in thousands)**

	Fiscal Years									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Mining	\$ 25	\$ 155	\$ 6	\$ 82	\$ 6	\$ 44	\$ 20	\$ 24	\$ 34	\$ 38
Construction	254,740	249,315	207,592	118,996	121,132	190,490	190,260	174,693	138,657	111,924
Manufacturing	57,632	59,931	48,964	44,764	50,676	38,167	50,539	43,626	51,945	55,173
Transportation, Communications, and Utilities	186,420	207,693	206,089	207,112	197,764	194,646	197,687	206,056	205,300	205,077
Wholesale Trade	34,732	22,480	33,785	35,334	42,580	38,720	36,578	39,897	42,766	51,912
Retail Trade	1,088,053	1,089,001	1,001,579	962,699	973,426	987,416	1,036,092	1,068,106	1,110,680	1,172,122
Restaurants and Bars	157,866	162,560	162,404	157,024	160,742	168,358	172,056	174,309	200,951	194,761
Finance, Insurance and Real Estate	143,725	132,593	115,857	116,046	123,876	129,208	129,208	131,450	114,418	151,109
Hotels and Other Lodging Accommodation	39,360	33,642	36,093	29,502	29,507	33,368	32,054	29,049	32,624	33,051
Services	58,050	52,012	50,858	43,356	45,208	45,804	51,404	49,649	49,819	54,437
Arts, Entertainment, Government and All Others Not Specified	46,423	38,503	32,743	31,055	18,434	20,670	22,871	34,656	27,236	23,332
	<u>\$2,067,026</u>	<u>\$2,047,885</u>	<u>\$1,895,970</u>	<u>\$1,745,970</u>	<u>\$1,763,351</u>	<u>\$1,846,891</u>	<u>\$1,918,769</u>	<u>\$1,951,516</u>	<u>\$1,974,432</u>	<u>\$2,052,936</u>
City direct sales tax rate	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%

Revised

Source: Arizona Department of Revenue

Note: During fiscal 2004, the Department of Revenue implemented a new collection system with a revised reporting scheme. Accordingly, certain classifications have been combined for comparison purposes.

City of Yuma, Arizona

**Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>City Sales Tax Rate</u>	<u>City Hospitality Sales Tax Rate</u>	<u>Yuma County</u>	<u>Arizona State</u>
2007	1.70%	2.00%	1.10%	5.60%
2008	1.70%	2.00%	1.10%	5.60%
2009	1.70%	2.00%	1.10%	5.60%
2010	1.70%	2.00%	1.10%	6.60%
2011	1.70%	2.00%	1.10%	6.60%
2012	1.70%	2.00%	1.10%	6.60%
2013	1.70%	2.00%	1.10%	5.60%
2014	1.70%	2.00%	1.112%	5.60%
2015	1.70%	2.00%	1.112%	5.60%
2016	1.70%	2.00%	1.112%	5.60%

Source: Arizona Department of Revenue

City of Yuma, Arizona

**Ratio of Outstanding Debt by Type
Last Ten Fiscal Years**

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Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Municipal Property Corporation Bonds	Special Assessment Bonds	Long-term Contracts Payable	Municipal Property Corporation Bonds	General Obligation Bonds	Long-term Contracts Payable			
2007	\$ -	\$ 57,688,439 **	\$ 9,765,000	\$ 117,000	\$ -	\$ 7,373,851 **	\$ 84,154,117	\$ 159,098,407	3.68%	835
2008	-	148,092,247 **	8,820,000	-	131,638,694 **	6,358,872 **	80,379,513	375,289,326	8.05%	1,931
2009	-	141,246,841 **	7,840,000	-	126,683,860 **	5,200,528 **	76,473,462	357,444,691	7.38%	1,849
2010	-	135,516,812 **	6,815,000	-	123,597,128 **	3,999,805 **	72,431,684	342,360,429	6.85%	1,749
2011	-	126,682,719 **	5,745,000	-	120,350,368 **	2,736,957 **	68,249,441	323,764,485	6.11%	1,645
2012	-	120,017,028 **	4,625,000	-	116,931,350 **	1,406,662 **	63,921,836	306,901,876	5.64%	1,528
2013	-	113,071,335 **	3,460,000	-	113,335,361 **	-	59,443,795	289,310,491	5.36%	1,446
2014	-	106,355,784 **	2,245,000	-	109,791,531 **	-	54,810,083	273,202,398	4.94%	1,358
2015	-	98,766,464	1,965,000	-	105,872,834	-	50,015,230	256,619,528	3.98%	1,256
2016	-	98,354,487	1,675,000	-	108,583,560	-	45,053,649	253,666,696	N/A	N/A

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

*See the Schedule of Demographic and Economic Statistics on page 130 for personal income and population data.

**Revised due to GASB65 implementation in FY2014 - removed amortized debt issuance costs - revised all years.

City of Yuma, Arizona

**Ratio of General Bonded Debt to Assessed Value and General Bonded Debt Per Capita
Last Ten Fiscal Years**

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<u>Fiscal Year</u>	<u>Population *</u>	<u>Assessed Value</u>	<u>General Obligation Debt (Business-type Activities)</u>	<u>Ratio of General Bonded Debt to Assessed Value</u>	<u>General Bonded Debt per Capita</u>
2007	92,160	\$ 468,531,273	\$ 7,535,000	1.6%	82
2008	93,212	572,280,942	6,420,000	1.1%	69
2009	93,719	699,754,765	5,250,000	0.8%	56
2010	90,660	747,149,498	4,040,000	0.5%	45
2011	91,359	733,033,525	2,765,000	0.4%	30
2012	93,814	666,827,282	1,420,000	0.2%	15
2013	93,013	625,801,724	-	0.0%	-
2014	91,923	632,734,838	-	0.0%	-
2015	93,400	615,552,203	-	0.0%	-
2016	94,139	622,921,086	-	0.0%	-

Source: Yuma County Assessor
U.S. Department of Commerce

* Actual through 2010, projected by US Dept of Commerce thereafter.

NOTE: General obligation debt issued for utility system improvements is paid through user charges. No property taxes are levied for this purpose.

City of Yuma, Arizona

**Computation of Direct and Overlapping Debt
June 30, 2016**

Jurisdiction	Debt Outstanding	Allocable to City of Yuma	
		Percent	Amount
City of Yuma	\$ 100,029,487	100.00%	\$ 100,029,487
Total Direct Debt			<u>\$ 100,029,487</u>
Yuma County	6,634,000	47.30%	3,137,882
Yuma County Jail District	4,484,996	47.30%	2,121,403
Yuma County Library District	38,320,000	47.30%	18,125,360
Yuma County Special Assessment District	3,057,046	47.30%	1,445,983
Yuma County Community College District	56,985,000	46.14%	26,292,879
Yuma Union High School District No. 70	43,875,000	52.30%	22,946,625
Yuma School District No. 1	21,000,000	55.64%	11,684,400
Yuma School District No. 13	21,146,255	69.46%	<u>14,688,189</u>
Total Overlapping Debt			<u>\$ 100,442,721</u>
Total Direct and Overlapping Debt			<u>\$ 200,472,208</u>

Source: Yuma County Finance Department
 Yuma County Assessor's Office
 Arizona Western College
 Yuma School District No. 1
 Yuma School District No. 13 (Crane)
 Yuma Union High School Dist No. 70

Note: Valuation applicable percentage obtained from Yuma County Treasurer's Office

City of Yuma, Arizona

**Legal Debt Margin Information
June 30, 2016
(amounts expressed in thousands)**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt Limit										
Water, Sewer, Lights, Parks (20%)	\$ 572,281	\$ 114,456	\$ 139,951	\$ 149,430	\$ 146,607	\$ 133,365	\$ 125,160	\$ 126,547	\$ 123,110	\$ 124,584
All Others (6%)	114,456	34,337	41,985	44,829	43,982	40,010	37,548	37,964	36,933	37,375
Total net debt applicable to limit										
Water, Sewer, Lights, Parks (20%)	7,535	6,420	5,250	4,040	2,765	1,420	-	-	-	-
All Others (6%)	-	-	-	-	-	-	-	-	-	-
Legal debt margin										
Water, Sewer, Lights, Parks (20%)	\$ 86,171	\$ 108,036	\$ 134,701	\$ 145,390	\$ 143,842	\$ 131,945	\$ 125,160	\$ 126,547	\$ 123,110	\$ 124,584
All Others (6%)	28,112	34,337	41,985	44,829	-	40,010	37,548	37,964	36,933	37,375
Total net debt applicable to the limit as a percentage of debt limit										
Water, Sewer, Lights, Parks (20%)	1.32%	5.61%	3.75%	2.70%	1.89%	1.06%	0.00%	0.00%	0.00%	0.00%
All Others (6%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2016

		General Obligation Bonds	
		Water, Sewer, Lights, Parks (20%)	All Others (6%)
2014 Tax Year Secondary Assessed Valuation	\$ 622,921	\$ 124,584	\$ 37,375
Outstanding General Obligation Debt:			
Project 1997		-	-
Total General Obligation Debt		-	-
		<u>\$ 124,584</u>	<u>\$ 37,375</u>

(1) Under the Arizona Constitution, cities may issue General Obligation Bonds for purposes of water, sewer, artificial light and parks, open space preserves, playgrounds and recreational facilities up to an amount not exceeding 20% of secondary assessed valuation.

(2) Under the Arizona Constitution, cities may issue General Obligation Bonds for all purposes other than those listed in (1) above up to an amount not to exceed 6% of secondary assessed valuation.

City of Yuma, Arizona

Schedule of Municipal Property Corporation Debt Service Requirements to Maturity and Coverage

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	2010B Ref 2001B	2015 Excise Rev Ref 2003/2007B	2015 Road Tax Ref 2007D		2015 Utility System Rev Ref 2007 Utility
2015-16 Pledged Taxes	\$ 55,414,798	\$ 64,526,106	\$ 65,678,785		\$ -
2015-16 Net Revenue	-	-	-		23,276,636
Total Taxes/Net Revenue	<u>\$ 55,414,798</u>	<u>\$ 64,526,106</u>	<u>\$ 65,678,785</u>		<u>\$ 23,276,636</u>
2016-17 Debt related to pledge:				Total	
2010 Series B	\$ 2,849,781	\$ -	\$ -	\$ 2,849,781	\$ -
2015 Excise Rev & Refunding	-	3,746,300	-	3,746,300	-
2015 Road Tax Refunding	-	-	4,527,950	4,527,950	-
WIFA Loans (Parity Obligations)	-	-	-	-	6,715,892
2015 Utility System Rev Refunding	-	-	-	-	7,703,338
Total Debt	<u>\$ 2,849,781</u>	<u>\$ 3,746,300</u>	<u>\$ 4,527,950</u>	<u>\$ 8,274,250</u>	<u>\$ 14,419,230</u>
Coverage	19.4	17.2	14.5		1.6
Required Coverage	3.0	1.5	1.5		1.2
<i>Collective Coverage</i>					
Total 2015-16 Taxes/Net Revenue	<u>\$ 55,414,798</u>	<u>\$ 64,526,106</u>	<u>\$ 65,678,785</u>		<u>\$ 23,276,636</u>
Total 2016-17 Debt	<u>\$ 8,274,250</u>	<u>\$ 8,274,250</u>	<u>\$ 8,274,250</u>		<u>\$ 14,419,230</u>
Coverage	6.7	7.8	7.9		1.6
Required Coverage	3.0	1.5	1.5		1.2

2010B Refunding Series, 2015 Excise Revenue & Refunding, and 2015 Road Tax Refunding Series: Bond covenants require that each series cover both its related debt and the collective debt for the succeeding year.

2015 Utilities System Revenue Refunding: Net Revenue is comprised of all income, monies, and receipts from ownership and operation of utility system to include interest income minus operation and maintenance expenses.

City of Yuma, Arizona

Pledged Tax Collections
Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Local Taxes										
Sales Tax (1%)	\$20,672,520	\$20,479,641	\$18,961,780	\$17,461,635	\$17,635,454	\$18,470,938	\$19,248,864	\$19,517,306	\$19,536,924	\$20,531,463
Franchise Fee	2,923,064	3,135,077	3,255,453	3,251,794	3,243,939	3,058,634	3,043,054	3,009,904	3,095,540	3,162,691
Intergovernmental Revenues:										
State Revenue Sharing	10,079,129	12,518,215	13,355,612	11,530,342	8,692,400	7,854,670	9,506,288	9,656,745	10,974,954	10,915,452
State Sales Tax	8,437,831	8,183,395	7,105,468	6,553,759	6,856,996	7,272,049	7,600,328	7,507,882	8,285,303	8,576,180
Auto In-Lieu Tax	3,476,885	3,518,863	3,445,491	3,302,490	3,250,436	3,108,562	2,948,529	3,111,124	3,271,810	3,558,978
Emergency Services and Other	112,747	133,560	189,929	44,700	55,745	34,252	37,974	23,913	44,062	196,457
Licenses:										
Business Licenses	315,968	332,122	319,631	315,580	302,668	288,133	261,323	250,365	250,957	246,528
Liquor Licenses	38,880	34,700	35,715	34,130	35,131	31,670	32,955	32,560	33,310	33,090
Fees for Services:										
Building Permits and Inspection Fees	3,465,837	2,401,049	1,386,593	1,435,276	1,319,507	1,170,037	1,751,071	2,036,965	1,829,085	1,916,567
Recreation Fees	485,647	546,680	563,437	628,264	609,192	546,940	478,911	513,535	544,212	487,166
Police Services and Other Public Safety Fees	1,335,542	1,852,400	1,226,013	1,447,064	603,253	1,043,802	4,447,101	3,190,974	4,283,521	4,427,053
Use of Money and Property:										
Investment Income	1,038,848	1,021,862	504,146	166,500	108,396	53,277	14,717	99,738	47,095	64,755
Fines, Forfeitures and Penalties:										
City Court Fines	1,038,871	1,143,006	1,237,672	1,436,928	1,484,105	1,549,889	1,526,176	1,209,502	1,161,809	1,298,418
<i>Total Series B Pledged Taxes</i>	<u>53,421,769</u>	<u>55,300,570</u>	<u>51,586,940</u>	<u>47,608,462</u>	<u>44,197,222</u>	<u>44,482,853</u>	<u>50,897,291</u>	<u>50,160,513</u>	<u>53,358,582</u>	<u>55,414,798</u>
Additional Excise Series Pledged Taxes										
City Public Safety Taxes (.2%)	4,132,396	4,093,839	3,790,422	3,490,546	3,525,292	3,692,304	3,847,810	3,901,471	3,905,392	4,104,199
City Special Taxes (2%)	4,232,008	4,424,358	4,383,419	4,253,079	4,425,556	4,665,296	4,652,121	4,576,061	4,832,187	5,007,109
<i>Total Excise Series Pledged Taxes</i>	<u>57,653,777</u>	<u>59,724,928</u>	<u>55,970,359</u>	<u>51,861,541</u>	<u>48,622,778</u>	<u>49,148,149</u>	<u>55,549,412</u>	<u>54,736,574</u>	<u>58,190,769</u>	<u>64,526,106</u>
Additional Road Tax Series Pledged Taxes										
City Road Tax (.5%)	10,334,503	10,238,080	9,479,279	8,729,333	8,816,228	9,233,899	9,622,796	9,756,994	9,766,802	10,263,987
<i>Total Road Tax Series Pledged Taxes</i>	<u>\$63,756,272</u>	<u>\$65,538,650</u>	<u>\$61,066,219</u>	<u>\$56,337,795</u>	<u>\$53,013,450</u>	<u>\$53,716,752</u>	<u>\$60,520,087</u>	<u>\$59,917,507</u>	<u>\$63,125,384</u>	<u>65,678,785</u>
 <i>Gross Excise Tax Pledged Revenues</i>	 <u>\$72,120,676</u>	 <u>\$74,056,847</u>	 <u>\$69,240,060</u>	 <u>\$64,081,420</u>	 <u>\$60,964,298</u>	 <u>\$62,074,352</u>	 <u>\$69,020,018</u>	 <u>\$68,395,039</u>	 <u>\$71,862,963</u>	 <u>74,790,093</u>

The Excise Series Pledged Taxes consist of the Excise Taxes, City Public Safety Taxes, and the City Special Taxes.
The Road Tax Series Pledged Taxes consist of the Excise Taxes and the City Road Tax.

City of Yuma, Arizona

**Demographic and Economic Statistics
Last Ten Calendar Years**

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Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate	Building Permits			
					Commercial		Residential	
					No.	Value	No.	Value
2006	187,555	\$ 4,074,587	22	14.70%	1,057	\$ 229,391,979	1,568	\$ 148,285,471
2007	190,557	4,320,000	23	13.90%	1,141	105,194,398	801	61,578,063
2008	194,322	4,661,000	24	17.10%	740	101,217,617	972	50,218,987
2009	193,299	4,840,484	25	21.30%	510	17,348,000	748	48,260,000
2010	195,751	4,994,489	26	26.30%	546	33,118,172	759	40,924,654
2011	196,830	5,300,165	27	27.10%	610	52,240,172	782	26,660,688
2012	200,870	5,441,761	27	28.40%	325	19,892,725	787	24,553,421
2013	200,022	5,399,670	27	28.70%	21	28,859,856	378	61,650,122
2014	201,201	5,529,669	27.5	23.30%	27	23,994,422	321	58,424,149
2015	204,275	6,449,702	31.6	21.80%	148	47,907,579	271	73,948,000

Note: Unemployment rate and population presented represents the Yuma Metropolitan Statistical Area and it reflects revised inputs, reestimation, and new statewide controls through 2014.

Source: U.S. Department of Commerce Bureau of Economic Analysis
 U.S. Department of Labor Bureau of Labor Statistics
 Building permits: Department of Community Development (calendar year basis)

City of Yuma, Arizona

**Principal Employers
Current Year and Ten Fiscal Years Ago**

Employer	2006			2015		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Marine Corps Air Station	6,043	1	9.23%	6,825	1	10.66%
U. S. Army Yuma Proving Ground	2,758	2	4.21%	2,093	2	3.27%
Yuma Regional Medical Center	1,844	3	2.82%	1,991	3	3.11%
Date Pac, LLC	-		0.00%	1,500	4	2.34%
Yuma School District #1	1,700	4	2.60%	1,400	5	2.19%
Yuma County	1,300	6	1.99%	1,366	6	2.13%
Trax	-		0.00%	1,262	7	1.97%
City of Yuma	985	8	1.50%	1,200	8	1.87%
United States Border Patrol	-		0.00%	1,000	9	1.56%
Yuma Union High School District	921	9	1.41%	1,000	10	1.56%
Growers Company	1,400	5	2.14%			
Dole	850	10	1.30%			
Salyer American Fresh	1,000	7	1.53%			
Total	18,801		28.72%	19,637		30.67%

Source: Greater Yuma Economic Development Corporation/Employers

Note: Figures presented represent the Yuma Metropolitan Statistical Area. Data for 2016 is not available.

Full Time and Part Time

City of Yuma, Arizona

**Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years**

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government	226	228	241	235	192	201	192	198	205	208
Public Safety										
Police	267	269	266	267	239	249	258	259	272	276
Fire	122	122	122	133	129	131	125	125	125	131
Public Works										
Engineering	37	44	44	41	33	32	32	24	35	28
Maintenance	51	47	56	56	46	46	46	52	47	48
Solid Waste	16	16	17	17	13	13	13	13	13	13
Water	73	75	76	80	73	73	76	76	69	77
Wastewater	52	52	47	51	49	49	52	52	52	53
Parks and recreation	141	145	133	133	116	116	116	117	124	119
Total	985	998	1,002	1,013	890	910	910	916	942	953

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Source: City of Yuma Annual Budget, Fiscal Year 2015-2016

City of Yuma, Arizona

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Calls for service*	87,797	81,347	84,332	83,226	76,232	NA	76,080	89,027	93,463	90,694
Case reports	15,281	13,746	13,740	13,434	13,535	NA	14,651	12,855	12,905	12,185
Fire										
Number of calls answered*	10,862	11,455	11,045	11,565	12,067	12,037	12,664	12,529	13,191	13,888
Inspections*	2,030	2,059	2,322	745	864	NA	1,399	1,460	883	2,448
Streets										
Streets slurry sealed (miles)	9	22	11	2	15	10	24	30	30	23
Solid Waste										
Refuse collected (tons)	34,938	34,919	33,996	33,288	32,638	32,177	32,010	26,650	26,848	25,622
Parks and recreation										
Ramada rentals	3,247	3,160	2,673	2,519	2,554	2,327	2,551	2,097	2,171	1,946
Water										
Connections	26,686	27,174	27,622	28,058	28,984	29,009	27,396	29,361	29,945	30,400
Daily treatment capacity (million gallons)	48.0	48.0	60.0	64.0	65.0	65.0	65.0	65.0	65.0	65.0
Annual quantity processed (billion gallons)	9.5	9.5	8.2	7.5	8.4	8.3	8.1	7.1	8.0	7.8
Wastewater										
Daily processing capacity (million gallons)	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6

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Source: Various city departments.

Note: Indicators are not available for the general government function.

*Numbers presented are for calendar year.

Due to a software conversion in 2013 the water connection data isn't fully verified

City of Yuma, Arizona

Capital Asset Statistics by Function
Last Ten Fiscal Years

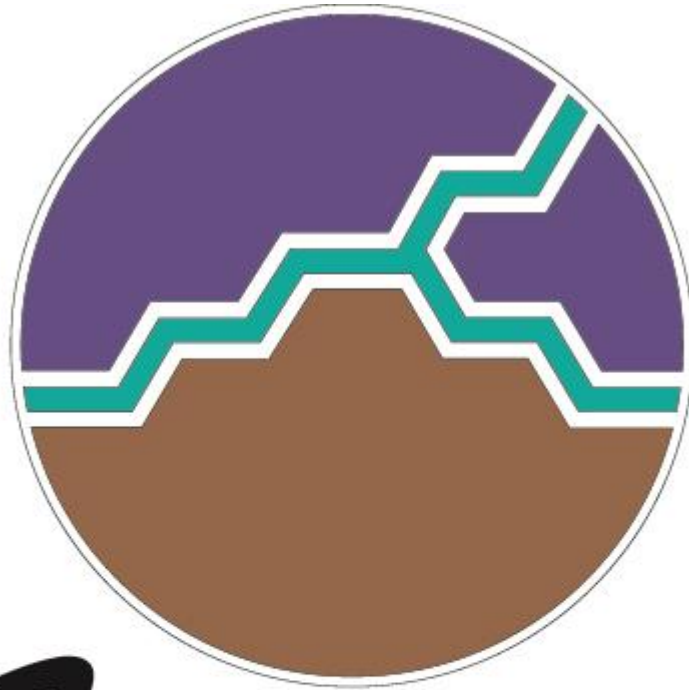
		Fiscal Year									
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function											
Public Safety											
	Police stations	1	1	1	1	1	1	2	2	2	2
	Police vehicles	143	150	163	164	163	156	172	179	181	194
	Fire stations	6	6	6	6	6	6	6	6	6	6
Streets											
	Streets (miles)	361	361	384	389	395	420	421	442	448	450
	Streetlights	5,303	5,375	5,463	5,606	5,750	5,753	5,764	6,757	6,757	6,773
	Traffic Signals	40	42	42	49	50	50	79	79	79	79
Solid Waste											
	Collection trucks	13	13	13	13	13	11	11	11	11	11
Parks and Recreation											
	Parks acreage	592	607	607	607	607	607	607	620	633	682
	Parks/Athletic Fields	27	32	79*	79	79	79	79	80	84	90
	Swimming pools	3	3	4	4	4	4	4	4	4	4
	Tennis courts	1	1	2	9	9	9	9	9	9	9
	Community centers	9	9	9	9	9	9	9	9	9	9
Water											
	Water mains (miles)	493	501	501	507	520	525	525	527	527	527
	Fire hydrants	3,150	3,267	3,400	3,438	3,450	3,573	3,646	3,754	3,790	3,831
Wastewater											
	Sanitary sewers (miles)	310	320	320	342	340	341	350	350	350	362
	Manholes								5,318	5,318	5,376

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Sources: Various city departments.

Note: No capital asset indicators are available for the general government function.

*Change in the inventory of athletic fields from counting athletic complexes versus individual fields.



CITY OF
Yuma